

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

FRIDAY, 30 NOVEMBER 1917

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LEGISLATIVE ASSEMBLY.

FRIDAY, 30 NOVEMBER, 1917.

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

QUESTION.

FEES OF ATTORNEY-GENERAL.

Mr. PETRIE (*Toombul*), in the absence of Mr. Morgan, asked the Attorney-General—

"1. Will he place on the table of the House particulars of all fees received by or payable to the Attorney-General from any department or public source whatsoever from 1st July, 1916, to 1st November, 1917?

"2. Were any fees received by the Attorney-General from the Imperial Government during that term, and, if so, what amount?

"3. What fees were received by the Attorney-General out of party and party costs in actions in which the Government was engaged?"

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

"1. Yes. I would refer the hon. member to the return of fees paid to barristers and solicitors from 1st July, 1916, to 31st July, 1917, which was tabled in the House on 7th November, 1917. The fees to be paid or payable include the taxed costs of the Attorney-General in the 'Eastern' case. Under the order of the Privy Council the Government recovered judgment for all party and party costs incurred in the Supreme Court and High Court in this case. Bills to these costs have been delivered, but taxation has not yet been completed. Further fees paid or to be payable to the Attorney-General, for which vouchers have been rendered, amount to £409.

"2. No; but the Imperial Government are responsible by reason of their indemnity for payment of the costs in the stock embargo case (*Duncan* and another v. *Hunter* and the State of Queensland), and *Mooraberrie* case (*Duncan v. Theodore*).

"3. None; but in several cases, including the Colonial Sugar Refining cases, stock embargo, and South Brisbane Gas Company cases, bills have yet to be delivered and taxed; but when such costs are received, no portion is paid to the Attorney-General, but are paid direct to consolidated revenue."

PERSONAL EXPLANATION.

Mr. FORDE (*Rockhampton*): I ask the permission of the House to make a personal explanation.

The SPEAKER: Is it the pleasure of the House that the hon. member for Rockhampton, Mr. Forde, be allowed to make a personal explanation?

HONOURABLE MEMBERS: Hear, hear!

Mr. FORDE: It has come under my notice that a letter from Sturmfels Limited appeared in the "Daily Mail" on 21st instant,

[*Mr. Forde.*

protesting against statements I made in my speech on Ways and Means in this House, on 9th October. My statements were—

"When we get impartial men to Rockhampton—and we do get some—we get the truth. Mr. T. Leitch, one in particular, who visited Rockhampton some time ago as a representative of Sturmfels Limited, said that the storage accommodation that Walter Reid and Co. are prepared to make available would, with a few alterations, be suitable for the storage of 50,000 bales, and from 12,000 to 15,000 bales could be displayed at one time. What do we find when this statement by Mr. Leitch was made known in Melbourne? We find that the heads of the firm in Brisbane wrote down and said that no notice should be taken of the statements of Mr. Leitch, because he had been drinking previously."

First, I have to state that I received no letter from Sturmfels Limited, the first intimation I had being the paragraph in the "Daily Mail." The manager of Sturmfels Limited now denies that Mr. T. Leitch was in his employ at that time. As my informant was a prominent Rockhampton citizen, and one of a party that entertained Mr. Leitch at Rockhampton, I thought the information given to me was quite authentic; but I have since interviewed my informant, who regrets his error in stating that Mr. Leitch was in the employ of Sturmfels Limited, and on making further inquiries I ascertained that Mr. T. Leitch was in the employ of Fenwick and Company at the time of his visit to Rockhampton. As I intend to be honest and straightforward throughout my political career, I unhesitatingly make the necessary correction, and I am sorry that Sturmfels Limited have been caused unwittingly some undue annoyance through the regrettable incident.

HONOURABLE MEMBERS: Hear, hear!

CITY OF BRISBANE BILL.

INITIATION.

On the motion of the HOME SECRETARY (Hon. J. Huxham, *Buranda*) it was formally resolved—

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirability of introducing a Bill for the good government of the city of Brisbane."

SUPPLY.

RESUMPTION OF COMMITTEE—ELEVENTH ALLOTTED DAY.

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

DEPARTMENT OF MINES.

CHIEF OFFICE.

Question—That £10,878 be granted for "Department of Mines, Chief Office"—stated.

Colonel RANKIN (*Burrum*): He did not intend to take up the time of the Committee very long, as he understood there was an agreement that the Estimates of the department were not to be delayed, but there were one or two matters to which he would like to call attention, particularly in relation to some coal matters in his district. It might be within the recollection of hon. members that some time ago he asked some questions dealing with the action of the Mines

Department in putting down certain bores on private property—as to the amount expended, the depths attained, the number of bores put down, the cost of the boring, and the result, and whether any arrangements had been made between the department and the owners of the property, where the exploration work had been done, as to the purchase of the lands or giving the Government any right with respect to them in the event of the prospecting proving successful. He was put off with the reply that the information would be available when the Estimates came on. He had been assured by previous Treasurers and other Ministers that the usual practice of former Administrations had been that the owners bore a proportion in the ratio of £1 for £1 of the expense. He understood that that very excellent principle in the case of the present Government had been departed from. If his information was correct, bores had been put down on the property of private persons without asking them to contribute a farthing towards it. In other words, the Government, without any compensation at all, had expended considerable sums of public money in proving other people's property.

The TREASURER: Or disproving.

Colonel RANKIN: Proving or disproving it, as the case might be. He thought that the information might reasonably have been given to him before reaching that stage of the session, because to him it was a matter of very great importance. Anything affecting the mineral resources of the Wide Bay and Burnett districts was a matter which must of necessity command a certain amount of attention from any representative of that district. He had been further assured, in the presence of certain witnesses, that in one case at all events, where a good deal of that money had been expended on certain property, there was really no written agreement with the owner, conferring any rights on the Government in the event of their prospecting work proving successful or otherwise. If such were the case, it showed a most objectionable situation. Here were the Government expending a certain amount of public money in proving or exploring or prospecting private lands without the owner contributing a single farthing towards it, or without the Government having any right in those lands in the event of their work being successful. He was giving the information as it had been given to him, and if he were wrong he might be put right. He realised that something should be done by the Government towards the development of their resources in the Burrum district. They had recently established a very excellent deep-water port, a port which had been described by the captain of a very large steamer which visited there, when speaking to a friend in Melbourne, as being one of the most accessible ports along their seaboard—in fact, so far as navigation was concerned, it was quite equal to Sydney in that respect. Having that deep-water port, and having, as they well knew, a considerable area of coal-bearing land in that neighbourhood, he would like to see the Government taking some steps in assisting its development, because there was no doubt that, when peace was restored and normal conditions prevailed, the development of their mining industry was destined to play a not unimportant part in the advancement of the State. Much had already been done by private enterprise, but

it had been done in spite of the Government rather than in consequence of any assistance given by the Government. One had only to look at the treatment meted out to that deep-water port. They had imposed railage and other charges which had almost made it a prohibitive port which no shipping company would care to use. The actual port charges were exceedingly high, and the railway charges were absolutely exorbitant.

The TREASURER: Do you think this comes within the Mining Estimates?

Colonel RANKIN: He thought it was relevant to the mining industry, because it was quite impossible to develop the coalmining industry unless you had an oversea market, which you could not have without a deep-water port. They had not had any sympathetic treatment in regard to their coal-bearing resources. They had large areas of Crown land in the Wide Bay and Burnett district and in the Burrum electorate, and nothing had been done, with the exception of a few bores put down here and there without having any clearly defined policy. The Government Geologist had reported from time to time, a few holes had been sunk here and there, but the district was quite as much a sealed book to them as it was forty years ago.

The TREASURER: What is that?

Colonel RANKIN: The Burrum coalfields, and the Crown land in those districts adjacent to the railways. The Government should explore the district with a view to the development of the resources of those lands. They had certainly not done much; the only work done had been that undertaken in connection with private enterprise. He hoped that they might see some interest taken in that branch of their local industry in the near future. They found a subsidy provided for deep sinking on goldfields, a good deal of money was devoted to prospecting for gold and other precious metals, but so far as the coalmining industry was concerned it had under this Government, as under previous Governments, always been most carefully put aside. None of their minerals would give employment to a greater number of men than coal, and anything done to develop that industry would be of great assistance to the State itself. It only required some sympathetic treatment at the hands of the Government.

The TREASURER: The hon. member spoke about bores put down at the instance of the Government on properties in the Burrum district. The Government were desirous of getting coal property in that district in order to supply the whole or part of the railway requirements with regard to coal in the district. One bore was put down on the property of Mr. Walsh, at Burrum, and three bores on the property of Mr. Stafford, at Dundee. In both cases before the Government commenced operations concessions were secured over the properties: It was not correct to say that they had no binding arrangement with the owners that would have enabled the Government to complete the purchase of these properties if they had been proved.

Colonel RANKIN: Mr. Stafford assured me that the Government had no option.

The TREASURER: The Government was given a binding option by Mr. Stafford before the bore was commenced. He did not know under what misapprehension Mr. Stafford might be labouring; the fact was

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that the option secured was watertight before the Government commenced operations. The bores put down on Mr. Stafford's property were sunk to between 600 and 900 feet. The average distance drilled was 2,197 feet. The cost altogether in wages and plant was £988. On the other property one bore was put down a distance of 1,003 feet at a cost of £451.

Colonel RANKIN: Was the expenditure borne jointly by the parties?

The TREASURER: He understood that the expenditure was wholly borne by the department. The department was interested in proving that coal existed. If the coal had been proved to exist the value would have been returned to the Government, because the option would have been exercised. The option was secured on what was considered by the mining experts of the department at the time on very reasonable terms, on the assumption that coal existed there in payable quantities, but nothing was proved. The option given to the Government was a reasonable one, but on the Government was cast the obligation of proving whether the coal was worth while developing. After the boring operations had gone as far as he had indicated the Government came to the conclusion that they could not exercise the option, and nothing had been done.

Colonel RANKIN: That money has been lost.

The TREASURER: That money had been lost as far as that property was concerned. The information disclosed might be of use to the district, but so far as the Government was concerned it was worth nothing now. The hon. member had explained that there were Crown lands in the district and that there was a possibility of coal being found there. He would consult his colleague, the Secretary for Mines, as to whether there was a prospect of going on with prospecting operations. If there was a reasonable prospect of coal being discovered there was no reason why they should not carry on prospecting operations. It would be a good thing if the Government found a valuable seam of coal on Crown lands.

Mr. MACARTNEY (*Toowong*): He noticed that, generally speaking, there was a reduction in the mining vote. The total vote was reduced by between £6,000 and £7,000, although the expenses of the Chief Office were going to be increased by £1,300. There was an increase under the heading of "Postage, telegrams, and incidentals" of £1,500, and an increase on railway fares and freights, etc., of £300. The votes in aid of mining were reduced by £8,000. It seemed strange that the cost of the Chief Office should increase while the aid given to mining was going to be considerably reduced. Mining was one of the great industries of the State, and it had come to the rescue of the State before now in bad times. History told them of the aid which mining rendered to Queensland in 1866, and it seemed to him that, although the bulk of mining members were on the Government side of the House, nothing much had been done to encourage that great industry. As a matter of fact much had been done to discourage those who were prepared to put their hands in their pockets, certainly in the hope of gain, but also for the advantage of the State and its development. He was sorry that greater interest had not been taken in mining. He really believed that the Treasurer, who was a representative of a mining district, and

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knew a great deal about mining, was genuinely interested. He would therefore expect to find him a strong advocate for the mining industry. The hon. gentleman knew that there was an opportunity at present which had never existed in the history of Queensland before for the production of the baser metals. He knew the possibilities of Cloncurry and the surrounding districts. The present was the time when the production of baser metals might be made a permanency in that district. Copper ore with 2 per cent. or 3 per cent. of copper had been made payable in America, but there was ore at Mount Oxide said to contain 60 per cent. copper, and ore in the various mines which surrounded Cloncurry had large reserves averaging 6, 8, 10, and even 12 per cent. copper. Surely it was up to this country to take advantage of the circumstances which existed and to endeavour to establish that industry on something like a permanent basis. The trouble they had always had up there was to get sympathy and help and encouragement to develop the country. They had had isolated help in connection with the railways, but they wanted all the encouragement they could get in order to establish mining, and there never was a time when they could take advantage of the opportunity more than the present.

The TREASURER: Coal and coke will be of advantage to the industry.

Mr. MACARTNEY: One would like to see action taken in this direction, because that country was capable of carrying a tremendously large industrial population. It answered one of the problems which attached to North Queensland at the present time. He was sorry to say that he did not see signs of the realisation on the part of the Government of the opportunity that existed.

The TREASURER: Don't you think that it would be of great assistance to that district if they had connection with a deep-water port in the Gulf?

Mr. MACARTNEY: Advantage ought to be taken of the present position. He believed the hon. gentleman was quite in sympathy with the fact that the companies which were endeavouring to develop the Cloncurry district had met with very great difficulty. Those companies were suffering to-day from a militant unionism which was doing so much harm in other parts of Australia.

The TREASURER: I do not class the I.W.W. as unionism. There have been some there, but the unions are endeavouring to stamp them out.

Mr. MACARTNEY: He was talking about the worst forms of unionism.

The SECRETARY FOR AGRICULTURE: Is it as bad as the lawyers' union?

Mr. MACARTNEY: The hon. gentleman was entitled to his little conceit. Perhaps, like his friend in Russia, he would obtain the position of dictator in Queensland. Perhaps he would adorn that very high position yet.

The SECRETARY FOR AGRICULTURE: He is not a friend of mine, and his name is not pronounced the same as mine.

Mr. MACARTNEY: The English pronunciation was the same as the pronunciation of the hon. gentleman's name. However, that is not what they were discussing. The hon. gentleman had dragged him off the track. However, he would like to see

the Government showing a sincere desire to advance the mining industry of the State and give the people who were prepared to put their hands into their pockets that encouragement which they were entitled to. If the hon. gentleman did that he would be doing something for Queensland. It was not by going home to London and getting the Munitions Committee to offer £100 per ton for 45,000 tons of copper to be delivered before September, 1913, that they were going to advance the development of mining in Queensland. The Premier had flashed a letter, but he (Mr. Macartney) would like to know what the Government had done to produce or secure the production of that 45,000 tons of copper which was so grandiloquently referred to. Had the Government produced 1,000 tons of copper? Had they produced any copper under that arrangement. Here they were in November, 1917, one year had gone, and they were well on to the second year, but what had been the result? If the Government were only marking time, if they were only seeking political capital and not really doing anything for the development of the State, then it was a very sorry position that they had got into. Whatever happened, he hoped they would hear of something being done for the mining development of Queensland; at any rate, more than had been done, and more than the vote before the Committee would indicate that the Government were prepared to do.

The TREASURER: The hon. gentleman's sentiments were very good, but as he said himself, they were mere words so far. The Government which was supported by the hon. member did not do anything very much towards realising the hopes which the hon. gentleman had expressed that afternoon. They were sympathetic, but nothing more than that. So far as giving practical assistance was concerned, that was left to the present Government. The hon. gentleman made reference to the Premier's negotiations with the Munitions Committee and the assurance he was able to get from them that if a stable price were given for the copper products of Queensland until such time next year he would be able to supply a certain amount of copper in that time. At the time that undertaking was given it was a very favourable undertaking for the mining industries of Queensland, and it gave a real stability to the copper-mining industry which was then not offering for copper mining in other parts of the world so far as the price of copper was concerned. Since then the price of copper had advanced beyond £100 per ton, but, at the time that offer was made, it represented a good concession to Queensland. The Government took definite steps at the time, and had they been successful it would have led to an increase in the production in copper before the time expired as mentioned in the letter. If the Chillagoe Bill, which was introduced last year, had been passed there was not the slightest doubt that the smelters at Chillagoe would have been in blast, and copper would have been produced in that district before this. He was hopeful that the Chillagoe Bill would be passed this session, and that in a short time it would lead to the blowing-in of one or two furnaces in Chillagoe, and thus increase the copper production in that district. Another proposition which the Government was inspired to take up was the

construction of a railway from Mount Cuthbert to Mount Oxide. From the information which the Government had at that time, they knew that the line could have been completed within twelve months from the date of commencement, and, had not that line been built, there was not the slightest doubt that there would have been a large increase of copper from that district, within the period mentioned in the letter. From the opinion of experts who had a great knowledge of mining they knew that Mount Oxide was undoubtedly one of the richest and one of the largest copper mines in Queensland. It was a tremendous big lode, and there were rich levels which had not yet been worked. In his opinion, the lode was not likely to be worked to any extent until they got railway communication. A short line of 70 or 80 miles would bring railway communication to the mine. He believed that if they gave the fullest possible assistance to the Cloncurry district it would have to have railway communication to a deepwater port. That might result in an injury to the trade of Townsville, but it would be of great benefit to the State. At the present time Cloncurry was 500 or 600 miles from a deepwater port, whereas it could be connected with a deepwater port by rail within 300 miles, and so far as some of the mining propositions in that district were concerned, they could be connected with a deepwater port within 250 miles. They knew that many years ago the railway was started from Normanton to Cloncurry, but it was diverted to Croydon on the outbreak of the goldfield there. That was a shortsighted policy on the part of the Normanton people, because if they had allowed the railway to go to Cloncurry they could easily have got the Croydon railway afterwards, but once it was diverted that ended the matter, and it had not been taken up since. The present Government favoured connecting Cloncurry up with deep water. There were many low-grade propositions in that district which could be worked if railway communication were established to the deepwater port. The hon. member for Toowong mentioned that, in other parts of the world, the 2 per cent copper propositions were being worked successfully. In Cloncurry, however, they could not work copper propositions under 6 per cent., and in Chillagoe under 5 per cent. If they were able to get cheaper coal and coke in the Cloncurry district and railway communication to a deepwater port they would be able to develop a lot of the low-grade properties there.

HON. J. TOLMIE asked the Minister the reason for the increase in postage, telegrams, and incidentals from £3,000 to £4,500, seeing that the full amount voted last year was not spent.

The TREASURER: The hon. gentleman is mistaken. We spent £5,099 last year under that head.

Mr. WINSTANLEY (*Queenton*): He listened with a good deal of interest to the remarks of the hon. member for Toowong, but he thought they were mere words. Last year the hon. member on the other side of the House made the following remarks:—

"Then the Mines Department want £72,000 this year. They spent in aid of mining last year £30,000. I do not object to a little money being spent that way, but it is an absolute waste of

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money. . . . The Government are going to spend £20,000 on deep sinking, and £5,000 in prospecting. There is far too much being spent in this direction, and it has been an absolute dead loss to the Government.

"I say we should save in connection with the deep-sinking fund at least £10,000. . . . Why not combine the Mines Department and the Agricultural Department, and try and reduce the expenditure!"

The hon. member for Toowong, therefore, was expressing the opinions entirely at variance with some of his colleagues. The hon. member referred to the letter the Premier received with regard to the supply of 36,000 tons of copper, but he should be the last man to refer to that, seeing that at the time the Premier was charged with practically every crime in the calendar in connection with his visit to England. The hon. gentleman knew that if it were not for the obstruction in another place something would have been accomplished in connection with the production of copper for the Munitions Committee in England. The hon. member for Toowong charged the Premier with simply talking about it, and not making an endeavour to do something, but the Premier had got himself into trouble for doing something. He was sorry to find that the vote for the Mines Department was decreased. He thought there should rather have been an increase. They all knew that there was a decrease in the gold production in Queensland, but an industry that had produced over £4,000,000 of minerals was worth considering. It was well known that throughout the Commonwealth the output of gold was on the decrease. There was very little prospecting being done in Queensland at the present time. The old-time prospector of thirty or forty years ago was fast passing away, and there were very few of them at the present time. It was almost an impossibility to find anything just now. Sometimes people found things when they weren't looking for them, but in the majority of instances the prospectors had to look diligently before they found a goldmine. It was regrettable that the prospectors that had blazed the track were passing away. They heard hon. members opposite talk about the farmers and graziers blazing the track, but in nine cases out of ten the prospector blazed the track long before the cattle-man or farmer came there.

Hon. J. TOLMIE: It blazes a permanent track.

Mr. WINSTANLEY: It was a permanent track, fortunately, but they could not afford to ignore the other. What kind of country was it which had only agriculture to depend on, even though it might be permanent? It certainly was not amongst the first rank nations at the present time.

Colonel RANKIN: Take America.

Mr. WINSTANLEY: America had something besides its agriculture. If it had not it would not be the country it was.

Colonel RANKIN: Take France.

Mr. WINSTANLEY: France had something besides agriculture. It had its secondary industries—very high-class manufacturing industries. Any country that had nothing at all to depend on but agriculture had not the same opportunities or the chance of being a

front-rank country as the country which had manufacturing industries as well. The mining prospectors in a great many instances blazed tracks where nobody else ever went; into country which was not of much use to agriculturists or to cattle men; away up amongst the mountain ranges and in the gorges into almost inaccessible country. He worked hard and lived hard. Sometimes he got something for what he did, and very often he himself did not get very much. It was most regrettable at the present time that so little was being done in that connection. He thought the Government might do something to work out a scheme that would encourage some men at the present time to go in for that class of work. Men were not very plentiful or available for those kinds of things, but something could be done. He was one of those who thought that Queensland had not been worked out either as far as gold or any of the other precious metals were concerned. He was satisfied there were great possibilities for the goldfields of Queensland to be developed and worked in the future. Only quite recently on Charters Towers, where the ground was as full of holes as the battlefield was full of shell holes, and one would think that it was an impossibility for anybody to have missed anything there, prospectors discovered the cap of a reef.

Hon. J. TOLMIE: Where is that?

Mr. WINSTANLEY: Just over the railway station at Charters Towers. They were going down and developing it, and at the present time it was looking very promising. That went to show that although men might imagine that the ground had been thoroughly searched and developed, somebody else could come along and find something where it was least expected or suspected. If that was the case on a goldfield, it might be the case in other auriferous parts of the country that had not been more than merely scratched on the surface. For that reason he thought something could be done that had not been done up to the present time. He would like to say in reference to the School of Mines at Charters Towers that that institution had shared the same fate as other institutions. Energetic enterprising young fellows, who would have been pupils, and some who had been there, had heard the call, enlisted, and gone to the front, and some of them had distinguished themselves. He was glad to think that the Mines Department officials, as well as those in other departments, had not been lacking in that respect. They had an honour board of which the department might very well be proud. It was a well-known fact, too, that the mining centres had contributed their quota as well as any district or town throughout the length and breadth of Australia. Some of the young fellows who had been students in that particular institution had offered their services to the Munitions Committee. He knew some of them personally, and they were occupying exceptionally prominent positions in the old country at the present time, while others had gone to the front in connection with the engineers' branch of the army, and had distinguished themselves and rendered exceptionally good service. But the institution had not the students that it could accommodate. There was only about half the number there that there was in pre-war days. Those who had had the opportunity of going to that institution and taking the course prepared there, and had got the diploma of the institution,

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invariably had been able to get hold of good positions and fill some very high places in various States of the Commonwealth, which went to show that the work done by that institution was recognised throughout the length and breadth of the land. Then there were free assays which were made for men who were in and around the place or anywhere within rail distance and could send their stone down. That had been appreciated, not only as far as Charters Towers was concerned, but also in connection with the various offices which had been opened in other places. They had rendered exceptionally fine service to the men who were engaged in that industry, particularly the small men and those who were not able to do all that they would like for themselves. He was inclined to think that "deep sinking" was a misnomer. In times gone by the idea was to spend some of that money to enable people to get deeper into the earth than they had been able to get before. Those people had not realised their expectations, and during recent years most of the money that had been placed on the Estimates under the heading of "Deep Sinking" had been spent in shallow rather than deep sinking.

Hon. J. TOLMIE: They are going down at Croydon.

Mr. WINSTANLEY: Yes, he believed they were going down at Croydon; but 1,400 feet was not very deep sinking; it was only shallow as far as Charters Towers was concerned, where they were down over 4,000 feet in some mines. Where assistance had been given, good results had accrued. One of the most encouraging was the Moonstone Flat. They, by that means, were enabled to unwater their mine and see if there was anything there; and they got encouraging results—which led to other people trying in the same direction. Clark's and Brilliant Victory had got assistance from the Government and had got encouraging results. There were two or three others in the same locality. None of them would be regarded as deep sinking, but the money had been granted to them on the £1 for £1 principle. They put their own money and their own energy into the enterprise as well as the Government money, and the results at the present time were fairly satisfactory. He was satisfied that money spent in that direction was well spent. Sometimes they were not able to pay it back, and they lost their own money, their own work, and energy. Taken altogether he certainly thought the money had been well spent, considering what the mining community had done for the State in times gone by. There had been some reference to people who claimed to have made Charters Towers, after they had got out of it all that they thought they were likely to get, proposing to close the mines. An effort was being made at the present time in that direction. Some of those who had drawn hundreds of thousands of pounds in dividends out of the mining industry, immediately it became unremunerative for them, had made a strong and strenuous endeavour to practically close down the mines altogether in which they were interested. One gentleman came along and financed a small party of men to buy the machinery on the surface. By that means they were able to get to work and keep the contributors going who were doing fairly well in that particular mine. The result was that instead of the mine being closed down and those men

being thrown on the street or forced to go and look for work elsewhere, at the present time they were in steady work. There was another mine at the present time which was sharing the same fate. The people who owned it had signified their intention of practically pulling everything out of the mine, selling the machinery, and closing the whole thing down. If that were done those forty or fifty men who were working there at the present time would be thrown out of work, and that mine would then fill up with water, and the result would be that it would overflow into the other mine. During the past few years, since the mines had become fewer in number, it had been a problem to keep the water down below working level. In times gone by when there were fifty or sixty mines, it was very simple; but every time a mine closed down that water gradually rose and found its way into the next, until the problem became very difficult. He was glad to say that the Government came to the rescue there as it did in Gympie, and helped the drainage board to do something.

Colonel RANKIN: That was the previous Government.

Mr. WINSTANLEY: No, it was not the previous Government. The previous Government passed a Bill, at the request of one of its members, and that was all it did. The Bill remained a dead letter for over twelve months, until this Government came into power; and during the first few months after it came into power it voted £1,500 to the drainage board. It requested them to have a drainage board formed, because there never had been one formed. This Government said that if they formed a drainage board and accepted the responsibility, they would give them £1,500 per annum. That was done, and the problem was tackled; and at present the board had done something helpful to the whole of the mining industry in that connection. But at the present time the Brilliant Freehold was in the position that, unless something was done, the machinery was going to be taken away and those men be thrown out of work. Those men had made a strenuous endeavour to form a company to take over the assets of the company and to try and keep that mine at work and do some prospecting work. There were quite a number who were confident that the mines had been by no means exhausted. The men who were working there on tribute were doing exceptionally well, and it would be a disaster, not only as far as those men personally were concerned, but also as far as the field was concerned, if that were to take place. The matter at the present time was in the hands of the department, and he had not the slightest doubt that they would do what was in their power to see that those men could get hold of the machinery and keep the men at work; and in all probability do something towards rehabilitating the mine and encouraging the people in that vicinity. As far as the "Mining Journal" was concerned, he would like to put in his meed of praise for the exceptionally fine manner in which it was got up, for the useful information which it disseminated, and for the service which it rendered generally to the mining industry throughout Queensland. While at the present time the mining industry as far as we were concerned was not looking bright and encouraging, he thought the time would come when they would see a revival, even in

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goldmining. While that was the case as far as goldmining was concerned there was every prospect for the baser metals; which, after all, in many instances perhaps, were the more useful metals. Queensland would then be a great mining State and could do something with its minerals instead of getting them in a crude state and sending them away to other countries, particularly to countries such as they had seen them sent to in the past. This Government had certainly given a good deal more assistance than any other; it was assistance that had been helpful; it had been wisely and discreetly paid out; and they had had ample work for the money. He hoped that the money that was on the Estimates this year would be availed of. Those in the industry sometimes had found it a difficult task to find the money to meet the £1 for £1 condition. He hoped that somebody would be able to take advantage of the money and that it would be spent. He hoped the department would be able to see its way clear to help those people in Charters Towers with the problem which they had in hand;

for the simple reason that if that [4.30 p.m.] particular mine was closed down the burden of bailing the water would rest on one or two mines; and if that was the case the end was not far distant for all the mines with the exception of those in the outside locality. He certainly thought something should be done, because once the water got up into the workings, that would be the end of it. For some two or three miles in length the water found its way from one mine to another and the cost of reducing it was fairly heavy. In conclusion, he would like to express the opinion that, notwithstanding that goldmining was under a cloud now, the time would come when the sun of prosperity would again shine, and when they would see money plentiful throughout the length and breadth of the State as it had been in the past.

* Mr. WELLINGTON (*Charters Towers*): In regard to Charters Towers, goldmining had been practically at one time on the highest level in Queensland, but during the last three or four years it had been on the down grade. It appeared that two or three men who practically had charge of Charters Towers did not want to spend any more money there. He might as well be frank. Mr. Thomas Mills, who resided in London at the present time, made application some years ago for a grant of £50,000 for the purpose of sinking a shaft in order to thoroughly test a particular mine. The Government refused the application and asked how much he was prepared to put into the venture himself. He found that Mr. Mills was not prepared to put in any of his own money, but wished to try to float a company on the London market, on condition that he received £50,000 from the Queensland Government. The then Minister was Mr. George Appel, who had been very good to Charters Towers in the matter of granting subsidies. The three mines working on Charters Towers and paying dividends were three to which that hon. member had given something; those mines, with a subsidy of a little over £3,000, had produced gold worth £141,000, and moreover, they were working to-day and were practically the three mines which employed most of the labour on the field. Mr. Mills wanted to close down the New Brilliant Freehold, but there were other shareholders at Charters Towers who did not, and Mr. William Clark, who was chairman of directors

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of Clark's Victory which had been subsidised by the Government, had received an option over it. It was proposed to float it into a company with 100,000 shares, payable 6d. on application and 6d. on allotment. Up to date he believed locally on Charters Towers over 60,000 shares had been subscribed for, which showed that the business people in Charters Towers had some confidence in it. Moreover, most of the men who were concerned previously to Mr. Clark's obtaining the option were prepared to put their money into that venture, and he believed that favourable reports had been received from persons who had inspected the mine. He thought that if the Government could advance half the value of the machinery under the Machinery Advances Act and give the company a subsidy of £2,000 on the £1 for £1 basis, in the course of a few months, instead of employing about forty men on tribute, who were doing well, the mine would employ another fifty or sixty, besides those who would be prospecting. As was well known in Charters Towers, mining men, when they could not get gold, said, "We will see if we can't get something by crosscutting." It was by that means that that mine had paid £100,000 in dividends. At the present time he believed that the company had about £12,000 in cash, and machinery worth between £3,000 and £4,000, but Mr. Thomas Mills, because he could not get that grant of £50,000, was determined to close down all ventures in which he had an interest in Charters Towers. If that mine were closed down it would mean that the Brilliant Deep Levels, in which he thought the shareholders had practically paid £150,000 in calls without receiving one penny back in the shape of dividends, and other mines, would also close. It also meant that the Brilliant Extended, which had a quartz-crushing plant and a cyanide works—practically £30,000 or £40,000 worth of machinery—would have to follow. If something were not done to relieve the pressure brought to bear on the New Brilliant Freehold, the Brilliant Extended, the Bonnie Dundee, and the Brilliant Deep Levels would have to close down, and they would only be working the mines on the shallow levels. He thought something should be done. The Minister had given assistance to the drainage board to the extent of £900 in the first six months, £1,500 for the next twelve months, and during the present year he had been good enough to advance £2,000—because there were only four mines which could afford to join in the drainage board. He maintained that if assistance were given to the Brilliant Freehold—no matter who took it up—to unwater the bottom levels and to crosscut, Charters Towers would be practically producing sufficient gold to keep a population of 25,000 persons there, as it was some few years ago. A party took up a tribute on the old Bramble reef out on the Victoria line, and sank an underlie about 120 feet and discovered payable stone. They were not able to purchase machinery, however. Another reef—old Stockholm underlie—which had not been worked for about twenty years was taken up by a party of private men, who applied for a subsidy of £200, which the Government were good enough to grant. They had been working for thirteen weeks on half pay, and in another fortnight the shaft would be completed and they would be on payable stone. In four or five months they thought that they would be finding

employment for forty or fifty men. Those were a couple of instances. The point he wanted to make was that not sufficient encouragement had been given to goldmining. Take, for example, Croydon. It was practically down in the dumps, but if money were granted to Croydon, Charters Towers, Ravenswood, Georgetown, and other places, he believed sufficient success would be realised to keep Queensland going again. The State had been saved on three occasions by goldmining, and he maintained that if sufficient subsidy were given to prospecting and development work they would find the industry coming to save Queensland once again.

HONOURABLE MEMBERS: Hear, hear!

* Mr. O'SULLIVAN (*Kennedy*): He was sure they all deplored the fact that goldmining had gone down throughout the State, and he attributed it a good deal to the good seasons which they had had, which had caused money to be diverted to other objects. When things were very bad otherwise, mining took an upward grade. The vote had been reduced, unfortunately, he supposed owing to the financial position, but he did not see that they could blame the Government for that. What they wanted was good administration. He thought they had had better administration under the present Government than ever before. He would like to impress on the Government the desirableness of not granting exemption to everybody who came along and asked for it, when there were men ready to go and take it on tribute. In his own electorate at Ravenswood there was a good deal of discussion about the application for exemption at the New Ravenswood Mine. It was a mine which had not cost the holders many thousands of pounds, but he supposed it had been one of the best paying mines in Queensland on the amount of capital invested in the first place. It had declared dividends amounting to something like three or four times the money invested in the first instance. He thought it only right and proper that the department should see that tributors who were willing to take up that mine should have every facility given to them to do so. A man there was willing to take on the work on reasonable terms, but the company, now that they had extracted all the gold out of it, in their opinion—although there were other men who knew the mine well, and maintained it could support a good number of tributors for some time—wanted to get exemption. The same company owned a series of mines, and the facilities were there for crushing in up-to-date fashion. He believed that one of the most up-to-date and best-equipped batteries they had in Queensland was to be found there, and it seemed a pity that the whole district should be thrown back, simply because a company wanted exemption after it had extracted every blessed thing out of it, and did not wish to lend a helping hand to those who were willing to prospect the place further. He thought one of the best votes they could have was the prospecting vote. It assisted men to go out and look for new mines or develop the old fields, because, as the hon. member for Queenton had pointed out, in Charters Towers, where mines were so thick that the shafts were only a few hundred feet apart, to-day there had been discovered a reef in the centre of the field. That went to show that the old mining centres had not been worked out.

There was a tendency on the part of many persons—and he believed the department was of the same opinion—that the old fields should not be assisted any more, or should not receive any great amount of assistance, because they had been worked out. Nobody knew what hidden reefs there might be in those old fields yet. He knew that in Ravenswood there might be a lot of gold still. There was what they called the "Golden Hill." That had a great life before it, provided there was sufficient capital to treat it properly. It was a low-grade proposition, but with up-to-date machinery he believed it could be made a very payable concern. Up on Mount Leyshon the whole of the working expenses of treating a ton of ore only amounted to 4s. 11d. It was done by quarrying it, but still it had to be crushed, and the greatest expense incurred there for treating the ore was the water supply, which was greater than any other expense proportionately, and still they were able to crush a ton of ore for 4s. 11d. If some kind of system like that could be installed to work the Golden Hill proposition, he thought something like the same result would be proved. Reverting to the Ravenswood proposition, he believed it would only cost the Government something like £2,500, and it would be the means of employing something like sixty or seventy men for some considerable time, which would be a great advantage, not only to that district, but to the North generally, which was now declining for the want of development, simply because mining had not had the fair show it might have had. There were a lot of other things which existed along with the mining industry; the woodcarriers and the timber-getters supplying firewood, wood, and timber for mining, added a lot to the wealth of the State in timber royalties, income tax, and so on. From those sources they would get more actually than from the mining. He was very pleased to see there was a new field—it was a little to the south of his electorate—the Mount Coulon, which, by all accounts, was progressing pretty well. But the unfortunate thing was it had got into the hands of just one or two who were practically going to knock out any others who came along. The State should do something to obviate Mount Coulon getting into the hands of any one company, because he did not think it would be to the best interests of that particular place to let it get into such hands. Some facilities should also be offered to miners to crush their ore, and he hoped it would be done, because it would be a great means of developing that country, which was in need of crushing facilities. There was a lot of auriferous country right from Ravenswood down towards Clermont, and round Ukalunda, and that way the mineral resources were very rich, although the reefs might not be very big; and, if they could get a field developed well at Mount Coulon, it might be the means of developing the place round about there, and that would give a great impetus to mining. He hoped the deep-sinking vote would be expended. In some parts of the country where the reefs were not developed to any great extent—500 or 600 feet deep mining meant something beyond the ordinary depth. Say, for instance, 700 feet was the deepest they had been down, he thought the deep-mining vote should be given to test ground at 800 or 900 feet, which, in that place, was deep mining. What he

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meant was that they were exploring deeper country than had been explored before, and that was one of the reasons why the vote should be given to places which did not come under the category of thousands of feet deep. He thought they should go in more extensively for geological surveys. There had been geological surveys made, and he thought that was one of the greatest things they could commend the department for—its thorough geological surveys in different parts of the country. He did not think any money expended on geological surveys was wasted. On the contrary, it was money well spent, because there were many men who were at a loss to know the geological character of the country they were exploring, and they saved hundreds—he might say thousands—of pounds by having a knowledge given to them from these geological surveys. It was a great assistance to mining, not probably directly, but indirectly, and he thought they should congratulate the department on its geological staff, which had done so much good work for the State. For instance, it discovered the Bowen coalfield's great resources. In the Central district they had the marble discoveries, which were the result of the thorough geological system the department had gone in for in the last two or three years, and he trusted it would be to the benefit of the whole of the State. To his mind, they had a lot of undeveloped minerals yet to discover in Queensland. They had not come to the end of the mineral resources or to the end of the knowledge of the mineral resources. He believed there were some great undiscovered places that would be for generations to come of great assistance to the State. He was in hopes that in the great auriferous country they had, there would be goldfields found and coal developments, and that led him to the fact that in his own electorate, just a few miles out from Pentland, there was a coalfield which showed every prospect of turning out splendid coal, and he would like the department to take cognisance of it, and to give some assistance to develop the coal resources of that part of Queensland.

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

Mr. O'SULLIVAN (continuing) said: It was right over on the fringe of the great West, just over the tableland, and it would assist in the development of the Cloncurry field. He believed the report published in the "Mining Journal" some time last year was a very fair one. A company was working that at great disadvantages, but he thought they deserved every encouragement, and he trusted the department would give them every assistance necessary for the development of it, and do all they could to forward the interests of that part of Queensland. He hoped the future of mining in Queensland would soon take an upward turn. He had no fear about the mining other than gold. They had been blessed in the last few years with great developments in the output of minerals other than gold, which had taken the place of gold development pretty well, and had been the means of employing a lot of goldminers who were now copper-mining, which proved the great resourcefulness not only of Queensland but of the mining community generally, which had been the means of saving Queensland several times when things looked very bad.

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Mr. MAY (*Flinders*): Before the vote went through he just wished to make a few remarks. In his speech this afternoon the Treasurer brought forward the matter of the Gulf port in connection with the Cloncurry district. That had been one of his favourite ideas for a good many years, in fact ever since he had been the representative of the Flinders electorate. Speaking with regard to the Upper Flinders, the Treasurer said that would go within about 200 miles of the port. He told the Treasurer they would go within 160 miles of the Gulf port if they had the connection made up properly, as they should have done. He wished the chairman of the Works Committee was present. He reserved himself and did not condemn that commission for not passing that Mount Oxide Railway. Had they passed that railway a very large amount of copper would have been in the field now, because the line would have been built by this time. He knew why they turned it down. The whole field was not thoroughly examined, and had it been he was sure the report of the commission would have been different to what it was. The official whose report the commission went on was hurried, and had to rush over the field and could not do justice to the district. Had he had time and gone thoroughly into the matter, gone down in the mines and seen for himself, he would have given a very different report to that which he did. With regard to the development of Mount Oxide, recently they found a face some 17 feet wide carrying practically 40 per cent. copper. That was an immense deposit, and would have increased the yield this year and next year of the amount of their copper supplies to the old country for munition purposes. The commission turned the railway down on flimsy evidence, when they could have had evidence from other people in the district—from the warden at Cloncurry and other people who were most enthusiastic about it, and were well able to judge, knowing the possibilities of the district far better than any one in Brisbane, even far better than he himself, and he knew it fairly well. He said for them to turn that down was an act of criminality. In fact, he thought they all ought

[5 p.m.] to be quartered for turning it down. He wished also to go into the matter of coal in the Upper Flinders district. Some years ago he placed a proposition before the Hon. Mr. Kidston, when he was Premier, and he took it up enthusiastically. There had been indications of coalfields throughout the whole of that area just over the Dividing Range. They had also indications on the Upper Flinders, where they could see in the face of one of the gorges a seam 8 or 9 feet thick. A sample was sent down to him, but it was too much oxidised. If the man who took the sample had gone in another 5 feet or 6 feet there would have been a different tale to tell today. He believed there would be some fine coal developments in that part of the Gregory district before long. He hoped the department would allow a geologist to go up and thoroughly examine that country.

At two minutes past 5 o'clock p.m.,

Mr. MACARTNEY called attention to the state of the Committee.

Quorum formed.

Mr. MAY suggested that motor-cars should be provided for the use of the inspectors of mines instead of the buggies and

horses which they used at present. If they had motor-cars they could go out to Camooweal much quicker than they did at present. An inspector of mines had a good technical education, and it would not take him long to master a motor-car, and he could take a black boy to cook for him just the same. Last year the surveyors on the line from Dobbyn to Mount Oxide had motor-cars. It took three days to go to Mount Oxide by coach, but the surveyors went out in a little over a day by motor-car. The Public Works Commission did not take into consideration the number of cattle that would be trucked from that district. They should have considered that when they were considering the construction of the line from a mining point of view. He suggested the Government should build cottages for the men living in the Cloncurry district. A great number of miners had their homes in Charters Towers when they left for the Cloncurry district, and if the Government built cottages for them and charged a small rental they would be able to take their wives and families there. Reference had been made to the presence of the I.W.W. out there. The unionists wanted to eradicate those men, and if they only had proper accommodation out there for the married men they could stamp out the I.W.W.-ism.

Question put and passed.

IN AID OF MINING.

The TREASURER moved—That £25,500 be granted "In Aid of Mining." There was a decrease of £7,500 as compared with the appropriation for the previous year. According to the Auditor-General's report £27,102 was spent last year and they thought £25,000 would be sufficient for this year. The amount for roads and bridges to goldfields was just the same. There was a decrease of £8,000 in the amount asked for deep sinking. Only £14,000 was spent last year and they thought £12,000 would be sufficient this year.

Question put and passed.

MINING FIELDS.

The TREASURER moved—That £25,275 be granted for "Mining Fields."

Question put and passed.

QUEENSLAND GOVERNMENT MINING JOURNAL.

The TREASURER moved—That £1,470 be granted for "Queensland Government Mining Journal."

Mr. MAY: He had found that the "Mining Journal" was greatly appreciated in his district. He sent fifteen copies from the Mining Office, and he also managed to get another twenty copies to send to different people in his district. He complimented the editor of the "Journal" on its production.

Question put and passed.

SCHOOL OF MINES (CHARTERS TOWERS).

The TREASURER moved—That £3,036 be granted for "School of Mines (Charters Towers)."

Question put and passed.

TRUST AND SPECIAL FUNDS.

IMMIGRATION.

The TREASURER moved—That £6,751 be granted for "Immigration."

Question put and passed

STATE RETAIL BUTCHERS' SHOPS.

The TREASURER moved—That £208,200 be granted for "State Retail Butchers' Shops."

HON. J. TOLMIE: This was a big amount, and it was a matter of very great importance. The matter of the State butchers' shops had engaged public attention to a very considerable extent. The revelations which had been made before the Select Committee of the Legislative Council with regard to the management of the State butchers' shops reflected very little credit on the Government. The general manager, Mr. Ross, held a dual position, as he was a servant of the State Government and a servant of the Imperial Government. After reading the report of the Auditor-General, and other reports, they saw that the dual position had brought about a conflict of interests which was not very desirable. They would like to know who was going to suffer? It was very improper that either should suffer—either the Imperial Government or the State Government. He directed attention to the evidence given by Mr. Ross the other day in regard to the purchase of some meat. Before he dealt with that he would like to point out that in the course of that examination it was exceedingly difficult to get information from Mr. Ross, not that he was not anxious to give the information, but he felt that he was in a position that he was subordinated to some extent by officers who were over him. As a matter of fact, in the course of his evidence he pointed that out; first, of all, he was subordinate to Mr. McGugan and there was certain information he could not give without the sanction of Mr. McGugan; and further, if he got behind Mr. McGugan, he came into contact with the Minister for Lands. It was regrettable that he should be in that position, and that the documents that were asked for were not forthcoming. It was information that was required in connection with the managers of the State stations and other information. It was thought desirable to find out something in connection with those stations from which supplies came for the meat shops—or ought to come—as to how they were run. The statement was made that most of those were run by aboriginal labour.

Mr. ROBERTS: State stations?

HON. J. TOLMIE: State stations. Well, the aboriginal was a native, and he supposed he could not be altogether excluded from employment in Australia. But at the same time they did not want to have their Australian stations managed in the same way as it was alleged that some private stations in the far Western districts were managed. They were told, as a matter of fact, that one of the managers of a station had left because it was proposed to still further reduce the staff of white men and put aboriginals in their place. The difficulty was so great in regard to getting that information that Mr. McPherson, the accountant in the office, stated that rather than give it he would walk out of the office. Pressed as to what he meant, he stated he would resign rather than give the information. Again, he did not think that that gentleman was averse to giving the information, but he felt that he was so bound by the orders of those who were superior to him that he could not conscientiously give that information, and that rather than give it he would

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have to send in his resignation. If that was the position in the public service—that they could not get information when they wanted it—it was a very undesirable position, and one which ought to be corrected. In dealing more particularly with the evidence of Mr. Ross, there was disclosed the fact that the Government obtained £19,000 from the Federal Government for services which were not rendered.

The TREASURER: That is mentioned in the Auditor-General's report.

HON. J. TOLMIE: Yes, it was mentioned in the Auditor-General's report; but until the evidence elicited it in connection with the inquiry which was held they were in ignorance as to all the facts connected with that £19,000. They were under the impression that that was money which was received for services rendered; but there were no services rendered and the only reason that they obtained that £19,000 was that they "had"—he was only using the expression of the manager of the department—the Federal Government to the extent of that £19,000. That £19,000 was obtained from the Federal Government, so they were told, in payment to a certain extent, for meat to feed the soldiers. In question 1784 Mr. Stephens asked Mr. Ross—

"Was that beef to feed the soldiers in the camp here?—No, I know it was bought to feed soldiers, but not those in camp in Queensland."

Further information elicited the fact that the meat was sent to Melbourne. Question 1794 was—

"I think you told us that the storage cost the Government nothing?—No, I say it was a deal. We did not pay the meat-works anything."

Question 1797—

"Did you hear what they wanted the meat for when they made the deal?—I think it was for the troops.

"That means you knew this was for British troops, and you, as a British official, as a matter of fact, struck them under a British contract for £19,000?—I don't admit that at all."

There was where the dual position came in and created a difficulty for the witness. He had to do the best he could for the State Government, and he was dealing with meat that was for the troops. It did not matter whether it was for the troops at Enoggera, at Broadmeadows, or in the trenches in Flanders, the meat was being bought for that purpose. Mr. Stephens said—

"That is what you say?—I don't say that at all. You want to put me in the position of a British official making a profit out of the British Government."

Well, there was nothing personal. He did make a profit out of the British Government, or the Federal Government—as the case might be. He did make that profit of £19,000, but he did not make it for himself—that must be clearly understood; he made it for the Government of Queensland.

Question 1805 was—

"Did the action resulting from the breach of contract rest upon you or upon someone else?"

He wanted to be loyal to his chief. He did not give him away, but he said—

"I have the Ministerial chief over me (Mr. Hunter)."

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He could not conscientiously put himself in the position of accusing himself, but he said, "I have the Ministerial chief over me." The next question was—

"Was it you or the Minister who was responsible for getting that £19,000 for the breach of contract?—Unless I look at the papers I won't say who was responsible. I know I got the money, and I got it for my department."

Question 1815—

"You made a contract for a certain quantity of meat to be supplied to you. Did the people with whom you made that contract fine you?—We were not bound to pay that. If they didn't look far enough ahead to 'have' us, that is their lookout."

Was that the relationship that should exist between the Government and those who were supplying it in those meat contracts?—"If they didn't look far enough ahead to 'have' us, that is their lookout." Was the relationship one of studied and careful watchfulness on the part of the meat companies to "have" the Government, and on the part of the Government to "have" the meat companies? He could get no other meaning out of the sentence—the question and answer. Then he was asked—

"You didn't do it from a sense of duty, did you?"

Then the remarkable answer came—

"I know, if I did a thing like that in war time, I would expect to go to gaol for it."

That was very strong evidence—that that man's actions between the Federal Government and the State Government were such that the principal Executive officer himself was under the impression if it was a case of private individuals doing the business in war time that he expected to go to gaol. He said that the Government "had" the companies because the companies were not smart enough to "have" the Government. If State enterprises were to be carried on in that way, it was a very regrettable thing for Queensland that they ever started it. In the course of examination he was questioned upon the profit that had arisen in connection with that meat business, and he said that £35,000—roughly speaking—profit was made in the way in which he had stated—money that ought to go either to the Commonwealth Government or to the British Government; in any case, money that ought never to have gone into an honest Treasury. That was the whole position in regard to the matter—that that £19,000 should never have gone into the Queensland Treasury. That would reduce the profit down to £16,000, and that was a profit that had been made on the wholesale business that had been carried on and not by the State butchers' shops. If they turned to the State butchers' shops they found that the net profit was something under £6,000. If they took into account the cost of purchasing the meat and the cost of carrying out the State butchers' shops, they would find that the net profit on the transaction last year—a very favourable year indeed, so far as the State butchers' shops were concerned—was a shade under 4 per cent.

The TREASURER: You will never be satisfied until you see these shops done away with.

HON. J. TOLMIE: He would never be satisfied until he saw the affairs of this State being carried on in such a way that the finger of scorn could not be pointed at them. Now, those were the conditions disclosed in the evidence taken before the Select Committee the other day and acknowledged by the State servants; in fact, acknowledged because the information was dragged out of witnesses. They made every attempt to protect their superiors in office, and the evidence disclosed a situation that was very reprehensible indeed. As a matter of fact, in all good Governments the Minister, or the Under Secretary, or the chief official would take the responsibility of any action that had been taken and would protect his juniors, but in relation to this Government the order of things was changed. All along the evidence had been that it was the junior officer who, the whole of the time, had to protect his minister or protect the officer who was senior to him in office; and he, apparently, was protecting the Minister. A condition of that kind could not last. Now, he was pointing out that the net profit on the transactions, apart altogether from the money that was obtained by the wholesale purchase of beef and the wholesale sale of beef, was something like under 4 per cent. Quite a number of butchers' shops had been opened, and if they were going to work on the basis of a profit of 4 per cent. or less than 4 per cent., it would not be very long before some of those enterprises would get into a serious position. As a matter of fact, if

[5.30 p.m.] they looked up the report of the Auditor-General, on page 8, they would find the very small margin of profit carried by some of the shops. At one the net profit was £2 6s. 10d.; at Maryborough it was £7 5s. 6d.; at Rockhampton No. 3 it was £48; at Paddington, £24; and at Gympie £48. At a time like the present, when the Government were finding it absolutely necessary to put so much taxation on the people, they engaged in an enterprise which, at any rate, did not appear to show a very wide margin of profit. Mr. Ross stated the other day that about 800 bullocks were treated by Birt and Co. for the Queensland Government. If the Government were so anxious to reduce the price of beef and give the workers of Brisbane, not to say anything about the workers outside Brisbane, an opportunity of getting cheap meat, would they not have put that beef into their own shops after it had been frozen? No; they sold the whole of that beef to the Imperial Government or the Commonwealth Government, because they were getting 4½d. for meat which they were able to buy from the various meat-works at 3½d. Good financing, good business, perhaps, but that was not the reason why the enterprise was called into existence—for the purpose of trying to destroy an industry carried on by private individuals. The Minister for Public Lands told them last night that he had effected a reduction in the price of meat through Queensland, or rather, to the metropolis, by taking cattle from Dillalah and putting them into the saleyards at a time when the saleyards had a surplus of stock over and above what the Government sent in. But the Minister did not tell the people of Queensland that he kept those 800 bullocks, instead of putting them into the shops on the basis of 3½d., or perhaps less, and sold that meat for 4½d. and reaped a profit thereby.

* Mr. GUNN (*Carnarvon*): The Government have been trying to get a lot of kudos out of the butchers' shops business. They were trying to make out that their starting these shops was reducing the price of meat in Queensland considerably, and that since they came into power the cost of living was cheaper than in any other State. But they found, by looking at Knibbs, that the increased cost of living in Queensland was greater than in any other State of Australia. The Premier, as reported in the "Standard" of 8th November, delivered a speech in Melbourne on the matter. He was reported—

"The Premier of Queensland last night, at St. Kilda Town Hall, said that Ministers and members should come down from their pedestals and do things which would make the people better off. The price of chops was too homely a thing for most Ministers to trouble about, but in Queensland they had given the consumers meat at half the price charged in other States. They went to the bed-rock in Queensland. They spent £688,000 on cattle stations, and they now had 105,000 head of cattle and 2,000 horses. Not only could they sell cheap meat, but when the agents were cornering stock they sent, say, 200 fat cattle to the Enoggera saleyards, and prices dropped as much as 4s. per head."

Now, what were the facts? They knew very well that the Premier did not enter into any compact with the growers of meat, but called the meat companies together and arranged that they should sell all their frozen meat to the Imperial authorities at 4½d. per lb., with a reservation of 7,000 tons per annum at 3d., and 3½d. frozen, for his butchers' shops. With regard to the State stations, after all had been said and done, would it not have been a good idea to bring the cattle direct to Brisbane, slaughter them, and use them in the State shops? On the contrary, in the very hardest time of the year, when it was hard to get fat cattle anywhere, instead of putting their cattle through the yards or through their own butchers' shops, they sent 800 of them to Birt and Co., when butchers in Queensland could hardly buy a beast at the sales. Instead of putting the Mount Hutton cattle through the yards here or through their own shops they sold them to a New South Wales speculator, who resold some of the fats to one of the companies in Brisbane, and the private butcher got no opportunity to buy them. Again, they sold to Skyes, of New South Wales, 1,060 bullocks at Charleville. Some of those might have come through Brisbane. Then, again, the other day they sold 2,400 store bullocks at £13 a head to another New South Wales buyer, a Mr. Williams. They did their very best to prevent a private individual from selling a beast to New South Wales, but they themselves sold to New South Wales buyers 9,500 from Mount Hutton, and 1,060 and 2,400 cattle in other cases, a total of 12,960, at the very time when they were required for the Brisbane saleyards. They competed with the unfortunate private butcher, but they bought their meat at 3d. per lb.

Mr. McMINN: Did you not make a complaint not very long ago that we were starving the people of New South Wales?

Mr. GUNN: He may have done so; he believed that since they had gone in for Federation they should share their stock with

Mr. Gunn.]

New South Wales. He did not believe that the Government should send their cattle to New South Wales and prevent private owners from doing the same thing. At any rate, they gave 3d., or 3½d. frozen, for their meat, and the unfortunate private butcher had to spend 5d. and 6d. for the same meat on the hoof at the Brisbane saleyards. How did they expect the private butcher to compete with that sort of thing? The Government, moreover, paid no taxes or rates, they delivered no meat and they sold for cash. What was the result? Butcher after butcher went insolvent in Brisbane.

Mr. GILDAY: Name one of them.

Mr. GUNN: They might not have gone insolvent, but they shut up. (Government laughter.) That was the same thing as going insolvent. The Government ought to have given the private butchers the right to purchase meat at the meatworks at 4½d., the same rate as that at which they supplied the Imperial Government, and then the private butcher could have competed with the State butchers on a fair basis and the people would have got cheaper meat than at the present time.

He had prepared a statement with reference to the prices of cattle at the time when the Government claimed to have reduced prices at the Enoggera saleyards. On 3rd October the price of beef at the Enoggera saleyards was from 58s. to 60s. per 100 lb., and only 280 head were yarded. On 10th October the price was 60s., and only 425 cattle were yarded. There were no State cattle on either of those days. At that time the State was freezing its cattle and selling it to the Imperial Government, but when the drought was over and the graziers were beginning to send their cattle in, the butchers waited on the Government and begged and prayed them to send some of their cattle through the yards. The Government agreed, and when they found that selling their cattle through the yards was more profitable than sending them to Birt and Co., they continued to do so. On the 17th October the price per 100 lb. was 52s. 6d., and 700 head were yarded, of which ninety were State cattle. Did hon. members mean to say that ninety head of cattle brought down the price to that extent?

The SECRETARY FOR PUBLIC LANDS: Of course, they did.

Mr. BAYLEY: They made no difference.

Mr. GUNN: When the private people sent in 610 cattle the Government sent ninety head. On the 24th October the price was 47s. 6d.; there were 780 cattle yarded, of which eighty were State cattle. On the 31st October the price was 46s.; 700 head were in the yards, of which none were State cattle. It was a strange thing, too, that while all that was going on the price of cattle was decreasing in New South Wales at just the same rate as in Queensland. It reminded him of a story of St. Patrick, when he cursed the frogs and snakes in Ireland, his curse was so virulent that it soaked through the earth and killed the frogs and snakes in New Zealand, on the other side of the world. (Laughter.) So that there was no doubt when they reduced the price of cattle at the saleyards at Newmarket, the electric influence of this wonderful Government got over the yards in Brisbane, Sydney, Melbourne,

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and all the other States, and reduced the price of cattle.

Mr. BEBBINGTON: Just those seventy-nine head of cattle.

Mr. GUNN: On 7th November meat went down to 44s.; there were 700 cattle in, eighty-two of them belonging to the State. On the 14th it rose again to 47s., and there were no State cattle in.

The SECRETARY FOR PUBLIC LANDS: That proves it.

Mr. GUNN: But there was nobody else's cattle in, there was a bare market; there were only 450 head of cattle in the yard. On the 21st meat was 52s. It rose again pretty considerably. There were 600 cattle in, thirty-one belonging to the State. The magic did not work that day. On the 29th meat was 52s., just the same price as the week before; there were 551 cattle in, no State cattle. If the State Government wanted to have the Brisbane market, as far as the graziers were concerned, they would be very glad to see the Government putting their cattle through the Enoggera yards. Nobody wanted to see the people of Brisbane having to pay dearly for their meat. Of course, the grazier wanted to get a fair price for his meat, but he expected to have the markets of the world, like everybody else, to dispose of his products in. If a labouring man could get better and more wages in America or in any other part of the world, he had the right to dispose of his labour there.

Mr. McMINN: He has the right but not the means, unfortunately.

Mr. GUNN: He could easily get the means.

Mr. McMINN: Would he walk to America?

Mr. GUNN: He would like also to mention the dual capacity of the supervisor of the meatshops. There was no doubt it must be a very invidious position to be employed by the Imperial Government and by the State Government. He did not think anyone could obey two masters, and he would just like to read a paragraph from the Auditor-General's report on State industrial undertakings. The Auditor-General said—

“Butcher Shops—

“21. The following salaries of officers, portion of whose services is rendered to the State butcher shops, were paid from the Imperial meat fund:—

Supervisor—£600 per annum.

Assistant supervisor—£312 per annum.

Accountant—£312 per annum.

“It will be seen on page 8 that an amount of £450 has been debited against the State butcher shops, and £150 against supervisors' account; total £600 for supervision.

“The accountant, who was employed entirely on butcher shops work, drew salary to the amount of approximately £520 for the period ended the 30th June last, which leaves only £80 as a charge for duties performed by the supervisor and his assistant, and, considering that the butcher shops have been in operation for eighteen months, this appears to be quite inadequate.”

The Government not only had robbed the Imperial Government, or the Federal Government, of £19,000 for storage of beef that

they did not store, but also they managed their butcher shops by officials paid by the Imperial Government, and only getting a small portion of their salary from the State. Not only that, but the cost of the law actions against Mrs. Duncan for trying to take her cattle to the market she was in the habit of going to for years and years was placed on the shoulders of the Imperial Government. The Imperial Government had enough to do to fight for their liberties and to keep them free from foreign influence overrunning this fair land without taking them "down" in that way. It was a disgraceful thing that they should be robbing the people who were fighting for them at the present time in the way they were doing. Then, again, what was the value of all those meatshops in Brisbane to the people living in the country? They did not get a bit of benefit. It was all just simply window-dressing and electioneering for the people who lived near the big centres of population. The poor people who lived in the country, in places like Stanthorpe and Inglewood, had to go and buy their meat, and they could not get the chance of State butchers' shops, but if they allowed the country butchers to come down to the meatworks and buy meat on the same terms as the Imperial Government, they could take it up there and sell it at a reasonable rate. Cattle did not stay fat all the year round. They got fat and they got lean according to the seasons, and there were always lean years just as well as there were fat years, and there would always be a scarcity of cattle at the saleyards at one period of the year, and at that period, if there happened to be meat in the works private butchers should get an opportunity of buying some of that meat just the same as anybody else.

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

Mr. GUNN said he had another five minutes, but would use it later on.

Mr. ROBERTS (*East Toowoomba*): There was no doubt the information brought out in evidence by the Select Committee that had been sitting on State enterprises showed the way in which the department was working was on anything but business methods, and methods which people might call honest or dishonest. Statements were made by the leader of the Opposition that afternoon regarding Mr. Ross not being prepared to answer certain questions without having first consulted the Minister, and if hon. members read those questions they would know pretty well that Mr. Ross was fully seized with the information he had been asked for by that Committee. Mr. Ross could quite readily have told the Committee that so far as the department was concerned there was no claim against it by the meat companies for that £19,000, and that when they were making the claim on the Commonwealth Mr. Ross was in a position to know that no claim would be made by the meat companies for that amount of money.

The SECRETARY FOR PUBLIC LANDS: The meat companies made a claim for a quarter of a million against the Government.

Mr. ROBERTS: He was concerned just for the moment with another matter altogether. Some time ago the people of Ipswich, the workers of Ipswich, were anxious to get a State butcher's shop, and a deputation waited on the Minister for Lands, who told them it was up to them to establish a

co-operative concern in that district. In the course of time that co-operative business was established, and he noticed that there was a peculiar instance there of how the State went out of their way to help their friends. Some time ago tenders were called for the supply of meat to the Goodna and Sandy Gallop Asylums. He had taken exception to this before and contended that if there was anything in State enterprise and State control they should look after their own institutions first. In New South Wales, when the Minister there—Mr. Hall—established a State bakery, he installed the business first to supply the different State institutions, and then, if there was a surplus, he would deal with the community and let them have the benefit if there was a benefit to be got. The Queensland Government called tenders for the supply of meat at Goodna and Sandy Gallop, and the successful tenderer turned out to be the Co-operative Butchering Company, and they found that the meat was first of all taken from the State butcher shop, supplied to the Co-operative Company, and then passed over to the State institutions, and on that the company charged the contract price, which was 1½d. per lb. more than the price at which the State supplied it. As a result, he saw there was a person writing in the "Queensland Times" of the 12th of October, and pointing out that at the least on that meat the institutions were losing £2,000. That was an instance which did not appear to him at all reasonable. That gentleman pointed out also that when the Minister for Lands issued a proclamation controlling the price of meat, his proclamation was that the same price was to be charged in Ipswich as in Brisbane.

The SECRETARY FOR PUBLIC LANDS: The Minister for Lands never issued a proclamation.

Mr. ROBERTS: He was inclined to believe the statements set out in the paper, that the Minister for Lands—Mr. Hunter—issued a proclamation—acting for the Chief Secretary—he was told by the hon. member for Toowoong. At any rate, the proclamation was issued on behalf of the Queensland Government, either by the Minister for Lands or some other authority, and that proclamation contained the information that meat was to be retailed in Ipswich at the same price as in Brisbane. The co-operative concern he had referred to was allowed to retail the meat they got from the State shop at 2d. per lb. more than was charged in Brisbane. They had heard a lot about profiteering and about the Federal Government not taking action against men who had not conformed with the prices regulations. What was the hon. the Minister for Lands, who acted for the Chief Secretary, doing in regard to that? He had an opportunity, if he put into force the power he possessed, of allowing the people of Ipswich to have meat at 2d. per lb. less than they were getting it for. The more they saw of State industries the more they seemed to have tried to give preference to their own particular people and to handicap the individual. As a matter of fact, as he had already pointed out, they were the means of closing up shops and putting men out of employment, and in the letter he had referred to reference was made to the fact that shops in Ipswich were closed and men out of employment. When the deputation waited on the Minister for Lands asking that meat might be supplied to them on the same

terms as the Co-operative Company, the Minister told them to go and see Mr. Ross, the State manager.

The SECRETARY FOR PUBLIC LANDS: I could not do that, because Mr. Ross was not in Brisbane at the time.

Mr. ROBERTS: The Minister told them if the State shop could not supply them, then they might try the Co-operative Company. What did that mean? The Minister must have known when he was making that statement that, as far as the Co-operative Company were concerned, they were drawing their supplies from the State shop. The number of employees in the retail shops had

been reduced, and the number [7 p.m.] engaged in the killing yards also showed a falling-off. That meant that the establishment of State butcher shops was gradually crushing the others out of the business. They also found that the very institution which the Government used to talk about so much when they were in opposition, namely, the institution on the bank of the Brisbane River, and the various other meatworks, were really increasing their profits as the result of the State enterprises. There was a great difference between the price paid for meat supplied to the retail shops and the price paid by the Imperial Government to the State Government for meat for the Imperial troops. They knew that the State paid £8 15s. for the meat they got from the meatworks, while the Imperial Government had to pay £13 10s. 9d. for the meat purchased from the State Government. A Commission recently sat in Victoria in connection with the price of meat, and he took the following extract from the "Daily Mail" of the 16th October with reference to that Commission—

"With respect to meat, the Commission is satisfied that there is no combination among farmers, graziers, stock the station agents, wholesale dealers, or butchers in Victoria, either to keep back stock or maintain prices.

"It adds: 'The immediate cause of the high prices is the scarcity of stock at present coming forward. In normal times Victoria does not produce enough cattle for its own consumption. The deficiency is made up by stock from New South Wales and Queensland. The source of supply in Queensland is at present partially sealed up as a consequence of that State's embargo, as it is usually termed. The Queensland Government agreed with the Imperial Government to sell the whole of the exportable surplus of meat at an agreed price. The precise meaning of the exportable surplus is not known to the Commission, but it is understood that the exportable surplus is construed by the Queensland Government to mean, not the requirements of the whole of Australia, but only what is not required for consumption in Queensland. The Queensland statute in question is a war measure, and its result has been that other States have been during its operation deprived of their normal and natural supply.'"

That was the position they found at the present time with regard to the Queensland Government. The other week the Premier went down South and talked about the cheap meat he was finding for the people of Australia, and the contracts he had made, yet the Commission brought in their report

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showing that the action of the Queensland Government tended to rob the other States of what had been their sources of supply in previous years. Then again, the Queensland Government made a profit out of their transactions with the other States. There was no dishonour in selling meat to the people of the other States at cost price, but the Queensland Government were making a profit and crediting it to the retail shops. As was shown by the Leader of the Opposition, the State held in trust the sum of £19,000. If Mr. Ross, the manager of the State shops, wanted to do the fair thing, and wanted to show daylight in the business, he should have shown that he held that £19,000 in trust. It showed that the transactions from beginning to end were most unreasonable, and would be looked upon as dishonest if applied to any trade in this State.

Mr. GILDAY (*Ithaca*): He was surprised at the remark of the hon. member for East Toowoomba that the establishment of the State shops put a number of employees out of employment. He took it that the hon. member was referring to Toowoomba.

Mr. ROBERTS: I was referring to the State shops.

Mr. GILDAY: The hon. member said in dealing with the meat question that the establishment of the State shops had the result of putting a number of men out of employment.

Mr. ROBERTS: Yes, in Brisbane.

Mr. GILDAY: The hon. gentleman was talking about the number of men put out of employment. In Toowoomba alone over twenty-seven employes were put off in one week, but it had nothing whatever to do with the State enterprises.

Mr. ROBERTS: I didn't say it had.

Mr. GILDAY: The hon. gentleman was endeavouring to mislead the people of Queensland. He was trying to make the people believe that, owing to certain Government shops being opened, men were put off. He could assure the Committee that the same number of men were still employed in the meat industry in Brisbane as there were two or three years ago. No doubt a large number of the butchers employed in the State shops to-day were previously employed by some other master butcher, but if the State shops had not been opened in Brisbane, then a number of master butchers would have had to close their shops. That was recognised by the master butchers themselves. About six or eight weeks ago he had a conference with the master butchers when they were endeavouring to get a certain amount of beef from the State Government. That conference included the large butchers of Brisbane, who wanted to get some meat from the State Government. They gave him to understand that it was the State shops in Brisbane that had prevented a shortage of meat. One large butcher stated that if it had not been for the State butchers' shops half the people in Brisbane would have been unable to get meat. They knew perfectly well that there had been a big drain on the meat industry during the last twelve months or so, with the result that cattle were getting scarcer and prices had gone up, and had the State not allocated for local consumption a certain amount of meat killed at the various meatworks, things would have been much worse than they were to-day. It must not be forgotten that the whole of the people

of Queensland were endeavouring to get meat cheaper than they were getting it at the present time. There had been requests from all over Queensland—even from the cattle country—for the Government to extend their operations and it was only lately that the men connected with the cattle industry had a meeting to see if they could not so arrange matters at the Enoggera sale yards that the people would get meat cheaper than they were getting it at the present time. He had not heard that anything had come of that meeting, but it showed that the time had arrived when they would have to do something to provide the people with cheaper meat. A good deal had been said in regard to the £19,000 received from the Commonwealth Government. As a matter of fact, the Commonwealth Government made arrangements with the Minister to get a certain amount of meat to supply the various military camps throughout Australia. Private enterprise got up in arms on that account, with the result that the Federal Government did not keep to their contract, and the meat was left on the hands of the Queensland Government, and they had to pay storage to the various meatworks.

Mr. MACARTNEY: They did not.

Mr. GILDAY: A certain amount of storage had to be paid on that meat and the Commonwealth Government had to pay the Queensland Government £19,000.

Mr. MACARTNEY: What for?

Mr. GILDAY: For a portion of the storage. Private enterprise interfered, and the Commonwealth Government thought it would not do to fall out with those people. When the Prime Minister got into power with a certain crowd, he knew perfectly well that it was no use for him to deal with the State. He had to look after the other fellow. On that occasion the Victorian Government could have got cheap meat for the people of Victoria notwithstanding that the hon. member for East Toowoomba stated that the price of meat in Victoria was high owing to the embargo in Queensland.

Mr. ROBERTS: You have not finished that explanation about the £19,000.

Mr. GILDAY: He had given a sufficient explanation. The Victorian Government had an opportunity of getting cheap meat from the Queensland Government. The South Australian Government also had an opportunity of getting meat much cheaper than their people were getting it to-day. Those Governments turned down the proposal of the Queensland Government. A lot had been said in regard to the price of meat for Imperial purposes, and also in regard to the price of meat for local consumption. It had been repeatedly stated by hon. members opposite that the Government had not given the squatter a fair deal, because they were only paying 3½d. or less for meat for local consumption. He considered that the companies were getting a good price for their meat and the squatters were also getting a good price from the meatworks. Hon. members opposite had argued that 4½d. was too high a price on the one hand, and that the price for local consumption was too low. He had never heard of such an argument in all his life. The Government offered the meat companies a standard price for meat for local consumption and for home consumption, under certain conditions, but that offer was not acceptable to the meatworks, with

the result the Government entered into a contract on somewhat similar lines to the last contract. Hon. members opposite had stated that the meat sent to the Imperial authorities was for the boys fighting in the trenches and that the Government should not have charged such a high price for it. If the Imperial authorities were getting the meat at 4½d. here, then the troops ought to get it at a much cheaper price than that at which it was doled out to them across the water. The Government had to consider that the large numbers of dependents of those men who were at the front had to be safeguarded so far as foodstuffs were concerned, and the State butchers' shops had been established in different parts of Queensland in order to give them cheaper meat, and there was no doubt that object had been accomplished. The people of Queensland were the best judges as to whether the Government had done the right thing so far as the meat question was concerned. Hon. members opposite also stated that the Government should encourage co-operative butchers' shops. Some twelve months ago the people of Ipswich asked for a State butcher's shop, but on that occasion the Government were not in a position to establish a butcher's shop and they suggested that a co-operative society should start, and the Government offered to supply them with meat. The Government supplied them periodically and also assisted many other small butchers. But when the last agreement was entered into with the meat companies it was definitely laid down that the Government were only to supply a certain amount of meat to private butchers. It was impossible for the Government to sell meat to every butcher that came along, but, no, doubt, in time that could be done. He was quite satisfied that the Government would be in a position to do that after the next elections. Then again, one or two returned soldiers had started butchering and had been assisted through the State shops, and rightly so, too. But, nevertheless, wherever it was possible the Government had tried to cheapen meat in Queensland. They gave butchers a certain amount of meat when there was no cattle at all coming to the market. The Government had done everything possible, even to giving the master butchers meat with which to carry on, and the result had been most satisfactory from the master butchers' point of view. He had been talking to a master butcher in a very large way that day, and he said, "I do not know what we would have done if it had not been for the Government stepping in and helping us, even in the saleyards, by putting cattle in there." He ventured to say that if the Government had not started butchers' shops meat would have been 1s. 6d. per lb. to-day.

Mr. FORSYTH: It could not be 1s. 6d., because it was a fixed price. (Ironical Government laughter.)

Mr. GILDAY: The hon. member said the meat prices were fixed. As far as the fixing of prices of meat was concerned, he thought it was a sham, unless they fixed the price of cattle on the hoof. It was absurd to think that master butchers could sell at a fixed price when cattle could be put up to any price in the market.

Mr. MACARTNEY: You are boosting them up.

Mr. GILDAY: They were not boosting them up. He realised that the master

Mr. Gilday.]

butcher to-day throughout Queensland was not in a very good position, owing to the fact that cattle were so dear. The hon. member for East Toowoomba stated that there were a number of butchers put off in Brisbane. How ridiculous and absurd it was for a man to talk like that! He could go into any town in Queensland to-day and see one or two butchers' shops closed. Why were they closed? It was owing to the fact that the meatworks had a monopoly of the whole of the cattle in Queensland. It was a recognised fact and no man could deny it—it had been given in evidence—that there were calves bought by the different meatworks before they were born.

Mr. FORSYTH: I have not heard of any deal like that.

Mr. GILDAY: If he had read the evidence given recently he would see that that was so. He might not be one of those who were prepared to sell in that manner, but that was a fact, and the result was that if it had not been for the State starting those butchers' shops the people of Queensland would have found that meat was a luxury. Indeed, it was a luxury in some parts of the State. He remembered going into one or two towns in his travels, and, notwithstanding the fact that there were plenty of cattle close handy, they were shooting wonga pigeons to find meat for the table. Some hon. members might laugh, but that was a positive fact; they could not get the meat notwithstanding the fact that it was in the cattle country.

Mr. STEVENS: And the Government would not allow them to get it from the station.

Mr. GILDAY: He was only talking about places out on the Mary River. Where were the Government stations there? If the hon. member would attend more to his own electorate in regard to getting cheap meat, instead of touring the North, perhaps they would think more of him.

Mr. MACARTNEY: What have you been doing lately?

Mr. GILDAY: He had been attending to the business of that House. His record, so far as attendance was concerned, was better than that of the hon. member for Toowong. He had been six days absent this session, and last session he did not think he missed a day.

Mr. MACARTNEY: That is nothing to blow about.

Mr. GILDAY: Yes, it was something to blow about. He did not think he would deal any further with the question just then; he might have an opportunity of doing so later on.

Mr. MACARTNEY: The hon. member's speech was somewhat extraordinary. He supposed they could take him as the expert of the Government in connection with butchers' shops; consequently he spoke with authority. He was sorry to say that, notwithstanding the fact that he spoke with such authority, he had made a most extraordinary statement in regard to the £19,000 incident. It was quite clear on the evidence given by Mr. Ross, who was perfectly straightforward over the whole business, that that money was taken wrongfully from the Commonwealth Government. He could not help thinking that some misrepresentation was made to the Commonwealth Government to cause them to part with that money. That £19,000 was paid to this Government for

storage, if they could take the "Gazette" notice notifying payment which appeared in the "Commonwealth Gazette."

Mr. GILDAY: That is correct, for storage.

Mr. MACARTNEY: As a matter of fact—if he might be allowed to make the speech—the State Government did not pay one single shilling for storage; and if it were taken by the State Government from the Commonwealth Government for storage, the money was obtained by false pretences. It was quite clear that if a contract was made between private people such as had been made between the State and the Commonwealth, and either party broke it, there was probably a claim for compensation or damages. If no damage was suffered, no damage could be recovered. It was admitted in this case that that was not paid for storage, and it also was admitted, and was shown by the Auditor-General's report, that that same meat was resold at a price which meant no loss to the State Government; consequently, the State Government lost nothing by it; but they made use of a contract which was made for the purchase of meat for the use of the soldiers who lived in the camps of Australia to try and exact the sum of £19,000 to be charged to the war debt of Australia.

Mr. GILDAY: That is not so, and you know it is not so. (Interruption.)

Mr. MACARTNEY: That was the position in regard to that £19,000—exploiting the Commonwealth Government and exploiting the war debt of the Commonwealth. (Government dissent.) It was discreditable and dishonest. It seemed to him that the Government had been exploiting, not only the Commonwealth Government in regard to the war expenditure, but the Imperial Government in connection with the same thing; because if they referred to the report of the Auditor-General on State stations they would find that the price paid to the meat companies prior to 1st January, 1917, and since 1st January, 1917, for frozen meat, chilled beef, and mutton, was a considerable reduction on the amount charged to the Imperial Government. That was to say that the Government, which was entrusted with the purchase as the agents of the Imperial Government—to whom they were bound to act honestly and justly—took it upon themselves in dealing with the meat companies to exact something privately for the benefit of their own Government and for the benefit of their own State, to the detriment of the Imperial Government. If an agent in a civil capacity were to do a thing of that sort the chances were that he would find his way to Boggo road; but because it happened to be the State Government, and because they put forward the plea of reducing the price of meat to the people, they were allowed to do that which would be dishonest and discreditable in the case of a private individual. They had been exploiting the Federal Government with a vengeance; and they had been exploiting the Imperial Government also, not only in regard to the price of meat, but in regard to the expenditure for salaries, as laid down by that report.

Mr. GILDAY: It only hurts you because they don't get more for their meat.

Mr. MACARTNEY: He was not dealing with that at all.

Mr. GILDAY: Anybody who is briefed by a big meat company must barrack for the meat companies.

[Mr. Gilday.]

Mr. MACARTNEY: That had nothing to do with it. They had been exploiting them as they were going to exploit them, also, in regard to legal expenses; commencing actions against citizens here, crushing people for the political purposes of the State Government and at the expense of the British Imperial Government. That was the standard to which the Government of Queensland had been reduced in connection with the State butchers' shops. That was the condition to which men allowed themselves to be brought down for the purpose of making political capital. They only wanted to look at the Auditor-General's report to find that, not only had they been carrying on exploitation in that manner, but it meant spoils to the victors. If they took the list of butchers' shops here they would find that they were established at Roma street, Woolloongabba, Fortitude Valley, Rockhampton, Paddington, Maryborough, Gympie, Monkland. Whose electorates were those?

Mr. GILDAY: Did you ever ask for one for Toowong?

Mr. MACARTNEY: They were the electorates of supporters of the Government. Had they not exploited the Imperial Government and the Commonwealth Government for the purpose of buying votes in their own electorates?

Hon. J. A. FHELLY: Is there a State butcher's shop in Paddington?

Mr. MACARTNEY: It was on the list, at any rate.

Mr. GILDAY: I happen to be in Ithaca. (Laughter.)

Mr. MACARTNEY: Whether it was Paddington or Ithaca it was an electorate of a Government supporter. Then, in order that they might get further political capital, the Government descended to chicanery and tricks.

The CHAIRMAN: Order!

Mr. MACARTNEY: Yes, they found from the Auditor-General's report that there was a manipulation of the figures to show the profits made by the butchers' shops, and included in the profits shown was [7.30 p.m.] that £19,000 odd to which they had been referring. There was also to be found the profit made on the sales to the Commonwealth Government, the South Australian Government, the New South Wales Government, with Reynolds and Sons, Melbourne, Anliss and Company, and sundry sales, amounting to £77,701 1s. 4d., and showing a profit of £28,776 10s. 11d. What language could one use to properly describe transactions of that sort? The institution of these butchers' shops was doing a great injury to the residents in the neighbourhood in which they were established. It might very well be that by the means the Government had adopted to supply the State butchers' shops, the people could get cheaper meat than they otherwise could get by going to the shop and purchasing the meat, but it did not follow that the great bulk of the people got their meat at the prices quoted. A very large number of people had to travel long distances to the shops, and to pay railway and tram fares, which cost them a considerable addition to the price they paid for their meat before they got it home. It was all very well for the people who were living next door to the butcher's

shop, who could step in and buy their chops and steaks. The people in Brisbane were in a fortunate position, but the person who happened to be a couple of miles, or 5 or 6 miles away, were in a very different position. By the establishment of these shops the Government had shut up a lot of private butchers' shops, and people found it inconvenient to get their supplies. The delivery system had ceased, and it only wanted an extension of the State shops to milk, and bread, and fish, and the other necessaries of life to compel people to do nothing else but travel all day for the collection of their supplies. These things were not all good. They might be very vote-catching ideas, but they brought about a lot of unemployment and inconvenience to the people.

Hon. J. A. FHELLY: They have come to stay, too.

Mr. MACARTNEY: He understood that the Minister was desirous of getting his estimates through, and he did not wish to take up any more time, but the report of the Auditor-General, and the evidence given by Mr. Ross would repay perusal. When they found out that the real profits of the State butchers' shops amounted to something like £5,000, the undertaking had not been a success, and it could only be successful to that extent by reason of the bushranging that had taken place in connection with meat and which was taking place.

Hon. J. A. FHELLY: Tell us about the American meat trust.

Mr. MACARTNEY: Perhaps he might tell about some other things which were more interesting, but he had told the hon. gentleman that he preferred not to take any notice of his interjections, for reasons which he pretty well knew himself. The hon. gentleman sat in a nice position to make comments about anyone.

Hon. J. A. FHELLY: You can go right ahead.

Mr. MACARTNEY: He was not going to be drawn by the hon. gentleman. The interjection which the hon. gentleman made had no relevancy to him (Mr. Macartney), and the hon. gentleman knew that perfectly well. However, he was not going to be drawn by the hon. gentleman; probably, when it was done, it would be done with effect.

Mr. BEBBINGTON: The State, in all matters of business, should set an example to other business people in the State. From the perusal of the evidence, and the general working of the meat industry under the Government, they must come to the conclusion that if they were forced into competition with outside people, the State butchers' shops could not carry on. If there were no war on, and cattle were not fetching the price they were, and the State had to go into the markets to buy their meat, there would be no return from the business. It cost the Government a higher rate to handle their meat from the cold stores to the consumer than it did private butchers. They heard a lot about middlemen, but there was no middleman or agent in Brisbane who handled meat at such a high cost. The hon. member for Carnarvon had advocated a course which would have been far better for the people of Queensland than that which the Government adopted, and by which, instead of a few people in Brisbane only getting cheap meat, the whole

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of the people in the State would have got it at the same price. The hon. member for Carnarvon advocated that the Government should make the price of meat 4d. per lb. all round at the meatworks to every butcher, with the expense of distribution added. The business methods of the Government were so questionable that a neighbouring butcher had to put up a placard with the words "No stolen cattle or sheep sold here." The Government would not accept the suggestion of the hon. member for Carnarvon, because there was no political capital to be made out of it.

The PREMIER: In the first place, he never made the offer or suggestion.

Mr. STEVENS: Yes, he did, in this House.

Mr. BEBBINGTON: The Government had acted in the same way as any other trust or combine would have done. They heard members opposite talk about trusts and combines. He said that the Government in this matter acted in the same way as any trust or combine would have acted. They monopolised £750,000 worth of cattle country and cattle. Some of those cattle, before the Government got the stations, found their way to the Brisbane market, but immediately the Government got hold of the stations they sent their cattle to the Sydney market until the Brisbane market rose higher than the Sydney market, and the very first day that the Brisbane market was higher than the Sydney market the Government cattle appeared in the Brisbane market.

Mr. McMINN: To bring down prices.

Mr. BEBBINGTON: The Government not only ran up the price of stations, but they also ran up the price of cattle through being large buyers and through keeping their cattle off the Brisbane market. That was exactly the principle upon which trusts and combines worked—they kept the market bare, and then took advantage of the high prices, and no one could say that that was not what the Queensland Government had done. Something had been said about this £19,000, and the hon. member for Ithaca had said, "Repeat the statement outside." He was going to quote from the "Daily Mail," a newspaper which was circulated throughout Queensland and throughout Australia, and if the Government objected to what it said, they had their remedy.

The PREMIER: What is the date of the newspaper?

Mr. BEBBINGTON: It was a late date, the 30th November. The "Daily Mail" said—

"By a system of hard bargain driving and doubtful business, the Government has managed to secure from the Imperial Government, through the Federal Government, a sum of £19,000 for meat for army purposes, which meat has never been supplied, is still stored here, and is being utilised to provision the State butchers' shops that are the creation of the Government. This somewhat extraordinary piece of business has hitherto lain obscured from the public eye under some ambiguous entry concerning 'storage.' With the money thus extracted from the British Treasury for commodities never supplied the State butchers' shops have been made to show a profit of £35,000."

Was it not a disgraceful thing that any

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newspaper should be compelled to write a thing like that about the Government? It was a condemnation of the Government. When they had the British Government fighting for its existence every minute, the Government of Queensland were taking from them £19,000 for commodities never supplied. That was a disgrace to any civilised country.

The PREMIER: He rose to a point of Order. The hon. member was reading from the "Daily Mail" what was a lie. Not one shilling had come out of the British Treasury.

Mr. MACARTNEY: We know who are the liars.

The PREMIER: You are.

The CHAIRMAN: Order! The hon. member for Drayton must accept the denial of the Premier.

The PREMIER: I say that not one shilling has come from the British Government.

Mr. BEBBINGTON: He was reading from a public journal.

The PREMIER: I say it is lying.

Mr. BEBBINGTON: The Premier could say what he liked, but there was the statement that this money was extracted from the British Government for commodities which were never supplied, and the hon. gentleman had his remedy if that was not true.

The SECRETARY FOR RAILWAYS: He rose to a point of Order. Was the hon. member in order in quoting from a newspaper something for the accuracy of which he could not vouch?

The CHAIRMAN: I would point out that the Premier has denied what the hon. member has read, and that the hon. member must accept that denial and not repeat the statement.

Mr. BEBBINGTON: He accepted the Premier's denial, but as far as he was concerned he accepted the statement in the newspaper in spite of the hon. gentleman's denial. The newspaper said—

"With the money thus extracted from the British Treasury for commodities never supplied the State butchers' shops have been made to show a profit of £35,000. No one knew until yesterday that more than half of this was due to a windfall."

etc. In the evidence given by a servant of the Premier on oath we get this information—

"Did the State shops take credit for that £19,000?—Certainly.

"Did you sell the meat locally?—Yes, some of it. I believe it was sold locally; straight beef.

"What did you do with it?—Probably it went to the meatworks.

"And they got it?—I don't say they sold it.

"Did you actually 'have' the Federal Government for £19,000 for nothing, and the other fellows retained the meat?—It seems to me the State Government has a perfect right to do what it likes with that meat, and it sold it to the Commonwealth.

"And the Commonwealth didn't take it, and you charged it for the meat."

The PREMIER: We allowed for it.

Mr. BEBBINGTON: The statement he had quoted would go before the people of Australia, and they would see what was being done to cover up the actions of the Government in connection with State butcher shops. There was just one other line he would like to get in, and that was, "if a man was killed, you insure him for the amount of his policy." Now, having "had" the Imperial Government for £19,000—

The CHAIRMAN: Order! The hon. member is repeating a statement which the Premier has denied.

Mr. BEBBINGTON: He was only taking it from a paper. They had the fact that the State Government sold their cattle, say, at an average of at least 6d. per lb. They sold in the highest market they could get. When Sydney was the highest market they sold them there, and when Brisbane was highest they sold them there. He supposed in some cases the price was run up to 7d. The meat they were getting to supply to the public was only costing them 5d. or 3½d. Suppose that they had gone on to the market and paid 6d. or 7d. for their meat. Where would their profit have been?

"As no payment was made by the State butcher shops to the meat companies on this behalf, the amount remains as a credit to the profit and loss account."

That was what the Auditor-General said. That was the authority for the statements they made—and a section of the public Press, which he held was of a very high character. It was not a party paper; if it were, it would be quite different. (Laughter.) If the Government had had to pay that for their meat, they simply could not have conducted their business because their expenses of distribution from the meatworks to the public were in excess of anything in any retail trade in the State.

The PREMIER: He would just like to say one word with regard to certain statements that had come from hon. members opposite with regard to an amount of £19,000 which it had been urged had been charged to the Imperial Government with respect to meat.

Mr. FORSYTH: The Commonwealth Government.

The PREMIER: The hon. member for Drayton said the Imperial Government, and he persisted in that statement because the "Daily Mail" said so. For the information of the "Daily Mail," and also of the hon. member for Drayton, he could tell him that that was not true. The Imperial Government had paid nothing. Hon. members said that the Queensland Government paid nothing to the meat companies, and consequently that it was chicanery—that it was some kind of fraud. When the explanation was given, hon. members opposite—they must know what the explanation was—ought to withdraw the suggestions they had made. The Queensland Government had arranged for the purchase of 12,000 tons of meat from the meat companies prior to last year, and at the end of the year about 7,000 tons had been undelivered. The meat companies claimed that they were not liable for the delivery of that meat, and that, on the contrary, the Queensland Government were liable for the payments of storage and interest in connection with it; that it was held on account of the Queensland Government and stored for them, and storage at a certain rate was charged against the

Queensland Government, amounting to some tens of thousands of pounds.

Mr. STEVENS: How many tens?

The PREMIER: Tens of thousands—he could not give the exact amount, but aggregating something over £200,000, and if the hon. member would wait he would see that the amount charged to the Commonwealth was their proportion of storage. Four thousand tons of meat had been sold to the Commonwealth Government, which they required for the provisioning of the men who were in camp and about to be called up under the Australian Defence Act in connection with the conscription proposals made by the Commonwealth Government at that time.

Mr. STEVENS: You know it was not so.

The PREMIER: He knew it was so. He only knew what the Commonwealth Government alleged. They bought 4,000 tons of that meat.

Mr. STEVENS: It was only on account of your Act, passed in this House, that those men were brought in for home defence. (Government laughter.)

The PREMIER: Well, it might take a surgical operation to make the hon. member for Roswood understand what he was saying, but it was perfectly plain. The Queensland Government sold to the Commonwealth Government something in the vicinity of 4,000 tons of meat, which the Commonwealth Government required to feed the men who had been called up and whom they were calling up compulsorily under the Defence Act in connection with their conscription proposals last year.

Mr. STEVENS: No, no! (Government laughter.) You know they were only called up for home defence.

The PREMIER: Evidently the hon. member was voting "No;" he had got "no" on the brain.

Mr. STEVENS: You are saying what is not true.

The PREMIER: He would have to ask that the hon. member withdraw that statement.

The CHAIRMAN: Order! The hon. member is not in order in saying that the Premier has made a statement which he knows to be untrue. He must withdraw.

Mr. STEVENS: In deference to the Chairman's ruling he would withdraw the statement, although he would say that they were called up for home defence and not under conscription.

The PREMIER: He was not talking about what the men were called up for. He was only speaking about the fact that the Commonwealth Government purchased the meat for the provisioning of those men.

Mr. STEVENS: You are bringing in a side issue.

The PREMIER: The relevant fact was that the Commonwealth Government purchased that meat for the provisioning of the men whom they had called up, compulsorily or otherwise.

Mr. STEVENS: For home defence.

The PREMIER: Of course, the hon. member might say it was for home defence, but they all knew it was with the object of sending them away if those proposals were carried. The Commonwealth Government were subsequently unable to take delivery of that meat, because they did not see fit to use it or did not require it, but the

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Queensland Government were being held liable for the payment of storage in respect to it.

Mr. ROBERTS: You were never charged for it.

The PREMIER: The Government were being held liable for storage and interest by the works and had a claim lodged for an amount exceeding £200,000 on this account. So they told the Commonwealth Government that although they would not charge them the full price for the meat of which they were unable to take delivery, they must be responsible for the amount of storage and interest according to their agreement that was being charged against the Queensland Government in respect of it.

An OPPOSITION MEMBER: That was nothing.

The PREMIER: It was some tens of thousands of pounds that was being claimed against them. Later on, when they made arrangements for some 7,000 tons of meat for the present year and for the balance of the war period and three months afterwards, that claim was compromised, and the Queensland Government agreed to take 7,000 tons of meat per annum. The Commonwealth Government were called upon to bear their proportion of the claim that was made upon the Queensland Government in accordance with the agreement made between the parties when the contract was entered into, so that, although there was no actual payment of cash by the Queensland Government, they had to allow for it to the meat companies in the adjustment that was made.

GOVERNMENT MEMBERS: Hear, hear!

Mr. FORSYTH (*Murrumbidgee*): He did not think that was a fair arrangement in connection with the matter.

The PREMIER: Why not a fair arrangement? Do you say that the meat companies had no claim? Were the hon. member's friends only putting up a bogus claim?

Mr. FORSYTH: They would see. On page 9 of the report of the Auditor-General, in connection with industrial undertakings, it was stated most emphatically that—

“As no payment was made by the State butchers' shops to the meat companies on this behalf (that was, the £19,000) the amount remains as a credit to profit and loss account.”

Mr. Ross, one of the hon. member's own officers, said most emphatically—(interruption)—

The PREMIER: Would you like a Royal Commission?

Mr. MACARTNEY: You have enough of them to attend to.

The PREMIER: And if what I say is not true, you pay the costs.

Mr. FORSYTH: He agreed that if the Commonwealth Government or anybody else bought meat they should pay for it. (Interruption.) If they were left with that quantity of meat on their hands it would be quite right, in the event of loss accruing, that they should pay it, no matter how much it was. No one could raise a single word against that, and the whole report had nothing to do with that. According to the Auditor-General's report and Mr. Ross's evidence, no payment was made for the storage on that meat.

The PREMIER: Does the hon. member say, then, that the meat companies stored that meat for nothing?

[*Hon. T. J. Ryan.*]

Mr. FORSYTH: The Government did not pay one penny piece for it. Mr. Ross and the Auditor-General both said that the Government did not pay one brass farthing for the storage.

The PREMIER: They allowed them for it in the adjustment.

Mr. FORSYTH: If the Premier could show where some arrangement was made, that in the event of a loss being made on the meat which the Commonwealth Government did not take, he could quite understand it, but at the same time they could not get away from the plain facts, which were as the Auditor-General said and Mr. Ross reported in his evidence on page 104. He was asked the question straight out: “Had the Government paid any money at all for storage?” and he said, “No.”

The PREMIER: They allowed for it in the adjustment.

Mr. FORSYTH: What was the adjustment? The Auditor-General said no payment was made. If the Premier could bring some evidence to show that that £19,000 had nothing to do with storage, but was an arrangement whereby the Federal Government paid the Queensland Government for a probable loss that might accrue in connection with the breaking of the agreement, he could understand that, but there was no evidence either from Mr. Ross or in the Auditor-General's report to show that.

The PREMIER: I say I will give you a Royal Commission on it, provided that if what I say is true you will pay the cost.

Mr. FORSYTH: The hon. gentleman could not deny that both the Auditor-General and Mr. Ross emphatically said there was no payment. If the Hon. the Premier could bring forward some other evidence that the £19,000 was paid on account of their breaking the contract exclusive altogether of storage, he could understand it. But it certainly looked, upon the face of it, that they got something for nothing. The hon. gentleman said there was an arrangement made that they should pay a certain amount, and if £19,000 was the amount they had to pay for breaking the contract, it might be all right.

The PREMIER: Not to pay for breaking the contract, but to pay under a contract.

Mr. FORSYTH: The hon. member could put it in any way he liked. If they made some arrangement, it was quite possible the Queensland Government might have made a loss.

The PREMIER: If you owe me £1,000, and I let you off, is that not equivalent to paying you £1,000?

Mr. MACARTNEY: Who owed you £19,000?

Mr. FORSYTH: That was a different thing altogether. If the hon. gentleman said that an arrangement was made with the meat companies, and the Queensland Government waived that £19,000 for the breaking of a contract, and that was the amount which the Government took the liability of and relieved the Federal Government of that liability, he could understand the matter, but there could be no getting away from the fact that, so far as this item was concerned, there was no storage paid, and therefore the Government would have to find some other means to delude the public with regard to that particular matter. With regard to the purchase of beef and the butchers' shops, he

had no doubt the butchers' shops had done a good deal of good to the people who were able to get their meat there, but there was no denying the fact that the butchers, as a rule, were losing money at the present time, every one of them. He had spoken to at least half a dozen, and in every solitary case he found that with the price they had to pay for cattle, and the price fixed at which they must sell the meat, they were making no profit at all, and some alteration should be made. It was quite true, as the hon. member for Toowong stated, that the people living alongside a State butcher's shop could go and get their supply there at a lower price, but people who lived 2 or 3 miles away, and had to pay their tram fare or railway fare in and back again, did not get it any cheaper.

Mr. McMINN: Do you think that the people would go there for their meat if they were not making some profit?

Mr. FORSYTH: He said that the people living 2 or 3 miles away who had to pay 2d. or 3d. fare in and the same out, did not make anything out of it, and did not get their meat any cheaper than if they bought it at the butchers' shops adjoining the place where they lived.

Mr. McMINN: What brings them in there if they can get it as cheaply near home?

Mr. FORSYTH: The people living close handy were, no doubt, getting their meat cheaper. He would grant that. But the large majority of the people who did not live close to the butchers' shops, and had to pay their fares in and out, the actual amount they paid for fares more than made up the difference between the price charged by the State butcher's shop and the price charged by the butcher they were living near. He had been told by three or four men—thoroughly reputable men whom he had known for years—that it was utterly impossible for them to make a living. They said the price of cattle was far too high, and consequently they could not make anything out of it. He ventured to say that the hon. member for Ipswich, who knew infinitely more about the business than he did and probably more about it than any other member of the House, would be satisfied to say that the butchers could not make money under the present system. The hon. member must know that, and he (Mr. Forsyth) said it was a cruel thing that men who had been in the business for years could not manage to make a living. Did the hon. member for Bulimba think the butchers in the ordinary way were making a living?

Mr. McMINN: Whose fault is it? Are your cattle costing you any more now than they were before?

Mr. FORSYTH: If the hon. gentleman knew anything about it, he must know that the squatters had to sell at whatever price they could get. If a man sent cattle in to the saleyards, how did he know what price he was going to get?

Mr. McMINN: The combination fixes that up.

Mr. FORSYTH: All the talk about combination was mere bunkum. He had been in the yards himself and had seen consignments of cattle from a dozen different people who knew nothing at all about one another. How could there be any combination among them? They sent stock there for sale, and they had no more conception of what they

were going to get than the hon. member had. The price depended, to a very large extent, on the law of supply and demand. If there was a big quantity in the yards, down would come the price, and if there was a small number in and the butchers had to buy to carry on their business, then up went the price.

Mr. McMINN: Who regulates the law of supply and demand?

Mr. FORSYTH: Most graziers sent their cattle to the saleyards. Others perhaps sold larger lots to the meatworks. He really thought something should be done so that the butchers, who were working under most adverse conditions, should be enabled to make a living. With reference to what the hon. member for Drayton had said, he (Mr. Forsyth) had told the Premier on a previous occasion that if he were willing to supply meat to the Imperial Government and also to the State butchers' shops at 4½d. per lb., he should arrange to sell to any private butcher at the same price.

The PREMIER: You come along to-morrow morning and we will fix it up.

Mr. BEBBINGTON: A very good arrangement.

Mr. FORSYTH: If that were done, the private butchers would be on the same footing as the State butchers' shops, and they could sell their meat a little cheaper. It was no use saying that pastoralists were going to make more money out of it, because the meatworks bought their stock on the basis of the price they were going to get for their meat. If both the State butchers' shops and the private butchers got their meat at 4½d. per lb., it would be a good thing for everyone. The public would get their meat a little cheaper than they did at present, and the butchers would make a living. When they had to pay 5d. and 6d. per lb. for the cattle they bought in the open market, they could not possibly compete with the State shops. He sincerely trusted that some satisfactory arrangement would be come to.

* Colonel RANKIN thought the history of the State butchers' shops in Queensland was a very excellent illustration of what most of them prophesied with regard to State enterprises generally. Wherever State butchers' shops had been established the private butchers had been practically ruined. No doubt, the establishment of the State shops benefited a certain proportion of the people, but, undoubtedly, they had done grave injury to a very large number of people who had no right to be made to suffer as they had suffered on that account. It was a very good illustration of what was going to happen to other industries as the State extended its operations. Most of them believed in cheap food. The present Government came into power as the champions of cheap food. The late Government went out claiming also to have done their best to give the people cheap food. This Government had actually been an even greater failure in that respect than the late Government. They had brought down the price of meat in certain places where they had established State butchers' shops, but they had done it very largely at the expense of other districts. The immediate result of starting a State shop in a district was to ruin the butchers in that place. In Maryborough a very prominent butcher told him

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that he would practically have to shut up as the result of the establishment of the State shops in Maryborough. He had a branch business in Childers 50 or 60 miles away from Maryborough, and no doubt he had to increase his prices there on account of the operation of the State butcher's shop in Maryborough. That was an illustration of the far-reaching consequences of an enterprise of that kind.

Mr. WEIR: Maryborough is all right.

Colonel RANKIN: Let the hon. member ask the butchers of Maryborough if they were all right.

Mr. WEIR: I am not concerned about them.

Colonel RANKIN: Of course the hon. members was not concerned about them.

Mr. WEIR: I am concerned about the people.

Colonel RANKIN: The private butcher was very much concerned about himself. No doubt it was a good thing for the people living near the State shops in Roma street, Woolloongabba, Fortitude Valley, Paddington, Maryborough, and Gympie, but so far as the general body of the people of Queensland were concerned, those shops had not proved of any benefit, if they had not proved an absolute curse.

Mr. WEIR: The Isis Central Mill has asked for a State butcher's shop.

Colonel RANKIN: They might ask for a State shop, but there was no possible hope of them getting it, because they did not happen to be represented in that Chamber by a member sitting on the Government side. If they were, perhaps they might have the advantage of cheap meat. He believed meat was a commodity that could be controlled with perhaps less difficulty than any other commodity, and, if the Government had really been sincere in their desire to give the people cheap meat, their proper course would have been to extend to everyone the same rights that they took to themselves in connection with their State shops.

The TREASURER: It is a gradual process.

Colonel RANKIN: It was the process that was wrong. The Government were simply using their position to commandeer meat at a low price to enable them to retail it at a higher price and bring in a balance-sheet showing a profit. But they did that at the expense of all the private butchers. Let the hon. member for Ithaca say whether the State butchers' shops had proved a blessing or a curse to the private butchers. The hon. gentleman knew that they had proved a curse to these people. So far as the people outside the immediate areas where the Government were supplying meat were concerned, they had not benefited in the slightest. The Government were, to some extent, responsible for the high price of beef outside their own butchers' shops. What was to prevent the Government, in making the undertaking with the meatworks, doing what had been suggested by the hon. member for Murrumba? What was to prevent the Government from entering into a contract with the meatworks to supply, at a certain price, any butcher requiring meat? The meatworks in Brisbane should be able to supply any butcher's shop in Brisbane—State or otherwise—and they should be able to supply the whole of the southern part of Queensland with meat. The

meatworks at Gladstone could supply the Gladstone district; the meatworks at Rockhampton could supply the Central district; the Townsville meatworks could supply the Northern market; and the meatworks at Cooktown could supply the Cooktown district. By doing that they would not only give the people cheap meat, but they would succeed in keeping down the price of cattle. The high price of cattle was caused by the scarcity and the competition that existed in the cattle market. There was nothing whatever to prevent the Government from extending their operations for the benefit of the whole of the community. It did not follow that the private butchers would always make use of the concession. They might not take the meat from the cold stores, or the meatworks, at the price fixed; but, knowing that the price was fixed and they could get it at that price, it would tend to keep down the price of cattle, and the injustice that the people were suffering at the present time would no longer exist. Moreover, the ruin of so many butchers which resulted from State interference, would have been avoided. If the Government were desirous of securing cheap meat for the whole people, and not one section, the opportunity was there. The Government had the power, and they could very well avail themselves of it. With regard to the £19,000, he had listened attentively to the hon. member for Ithaca, and also to the Premier, and he could not reconcile their remarks with the Auditor-General's report. They had to look to the Auditor-General to present what he believed to be a fair and honest report on any financial matter in which the State was engaged. Could anybody read that report in an unbiased frame of mind and come to any other conclusion than that the Government had succeeded in securing some £19,000 from the Federal Government? He put the question to the Treasurer, and asked him, supposing the Federal Government did not pay that £19,000, would the State have lost that amount of money?

The TREASURER: Probably.

Colonel RANKIN: The Treasurer was indefinite in his answer, and he wanted him to be definite, and say if the State would have lost that amount of money if the Federal Government had not paid it.

The TREASURER: Yes, we would have lost the equivalent of it.

Colonel RANKIN: He could not understand the reference in the Auditor-General's report if that were so. He would read the reference again, because it was a matter of great moment. The Auditor-General said—

"Regarding the amount of £19,627 8s. 4d. shown above as having been received from the Commonwealth Government, I find, from the correspondence submitted in reference thereto, that it represents payment by that Government of this State's claim for storage charges from the 31st December, 1916, to 31st March, 1917, on all frozen meat held in store to the order of the Commonwealth Government.

"The existing arrangements (as per agreement between the Commonwealth and this State of 15th August, 1916) regarding the balance of frozen beef—approximately 2,600 tons—held in store in Queensland were thereupon cancelled,

[Colonel Rankin.]

and the Commonwealth Government relieved of all liability in connection therewith."

Then followed the crux of the situation—

"As no payment was made by the State butchers' shops to the meat companies on this behalf, the amount remained as a credit to profit and loss account."

It was possible that a certain amount was attachable as storage charges, but he could quite understand that the Government did not suffer any loss after the meat was removed in other directions. It was unfair to charge the Commonwealth Government with that amount. Speaking as a plain business man, and judging from the Auditor-General's report, it appeared to him that that amount should not have been so charged. He did not know if any benefit would result from the discussion, but if the Government were anxious to give the people cheap meat they would have an opportunity of extending their operations by placing the private butcher on the same footing as the State butcher.

Mr. BRIDGES (*Nundah*): As a commoner, he certainly could not understand how the £19,627 should be shown as a profit if anything had been paid in connection with it. If it was a profit it was not made by the butchers' shops, and should not appear as a profit in the profit and loss account. He could not bring the Premier's explanation to agree with the manager's—the man who was acting in a dual position. Mr. Ross was acting as an officer for the Imperial Government and also for the State Government. When Mr. Ross was giving evidence before the Select Committee the other day, he was asked—

"And the Commonwealth did not take it, and you charged for the meats. Did the meatworks charge you for it?"

To that question Mr. Ross answered "No." Then he was asked—

"You made a contract for a certain quantity of meat to be supplied to you. Did the people with whom you made the contract fine you?—We were not bound to pay them. If they did not look far enough ahead to 'have' us, that is their lookout."

Had it come to this: that they had to look far ahead when they had to deal with Governments? He thought Governments should be above any suspicion of that kind.

Mr. BEBBINGTON: There should not be any sharp practices.

Mr. BRIDGES: He was not so much concerned about whether the butchers' shops paid or not.

The PREMIER: It is nothing but slander. You are carrying on the campaign of slander.

Mr. BRIDGES: If the Premier did not slander anybody more than he (Mr. Bridges) did, then he would not slander very much.

The PREMIER: You are continuing the campaign begun by the hon. member for Dalby.

Mr. BRIDGES: He was merely reading answers given by a gentleman who held a dual position and who seemed to have a somewhat difficult "row to hoe" in trying to satisfy his two masters. It would be better if each Government had their own

manager. It was quite clear to him that the Auditor-General showed the amount as a distinct profit.

The PREMIER: We pay the salary of the Agent-General and provide him with a residence in London, and the Imperial Government get all his services.

Mr. BRIDGES: He was quite satisfied that it was a very convenient office to slip an inconvenient member of Parliament into.

Mr. MACARTNEY: The Premier has stated that the criticisms of the Opposition in regard to the £19,000 were part of a campaign of slander. He did not know what criticisms that the Opposition or any other Opposition could make if they could not take up the definite statement of an officer of Parliament such as the Auditor-General.

The PREMIER: Can you point out where he says it is dishonest?

* Mr. MACARTNEY: The Auditor-General had put it in the clearest possible terms and left it to the public and to the members of Parliament to draw their own conclusions.

The PREMIER: You are twisting it.

Mr. MACARTNEY: There was no necessity to twist it. It was dragged out of the pockets of the Commonwealth Government when the Commonwealth Government had no right to be charged with that money. It was taken from the Commonwealth Government on the assumption that this Government paid that amount for storage.

The PREMIER: We would have got far more if we had kept the Commonwealth Government to their contract.

Mr. MACARTNEY: The hon. gentleman could say what he liked.

The PREMIER: I challenge your statement and I say if we had kept the Commonwealth Government to their contract we would have got a much larger profit.

Mr. MACARTNEY: The amount the hon. gentleman would have got from the Commonwealth Government would have depended on the damage which the Queensland Government sustained through the breach of agreement, and as they had sustained no damage, there would have been no compensation. They collared that money from the Commonwealth Government when they had no right to it. The Premier got up and said that was a specious argument. He defied the hon. gentleman to put a statement on the table of the House giving the figures in which that £19,000 appeared as adjusted between his Government and the meat companies. The hon. gentleman tried a lot of bluff and said he would appoint a Royal Commission if the Opposition put up a certain amount of money. No Royal Commission that the hon. gentleman could appoint would prove that they ever paid one penny of that £19,000 that was recovered by the Premier from the Commonwealth Government.

The PREMIER: We could prove that the Commonwealth Government should have paid us a good deal more than we charged them.

* Mr. GUNN: The Opposition has been charged with all sorts of things, and he would like to make some reply. The graziers had been accused of creating a "ring" to keep up the price of cattle in the Enoggera Saleyards. There had been nothing of the sort done. The graziers had

Mr. Gunn.]

done their best to get their cattle to the Enoggera Saleyards during the whole time of the shortage. Circulars had been sent out asking for cattle to be sent in and saying "I wish to goodness you would send some cattle in, or else the local butchers will be ruined." The graziers had been perfectly loyal to the people of Queensland and had not worked in collusion in any shape or form. Then, again, it had been said that the whole debate had been in the interests of the graziers, and the Premier alluded to the graziers as beef barons, and all sorts of things. It did not matter to the graziers what price was charged for the meat for local consumption. Seven thousand tons of beef was a mere flea-bite to the graziers. What the grazier was worrying about, and what he did not like to see, was that his old friends who had dealt with him for years were being ruined, and ruined through no sin of their own. Most of the butchers had started in a humble way and had worked up. If the private butchers could get their meat from the meatworks at the same rate as the State butchers' shops they would not mind. The Government carried on their butchers' shops with commandeered meat. They commandeered it at a lower price than the ordinary private butcher could get it.

Mr. PETERSEN: You are getting a fair price for your bullocks.

Mr. GUNN: He was not complaining about the price he was getting for his bullocks. The price of his bullocks was fixed by the price charged to the Imperial Government. It did not matter whether there were State butchers' shops in Brisbane or not so far as he was concerned, as he would get the same price for his bullocks, but he did not think that a deserving class of people should be ruined when there was no occasion for it. All the Government needed to have done was to have commandeered the meat at the rate charged to the Imperial Government and have supplied the private butchers.

Mr. PETERSEN: How do you account for the fact that 300 butchers' shops were closed in Victoria during the last six months?

Mr. GUNN: He supposed the butchers' shops in Victoria were closed because meat was not allowed to go to Victoria. As for the articles appearing in the "Daily Mail" with reference to the £19,000, if the "Daily Mail" had made a mistake, the Premier had his remedy, but he must remember that the "Courier" and the "Telegraph" had made the same mistake. He would just as soon believe those papers as he would take the word of the Premier.

The PREMIER: That shows the necessity of proceeding against them. That is strong evidence of damage.

Mr. GUNN: The hon. gentleman was very fond of the law. He was always in the law courts, and there was a chance for him.

The PREMIER: Will you undertake to go into the box and say you believe the papers and not me?

Mr. GUNN: It depended on what the papers said, but he would believe that statement in preference to anything said by the hon. gentleman.

Question put and passed.

[Mr. Gunn.]

POLICE SUPERANNUATION FUND.

The TREASURER moved—That £44,729 ls. be granted for "Police Superannuation Fund."

Question put and passed.

GOVERNMENT ADVERTISING OFFICE.

The TREASURER moved—That £5,584 be granted for "Government Advertising Office."

Mr. GUNN: He had raised the question the other evening as to why the Government did not deal with the country Press direct instead of through an agent.

The TREASURER: That was dealt with when you raised the question before.

Mr. GUNN: He thought, perhaps, the hon. gentleman had some further information. He did not see why the country Press should not deal direct with the advertising manager instead of through an agent.

The TREASURER: The hon. member would see that the vote dealt entirely with railway advertising, in connection with which there was no arrangement with the country Press. It was not managed by the advertising manager.

Mr. ROBERTS: Did he understand the Minister to say that that £5,584 was for railway advertising?

The TREASURER: Yes.

Mr. ROBERTS: He wanted to bring under the department's notice the treatment meted out to the various papers outside the metropolis. He was doing that, not in the interests of the papers, but in the interests of the people for whom that advertising was inserted. He had noticed repeatedly, and it had been brought to his notice by others, that when there was going to be a train alteration in Toowoomba, or an excursion, they generally found that a paragraph covering about a couple of inches was inserted about a day before the occasion on which the excursion was run. These things did not appear to him to be satisfactory at all. He thought that a longer publicity should be given to the object in respect of which they were advertising. He also thought that a little more space ought to be given. They would see, perhaps, 4 inches in the metropolitan papers in respect of an excursion which was to start from Toowoomba; whereas in the local papers they would see only about 1½ inch. Considering that those people also had to put in a paragraph he thought that greater consideration should be given to them by the department.

Mr. MACARTNEY: He wanted to know why there was a necessity to increase the vote by over £600 in these times. The vote was originally included under the revenues vote of the Railway Department, and last year amounted to £4,970 for nineteen officers. This year it was £5,584 for seventeen officers.

The TREASURER: One part of the vote was devoted to advertising not in newspapers. The increased cost of material, particularly glass, accounted for the extra amount asked for.

Mr. BEBBINGTON: He was not going to complain about that expenditure. In the United States, England, and other places where they had very large business, they had an expert who was very highly paid and

was considered to be a man of great importance. He had not with him the salary which was paid to the gentleman who was in charge here.

The TREASURER: We have already voted it in the Home Secretary's Estimates.

Mr. BEBBINGTON: He admitted that, but it was a very important thing.

Question put and passed.

STATE HOTEL, BABINDA.

The TREASURER moved—That £15,700 be granted on account of "State Hotel, Babinda."

Mr. MACARTNEY: He was sure the hon. gentleman was not going to allow such an interesting institution to go by without giving them some information regarding it. It was rather a unique institution; the only one of its kind in Australia.

The TREASURER: There are State hotels in Western Australia and various other places.

Mr. MACARTNEY: It was the only one in the Eastern States.

The TREASURER: Is not there one at Wonthaggi, in Victoria?

Mr. MACARTNEY: He thought they ought to have some information from the hon. gentleman as to what its success had been up to the present time.

The HOME SECRETARY: It is an absolute success; I can assure you of that.

Mr. MACARTNEY: He would be very glad to hear something of the hopes for the future. He also would be glad to know if it had done away with the illicit sale of liquor in the district.

The HOME SECRETARY: Yes, it has.

Mr. MACARTNEY: Perhaps the hon. gentleman could give them the information.

The HOME SECRETARY: I have given all the information; it is a well-conducted institution; it is doing remarkably good business, and it is meeting the wants of the people.

Mr. MACARTNEY: He would like to know from the hon. gentleman whether it was an hotel that was necessary for the purpose of accommodation other than the supply of liquor.

The HOME SECRETARY: Oh, yes.

Mr. MACARTNEY: He also wanted to know what was the difference in the business between the sale of liquor and providing that accommodation to which he had referred. They had an account there from the Auditor-General who stated that he had not submitted a statement of profit and loss account. The hon. gentleman should give them information of that account. They had what was called a statement of receipts for the three months ending 31st August last, but that information was rather meagre. Evidently a very large amount of the State's money had been put into that venture, totalling upwards of £20,000. Surely the hon. gentleman could enlighten the country as to whether that money had been profitably invested.

The HOME SECRETARY: Oh, it has been profitably invested—financially and morally.

Mr. MACARTNEY: In connection with their State enterprises the Auditor-General

had made certain recommendations to the Government with reference to the provision which must be made for their management. He said—

"As intimated in my report on the accounts for 1915-16, I am now submitting statements of account from the date of the inception of each undertaking to the 30th June, 1917, which means that the butchers' shops, sawmills, and coal-mine accounts will include about eighteen months' transactions, but henceforth the accounts will be closed at the 30th June of each year.

"In my report for 1915-16, paragraph 155, I pointed out that these undertakings are not governed by any special Act of Parliament, and are being controlled by different Ministers.

"From the experience gained in the audit of these accounts during the past year, I am satisfied that the placing of these concerns under one direct control would make for efficiency and economy. This could be done without special legislation, and, in my opinion, is a matter demanding early attention. In addition, however, it appears to me that an Act should be passed, at as early a date as possible, setting out a system in regard to the financial management of State undertakings.

"I would again detail the matters requiring statutory provision—

(1) Recognition of the present trade concerns and provision for the establishment of further ones;

(2) How the funds are to be provided;

(3) The nature of the accounts to be kept;

(4) Determination of the capital costs;

(5) How sinking funds are to be charged and allowed;

(6) Provision for depreciation and the disposal of the surplus profits;

(7) Submission of a balance-sheet, trading account, and profit and loss account yearly to both Houses of Parliament."

"The necessity for some statutory authority regarding the above matters has already been realised by me, and I have at present before me a request from the Railway Department that the surplus profits of the railway refreshment-rooms for the period ended 30th June last should be paid over to railway revenue, notwithstanding that, so far as Treasury accounts are concerned, there is a large debit balance against refreshment-rooms.

"No provision, however, has been made, by Act of Parliament or otherwise, regarding such profits, and it would appear to me that if such action as above suggested were taken, the profits on the butchers' shops and State stations should be similarly dealt with and placed to consolidated revenue."

He did not know what was the nature and extent of the profits which the hon. gentleman expected from the State hotel.

The TREASURER: You will see it stated on the Estimates.

Mr. Macartney.]

Mr. MACARTNEY: He did not think the particulars were ample enough, and the Auditor-General himself said there was no balance-sheet.

The TREASURER: Until the venture has been running twelve months we cannot give very full details.

Mr. MACARTNEY: At any rate, perhaps the hon. gentleman would say what his intention was with regard to the profits of the hotel. How did he propose to deal with them?

The TREASURER: Put them into the trust fund.

Mr. MACARTNEY: Was it the intention to accumulate profits for the credit of the trust fund, or to pass over ascertained profits to the consolidated revenue? Those were things which the hon. gentleman should give them some information about.

The TREASURER: That is fully dealt with in the Financial Statement.

Mr. BRIDGES: At one time he had moved a reduction in this vote, but the Minister had assured him that none of that money was to be spent in connection with the hotel. He should not have been foolish enough to listen to the Minister.

The TREASURER: None of that money was spent in connection with this hotel.

Mr. BRIDGES: Some of the money was spent in clearing the site for the hotel, which came awfully near having something to do with the hotel. He had a grievance with the Government for building a hotel at all. Further than that, in spite of an Act passed by both Houses of Parliament, the Government had not the decency to come down and amend it, but simply proceeded as if there was no Act of Parliament at all. The Government should set an example to the ordinary individual to keep the laws of the country. He would have gone so far as to prosecute the Government, and he had had advice on the subject to the effect that the Government was not only breaking the law in a prohibition area, but breaking the law by selling liquor without a license. They were breaking two laws; but the trouble was that no one could enforce the law against the Government, unless they could get a police magistrate to give the case against them.

The TREASURER: Did your advisers say that we were breaking the law by selling liquor without a license?

Mr. BRIDGES: Yes.

The TREASURER: By selling liquor in the railway refreshment-rooms? There is no license there.

At five minutes to 9 o'clock p.m..

Mr. ROBERTS took the chair as Temporary Chairman.

Mr. BRIDGES: He was rather impressed by the evidence given before the Council Select Committee in connection with this hotel. Mr. William Gall, the Under Secretary to the Home Department, gave evidence as follows:—

"Is the Babinda district, where the hotel is situated, within the sugar district proclaimed under the Sugar Works Act of 1912?—Yes.

"Am I right in saying that that Act prohibited any new hotels being erected

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within a sugar area?—The Act closed automatically all hotels that were within a proclaimed sugar area. I think it is under section 12."

The next question was—

"Did any Minister at the time that Act was passed give instructions with regard to the closing of hotels, and were any closed in consequence of those instructions?—Yes. There were two hotels closed in consequence of the issue of the Order in Council creating the sugar area."

That proved that the Government went to the expense of buying out the hotels which were already in that district.

The TREASURER: We did not buy any out. We paid compensation, so that we could take away the licenses.

Mr. BRIDGES: They closed them up, and paid compensation.

The TREASURER: They still hold the hotels.

Mr. BRIDGES: Even if they sold sly grog, the hon. gentleman could not prosecute them, and the Government sold grog on the sly themselves. Then, Mr. Gall was further asked—

"Were those hotels closed without compensation, or was compensation paid?—Compensation was paid to the two hotels. I think the amount of compensation was decided by the court."

If they had left those two hotels there, there would have been no more incentive to sly grog-selling than there was now.

The TREASURER: Those hotels would not give the accommodation which the State hotel does.

Mr. BRIDGES: The accommodation was simply a farce, as it was not taken advantage of to any extent. Mr. Gall himself admitted that the accommodation at the hotel was a failure. The House had thought fit to declare this as a prohibition area, and the Government said they were out for prohibition, but when the Government saw a chance of making a few pounds in this prohibition area, they broke their own law, and put up an hotel, and made the excuse that they could not stop sly grog-selling.

The TREASURER: We have instituted twenty prosecutions for sly grog-selling.

Mr. BRIDGES: He supposed when there were prosecutions, not a fine was inflicted—the Government would remit the fine

The TREASURER: That is a pure slander.

Mr. BRIDGES: If it was a slander, the slander was in the truth of the assertion.

The HOME SECRETARY: There has never been a fine remitted by me, anyway

Mr. BRIDGES: He was only supposing that it was. (Government laughter.) How was it that the Government admitted that it was so weak that it could not stop sly grog-selling? They could stop sly grog-selling if they tried.

The TREASURER: The late Government did not stop it at Babinda.

Mr. BRIDGES: What was the good of the Government, as a party, saying that they would go in for prohibition, and admitting, with the next breath, that they could not stop sly grog-selling? It brought the whole thing down to a farce. He believed that

they could carry on prohibition, not only in towns but in the country. A Government who preached prohibition, and then said that because the people would have grog they would erect a State hotel, were not honest. It was much harder to stop sly grog-selling where there was an hotel than where there was none, because they did not know where people got their grog from when there was an hotel in the district. There was a big area in Nundah, where prohibition was in force, and had been in force for the last twenty-five years.

The HOME SECRETARY: And there is plenty of drinking going on there.

Mr. BRIDGES: No, there was not plenty of drinking in that area. In the case in question a prohibition area had been proclaimed, and the Government then broke the law.

The HOME SECRETARY: You are simply ranting; you are not talking common sense.

Mr. BRIDGES: He had intended reading only a part of the Under Secretary's evidence which bore on this question, but he had been interrupted by interjections. In answer to questions, Mr. Gall gave the following evidence:—

"Was this alleged sly grog-selling taking place after the other hotels had been closed?—It was while they were there and after they were closed, and sly grog-selling is going on now. Of course, the police are vigilant, and prosecute in cases where they can get sufficient evidence.

"Was this State hotel erected on the old site or was it on a new site altogether? Did they acquire the land?—It was a township area. A certain area in that district was reserved for that purpose, and the State hotel was built there.

"By the Chairman: I see that the Auditor-General says, on page 43 of his report regarding State industrial undertakings, that provision was made in the loan estimates for the hotel. Do you know whether that authority was given before the work was started?—I could not tell you that. The Works Department would know the exact date."

At question 1159, Mr. Gall was asked—

"Have there been many prosecutions for sly grog-selling recently?—There have been one or two prosecutions at Moolabah. That is apparently where the sly grog-selling is carried on now—there and at Gordonvale."

Then, at question 1133, there was this evidence—

"Was any license issued for this hotel in the ordinary way?—Not that I know of."

Where a prohibition Act was in force no licenses were issued, so that it was not a question of licenses, but it was provided that no liquor should be sold in that area. Then, at question 1172, this evidence was given—

"The Auditor-General said the bar takings were £3,962 12s. 2d.—For the period from August to the 20th October, 1917, the bar takings were £5,915 1s. 7d.; dining-room and coffee-room takings, £1,879 17s.; accommodation, £336 15s. 6d.; billiards, £225 14s. 9d.; total, £8,357 11s. 10d."

Mr. GILDAY: Not a bad business.

Mr. BRIDGES: He did not say the hotel would not pay, but he was strongly of opinion that the Government should have amended the Act before they built the hotel. Mr. Gall was further asked—

"Would the hotel pay if it were simply a boarding-house, and the liquor trade was done away with?—I could not say. It would not pay so well. It probably would not pay."

Another point that was very important was this—

"Do the Government pay a publican's license fee, and rates and taxes?—No; we pay no rates or taxes, and there is no license for the hotel."

Was that a fair thing? All other publicans had to pay big license fees and rates and taxes. He supposed that the Government expected the local authority to keep good roads near the hotel. In that event, why did they not pay rates and taxes? Still, if they did that, it would not justify their action. He was against State hotels, and he was doubly against a State hotel being built in a prohibited area.

* Mr. PETRIE (*Toombul*): He thought it was to be deplored that the Chairman should call upon Mr. Roberts to relieve him in the chair when the majority of members knew what a strong temperance supporter he was and that he was also a good hand at putting down the liquor trade—he did not mean liquor. (Laughter.) He saw by the Auditor-General's report that for the three months there was a balance of £2,245 4s. 8d., which led him to think that the hotel was a good business. However, he was with the hon. member for Nundah that an hotel should not be allowed, whether State or otherwise, in a prohibited area. He did not know that it was necessary that so much liquor should be sold there, and notwithstanding that, it had already been proved that since the hotel had been there there had been far more sly-grog selling. Although he knew that the Home Secretary and the Government were making an attempt to put it down, the evil still seemed to exist. The building was rather a fine one—it had stood the State in something like £20,983 14s. altogether, and they had first and second class accommodation. He would have liked to see more accommodation in the hotel. In the busy times, when the crushing was on, it was totally inadequate. He understood that most of the Government were great prohibitionists, and if they had put up a proper coffee palace—doing away with the drink altogether—it would have been far better in the interests of the community. He had called for a return showing the number of hands employed at the hotel, including the manager. He believed that in Mr. Webber they had a very good manager, and he also knew that the Government had sent up a first-class accountant in order that all the books might be kept properly. In working out the table, they had to remember that board and lodging was allowed in all cases, and allowing 15s. per week per head for board and lodging, it appeared to him to work out at about £1,411 per year. This year, after allowing for all that, they expected to realise something like £18,000 in receipts and £15,700 expenditure, showing a profit of £2,300. That was a good profit—it was not making a loss, at all events—but nevertheless he was against the principle altogether. If it had been put up as a coffee palace or accommodation house, the Government would have

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made a good thing out of it, especially when they considered that no other person was allowed to build an hotel on a prohibited area, and it would have supplied the need. He was glad to know that it was not one of those industries which were going to make losses, at any rate, and if an hotel did not pay, that was, when properly conducted, nothing would pay.

Mr. GUNN: Money could be put to far better use than in erecting State hotels; for instance, in building a railway from Inglewood to Texas, or in any other way that would be a benefit to the State. When they erected an hotel they were only making money out of the vices of their fellow creatures. It seemed to him that the Government had made a grave mistake, and they would know it when the election time came along. They found fault with the Denham Government because they restricted the sale of liquor, and because they were sly grog-sellers, and so on, but their methods, now they were in office, reminded him of the old tradition that if you took a dose of poison, you would recover if you took another dose. Acting on those principles he supposed the Government thought that as there was sly-grog-selling, if they opened an hotel and made it legal for everybody to sell grog it would reduce drunkenness. But nothing of the sort had happened. Bad as sly grog-selling was, it was preferable to a licensed hotel. He had been in the bush for a long time, and he had seen sly grog-selling going on along the railway lines and elsewhere, but he had never seen so much drunkenness in connection with sly grog-hops as he had seen at licensed premises. Another objection to the State hotel at Babinda was that the Government had established it in a prohibited area, and had encouraged drunkenness among the thousand employees at the Central sugar mill, and all because they wanted to put down a few sly grog-sellers. If the police did their duty—and he thought they would if they were properly assisted by the department—there would be no need to put up that hotel in order to put a stop to sly grog-selling in the district. Practically all the profit from the hotel was coming from the sale of grog. There was a large number of temperance people in Queensland, and, if the drink trade was nationalised, it might be said that all those temperance people were helping to encourage people to get drunk. That was not a desirable state of affairs, and he believed the Government would rue the day they started the Babinda hotel. The following report of the annual meeting of the Temperance Alliance of Queensland was published in the "Courier" of 15th September last:—

"'Liquor shops' was the term applied to the State groggeries by a speaker at the annual meeting of the Queensland Temperance Alliance last night. The twenty-first annual report, which was adopted by a representative gathering, also made condemnatory reference to the action of the caucus Government in establishing these premises, stating—'We have all along protested against State hotels, and shall continue to do so, as need for protests arise. We are not alone in our protests, nor do we wish to be. In the Legislative Assembly the Home Secretary was asked to supply details as to the cost and earnings of the Babinda State hotel. Mr. Huxham

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replied that the cost of the hotel was £17,551 18s. 2d. The average cost of maintenance was £299 2s. 6d. per week, and the average total income was £391 5s. 7d. per week. The weekly takings were made up as follows:—Bar, £277 19s. 1d.; dining and coffee room, £85 9s. 10d.; accommodation receipts, £15 17s. 9d.; billiards, £11 18s. 11d. Mr. Petrie referred to the high cost of this hotel, which, he said, ought never to have been built on a prohibited sugar area. It was idle, he said, to talk about the hotel being built for accommodation purposes, when, as a matter of fact, there were 1,000 workmen in the vicinity, while the hotel had accommodation for only seventy persons. On the day the hotel was opened, he said, almost every man in the district was drunk. That was a nice kind of spectacle for the Home Secretary to behold." Later in the meeting it was agreed 'That it be an instruction to the incoming council to at once consider the whole matter of State hotels with a view to taking any action that might be deemed advisable.'

From that it was quite evident that the temperance people of Queensland did not approve of the action of the Government in starting that hotel.

The HOME SECRETARY: It is the intemperate people of Queensland who talk in that strain—not the temperate.

Mr. GUNN: The time was coming when the temperance people of Queensland would have an opportunity of expressing their opinion at the ballot-box. In the old country people were doing their utmost to restrict the drink traffic in the interests of war industries, and the following cablegram from London was published in the "Courier" of 7th November last:—

'The convictions for drunkenness in the United Kingdom during the year 1916 totalled 84,191, the lowest number on record, and between 50 and 55 per cent. below the 1913 record.'

Mr. PETERSON: With 5,000,000 men away.

Mr. GUNN: There are a great number of them going backwards and forwards. In any case, there were not 5,000,000 out of England. There were all the men in the home defence army and there were all the men who were in training in England. And what about their Australian troops who were in training in England? There were nothing like 5,000,000 men at the front. The whole thing was a very sad commentary on the administration of the present Government, who were trying to pander to the vices of their fellow beings and to make a few pounds out of them through the sale of drink. If no private individual was allowed to start an hotel in the vicinity of a mill that gave employment to 1,000 people, the Government should not start an hotel in the locality. If they could not make a profit under such circumstances, and with no rates and no license to pay for, they would not be able to make money at anything. The present occupants of the Treasury benches would be very sorry for their action in starting State hotels. They had not given people any better accommodation, and they had not done anything to increase the comforts of the workers.

The HOME SECRETARY: It's a pity you don't talk sense. I know what the hotel is like.

Mr. STEVENS (*Rosewood*): It had been remarked previously that the Government in their State enterprises always took up some business that had already been made payable by private enterprise. They had started butchers' shops, sawmills, and various other industries, including this State hotel, all of which had been proved payable under private enterprise. If the Government wanted to prove that State control was better for the people than private enterprise, why did they not take up some industry that had proved a failure under private enterprise? Why had they not attempted to establish the cotton industry in Queensland—something that would be beneficial to the State—if the Government could prove that they could make it a payable proposition? They would not take any risk of that kind. They wanted to take a hand in something that had already proved a success—something that they knew was likely to give them a profit, and something that would give them a chance of proving that they were successful as a Government. But, with all their interference with private enterprise, they had not been able to prove that. The State had gone from bad to worse year after year under their administration. In the industries in which they had engaged they had only been able to show any sign of a profit through obtaining their supplies below market rates. They all knew that the Government were working at an advantage compared with private enterprise in the businesses in which they had engaged. They had no rates to pay, like private people. Instead of proving a benefit to the State, they had really done injury, inasmuch as they were depriving local authorities of the revenue to which they were entitled and which were so necessary to improve the roads; and in various other ways their interference had proved detrimental rather than beneficial. The Home Secretary appeared to be very proud of the hotel, but he (Mr. Stevens) did not know why. All the Home Secretary had done was to provide a groggery for a number of men. In other respects, the hotel had proved a failure. It was purely the bar trade which kept the hotel going, and that was what the Government catered for, although they professed to believe in the total abolition of the liquor traffic. Some little time ago the Northern papers referred to the fact that accounts owing by the State hotel since last March to tradespeople were still unpaid.

The HOME SECRETARY: The man who said that is a deliberate liar.

Mr. STEVENS: That was the statement made in a Northern paper.

The HOME SECRETARY: It is a deliberate lie.

Mr. STEVENS: Anyhow, that was the statement he read in the paper.

The HOME SECRETARY: Don't you believe me when I tell you that it is a lie?

Mr. STEVENS: That was a direct charge made in the public Press, and the hon. gentleman should make the Press retract it if it were not true. Tradespeople would not supply goods to the State hotel because they were kept a long time without being paid.

The PREMIER: You want to keep us constantly at law.

Mr. STEVENS: It was amusing to hear the Chief Secretary say that, because, owing

to the bad laws passed by the present Government, it meant a rich harvest to the lawyers, and especially to the hon. gentleman himself. All respectable people in Queensland would agree that the Government had no right to provide facilities for men to get drunk, especially when it was against the professed principles of the Government.

Mr. SWAYNE (*Mirani*) congratulated Mr. Roberts on occupying the chair, but regretted that he was not able to take part in the debate, because he was such an able champion of temperance. Where were the champions of temperance on the other side of the House? Where was the hon. member for Bundaberg?

Mr. BARBER: I am here, without any canting humbug. (Laughter.)

Mr. SWAYNE: Hon. members knew the conditions existing in the vicinity of sugar-mills. One of the evils that existed was when there was an hotel in close proximity to a mill. They all knew that on the morning after pay day the mill was sometimes hung up for half a day, because there happened to be an hotel near. They knew that special legislation was passed to prevent hotels being built within 5 miles of a railway or in sugar-mill areas, and this was broken by the Government. They were told that accommodation was required at Babinda, but the report showed that only £219 was taken for accommodation, while nearly £4,000 was received from the sale of grog. His chief objection to the vote was because it was too much to spend on one hotel when they knew that loan money was so scarce and it should not have been spent on an hotel. The money should have been spent in building bridges and making roads and otherwise developing the country. In his district a group of farmers at Owens Creek were faced with ruin because they could not get a branch railway. It was only a few miles, and their crop would be rotted in the ground next season through want of it. The Minister for Railways was up there and told them that there was no money to build the railway. The Public Works Commission recommended the line, and evidence was given before that commission to show that the line would only cost £24,000, or only £4,000 more than the State hotel. If that line were not built by next year then £21,000 worth of sugar would be lost to Queensland. Surely no one would say that it would be better to build an hotel in preference to a railway which would bring £21,000 extra to Queensland. Money was not plentiful now, and they wanted every £1 to help in the development of the country. He did not think the electors would justify his spending that amount of money on a State hotel. He objected to it himself, because he thought the money was needed for building railways, bridges, and making roads.

Mr. BAYLEY: To hear the opinions advanced by members on the Government side of the House one would never imagine that the Labour party had "total prohibition" in the forefront of their platform. One would imagine that the idea of temperance reform was merely a new-fangled fancy; but there was nothing new about it. Prohibition had gone far beyond the experimental stage. What did they find in the United States?

Mr. MAY: More sly grog-selling than in any other country of the world.

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Mr. BAYLEY: Absolutely no. In America out of forty-eight States, twenty-four had gone absolutely "dry." Not only that, but 69 per cent. of the people in the United States were living in prohibition areas, and 75 per cent. of the whole area was "dry." In the forefront of the Labour platform was total prohibition, and they were carrying out that plank by establishing hotels in prohibited areas. If the Government had seen fit to introduce a Bill to alter the law and make their action legal, the Opposition could not have cavilled so much, but they had absolutely broken the law in establishing an hotel at Babinda. The Government stated that their idea in establishing that hotel was to do away with sly grog-selling, as a great amount of grog was consumed in secret. No one could accept such a statement as that. In the great majority of cases men did not drink because they liked it. They drank in order to be sociable. The great majority of men would never trouble about strong drink if there were no hotels. It was simply because it had been made easy to secure drink through legalising hotels that so much grog was consumed. It was a very difficult matter to get drink under the sly grog system, as it was necessary to run the risk of the law, and it was not respectable, but instead of making it difficult to obtain drink, the Government had made it easy. They had made it appear respectable. That was the party that had always posed as the temperance party in this State. Apart from the rights and wrongs of the thing altogether, had the Government made a success of the State hotel? Instead of the fact that about £18,000 had been spent on the Babinda State hotel, and in spite of the fact that that was the only hotel in the district, and in spite of the fact that they had had a big turnover so far as the sale of drink was concerned, their profits had been practically nil, and they had charged the full price for the drink. The price had gone up, in fact. That showed what bad business managers the Government were. It showed that they could not even run a State "pub" successfully. They received from accommodation about £16 per week, and the grog bill was over £300, which was no credit to the Government. As a business proposition, it was absolutely bad, and from the standpoint of uplifting the people of the country, it was absolutely deplorable. Lloyd George, the Premier of England, stated—

"The Empire is fighting three enemies; Germany, Austria, and drink, and the greatest of these three is drink."

Only the other day a well-known publican in Brisbane made this statement—

"I used to support the Liberal party, but how can you expect me to support the Opposition now. The present Government are opposed to 6 o'clock closing, and if the 6 o'clock closing movement is successful, and my hotel is closed at 6 o'clock it means a loss of £1,600 a year to me."

He said he would be a fool to do otherwise than support the present Government under those circumstances. He mentioned that fact to show the tremendous amount of money spent on drink in Brisbane, and it behoved the Government at the present time, above all other times, to do all they possibly could to bring about sobriety and efficiency, and

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to inculcate a habit of saving in the people so that they could do as much as possible to help the Empire at the present juncture.

Mr. MAY: After the tirade of the hon. member for Pittsworth, he could not let the vote go through without a few remarks. If they turned to the men in the front trenches fighting for the Empire to-day, they found that the Scotchmen were doing wonderful work, and they were all whisky-drinkers. The Englishman liked his beer, and the Irishman liked his whisky too, and yet they were the finest fighters in the world. When they came to the Mahomedans, who were put down as water-drinkers, why, the Britisher licked them every time.

Mr. BAYLEY: What about the Sikhs?

Mr. MAY: They were very well when they were mixed with the British. The Babinda State hotel was established for the benefit of the whole district, and he was sorry that the Government did not establish an hotel at Cloncurry at the same time. An hotel brought down the price of living, and brought down everything that was of benefit to the Labour movement. The way the Babinda hotel was managed at the pre-time time was an example to the rest of Queensland, and if they had a few more of such institutions in the big centres of population, it would be beneficial to the whole community. They did not want to make a big profit out of the hotels. They wanted to bring about moderation in liquor-drinking. He would like to see one in Brisbane, in Cloncurry, and all their Western towns; and he was sure it would be the means of keeping the workers in a better state of health than they were at the present time.

Question put and passed.

STATE SAWMILLS.

The TREASURER moved—That £60,000 be granted on account of "State Sawmills."

* Mr. PETRIE: He thought that the Upper House was to be congratulated on having appointed a Select Committee regarding State industrial enterprises. They had brought out a lot of evidence that they, as members, or the public outside, would not have got otherwise.

The TREASURER: You could have got all that information by question.

Mr. PETRIE: No, they could not; they had never been able to get all the information which they desired. When they considered the huge sums of money in the way of unauthorised expenditure that this Government had spent, it was necessary that some Select Committee or Commission should have gone into those matters.

The TREASURER: Do you say that this expenditure on State sawmills is unauthorised?

Mr. PETRIE: It was all unauthorised expenditure on industrial enterprises.

The TREASURER: This vote has been on the Estimates for the last two years.

Mr. PETRIE: He was speaking in a general way of those industrial enterprises. He and other members had said that the reason the Government started those State sawmills was that they were going to give the people cheaper timber. It had been

borne out in evidence that such had not been the case. They had it in the evidence of Mr. Campbell, and he could quote the evidence of other private sawmill-owners. He was asked—

“Have you any knowledge why the Government purchased Raymond’s sawmill at Brisbane?”

Mr. Campbell said—

“It is known to the trade, and it is also known to the general public. The reasons given by the Government for the purchase of State sawmills was that the sawmillers were making huge profits out of the industry. Statements were made by members of Parliament, both inside and outside the House, that the State could sell the timber 4s. or 5s. per 100 feet less than we are selling it, and still show a profit.”

The TREASURER: That is his imagination.

Mr. PETRIE: There was no imagination about it. Those were statements which could be authenticated in more ways than one. He was asked—

“Were either of those statements true?—No. I would refer you to question 1091 in Mr. Bromiley’s evidence, where he states that when he took over the mill the prices were then ridiculous. I would like to say that I quite agree with him, and I am quite satisfied now that the Government recognise that that was so.”

He noticed that the question put to Mr. Bromiley was—

“Do you remember your people at any time wanting to have the prices raised because you found you could not make the business pay at the old prices?”

He said—

“Yes. I discovered very quickly that we could not sell at the prices we started selling at. The prices then were ridiculous.”

“Was the increase made as the result of an agreement between yourselves and the Timber Merchants’ Association?—No. They told me that they proposed altering their prices, and I said that I could not see that they could do otherwise unless they were prepared to sell at a loss, and, of course, they altered their prices, and I did likewise.”

Then he was also asked—

“Are the sources of supply of your mills at all connected with those of the Timber Merchants’ Association?—No.

“You can run your business without reference to their schedule of prices?—That is so.”

He thought that if Mr. Bromiley were left to decide for himself, he would very quickly get in with the Timber Merchants’ Association. Mr. Bromiley was a first-class man and a good manager; he was quite capable of carrying out his work well. He (Mr. Petrie) believed he got on well with the owners of private sawmills. Then, Mr. Campbell was asked—

“Are you competent to form any opinion as to whether the Government got good or bad value for their money?”

That was in regard to the purchase of Mr. Raymond’s sawmill. Mr. Campbell said—

“All I like to say on that point is that I consider Mr. Raymond a very lucky man to get the price that he did.”

He considered so, too. He thought he was most fortunate, and if he had been in his position he would have been only too glad to sell out at the price at which he did. Mr. Campbell was then asked—

“Would you like to sell out on the same conditions?”

Mr. Campbell said—

“I would, very much.”

He was asked—

“Have you approached the Government—I suppose it is too late now?—I understand there were about fifty who approached the Government at the time, but we were not one of them.

“We have already had evidence that the State sawmills have increased the prices of timber—how do the prices of the State sawmills and the association prices compare at present?—Taking the list of prices issued by the State sawmills, with the discount we give to recognised builders and big purchasers such as contractors and furniture people, our prices are below those of the State sawmills.”

The TREASURER: You know very well that that is not true.

Mr. PETRIE: He knew very well that it was quite correct.

The TREASURER: You don’t.

Mr. PETRIE: Mr. Campbell had been connected with the timber business for thirty years; he had been brought up in it; and he belonged to a reputable firm, and he would be the last man in this State to stand up and tell a commission or a Select Committee things that were not true.

The TREASURER: I think he would be the first man to do it in connection with that subject he is talking about.

Mr. PETRIE: He said—

“I have a list of prices here that I can hand in to the committee. The ordinary typewriting shows the State sawmill prices, and those underlined in red ink are the association prices for the same class of timber.”

The prices were attached to the end of one of those reports of the Select Committee. He was not going to go into the matter of the quotations. He was sure the Treasurer had seen them, and he was sure he knew, in his own mind, perfectly well that all Mr. Campbell had stated were facts, and could be borne out.

The TREASURER: It is simply the statement of a man with an “axe to grind.”

Mr. PETRIE: Not at all. The Treasurer would remember that he put a question to the Treasurer on behalf of Mr. [10 p.m.] Campbell with regard to royalties. The Auditor-General, in his report, stated that, as far as the State sawmills were concerned, they paid royalties just

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the same as private owners. This was what Mr. Campbell said, when the question was put to him—

“Have you any knowledge as to the royalties paid by the State sawmills and the private mills?—Yes. On page 1675 of “Hansard” for this session, in reply to a question which I asked Mr. Petrie to put, the Treasurer said that the prices at Taromeo paid by the State run from 2s. 3d. to 3s. 6d., and that the general public are paying from 3s. 3d. to 6s. 1d.”

The TREASURER: You asked that question at the instigation of Mr. Campbell.

Mr. PETRIE: There was no harm even if Mr. Campbell did suggest it. He had been out of the building trade for a long while, and he did not want to get up in the House and ask questions without substantial grounds.

The TREASURER: You allowed yourself to be made a tool of.

Mr. PETRIE: The Treasurer was wrong in saying that. He always did it when he considered it was in the interests of the public. Mr. Campbell said—

“I notice in Mr. Bromiley’s evidence a statement I would like to take exception to. He stated that they are paying more royalties than we are. That is not a fact. They get their royalties at a basis fixed by the Government, with no competition; whereas we have competition all the time—not only competition amongst ourselves, but amongst the timber-getters. Further, the State sawmills have the advantage at the present time in the fact that the block of timber they are working is far nearer the mill than a lot of others who are paying a higher price, and that gives a tremendous advantage to a mill.

“The nearer to the mill, other things being equal, the higher the royalties would be?—Yes.

“Do you say the State sawmills are treated better by the Government than the private millowners?—Absolutely. Their block of timber should be put up to competition, and the public should be allowed to bid for it. The Government have no right to say to the State sawmills, ‘You can have this nice handy block of timber for 5s.’ We should be given a chance to compete as well as they.”

At ten minutes past 10 o’clock p.m.,

The CHAIRMAN resumed the chair.

Then another very important question was put to Mr. Campbell—

“Does your firm supply any timber to the Government departments?—Only to the Railway Department at the present time. We used to supply a good deal to the Day Labour Department at one time, but we are never asked to quote for it now. We only quoted one price last year. We would very much like to get a chance of quoting for the Government, but we are excluded from doing so.

“Do you think you can do as well as the State sawmills?—I am quite certain that we can.”

He could bring the evidence of other gentlemen to prove that the State sawmills were

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not supplying timber any cheaper to the people than it was before the State sawmills were started.

The TREASURER: They are very one-sided statements.

Mr. PETRIE: There was the evidence and the price lists, and the Treasurer knew that he could not get behind that evidence. He knew that in the department they could probably arrange things to suit themselves. He knew exactly what could be done in the building trade, and in an office, and there was not always fair-play. The State sawmills got advantages that private sawmills did not get. They did not pay any Government taxation, or rates and taxes to the local authorities. They did nothing towards the upkeep of the roads. With fair and just competition he had no fear that private enterprise would beat State enterprise every time. It was known that the workmen sometimes took advantage of the Government now in power which they would not take with a private employer. He wanted to refer to the expenditure on the departmental workshops and stores at Ipswich road. He had put a good many questions to the Minister regarding these workshops.

The TREASURER: That does not come under this vote; it is a separate vote.

Mr. PETRIE: Then he would reserve his remarks on that to a later stage. He wanted to emphasise the fact that the Auditor-General said that royalties and railway freights were charged against State sawmills the same as privately-owned sawmills. With regard to insurance, the Auditor-General stated in his report—

“Although the Workers’ Compensation Act applies to employees of the Crown, the Government decided not to insure its officers, but, in lieu thereof, entered into an arrangement soon after the Act came into force, whereby the Insurance Commissioner would manage and finance all claim settlements, such disbursements, together with a management fee of 5 per cent., to be refunded by the various departments concerned. Acting under this arrangement, the policy taken out by the State sawmill was cancelled on 6th September, 1916, by the refund of the premium already paid. Nothing eventuated then until 15th November, 1916, on which date an employee at one of the mills was killed, resulting, under the above arrangement, in a liability of the sawmill of £600, plus management fee, £30.

“On 14th December, 1916, the manager of the State sawmill applied for a workers’ compensation policy to date back to 1st July previous, and the policy being accepted, paid the premium of £208 on 3rd January, 1917, thereby transferring its liability on to the Insurance Department, who paid the claim of £600.”

That was a very sensible procedure on the part of the Government. The Auditor-General also said—

“A comparison of the figures in the two tables “A” and “B” tend to show that had the sales equalled the production during the period ended 30th June,

1917, the operations would have shown a profit instead of the loss recorded of £532 6s. 4d. In other words, the sum of £14,572 8s. 4d. (the value of the increased stock) was invested during the period under review without any return being received from same.

"The wisdom or otherwise of this course will reveal itself later, but it should be a matter for consideration whether the present policy of increasing the stock is advisable. The business cannot be expected to show a profit whilst the ratio of the turnover to the production remains as is shown in the last period."

He agreed with the Auditor-General that their stocks were rather large for their turnover. He did not wish to decry the State sawmills, but he did not want to see them worked at a loss. The Government bought all Raymond's mills as a going concern, and paid 16s. per 100 superficial feet for the stock, and they must have made a loss on that stock. For a portion of the year the sawmills showed a loss of £1,300, and later on they showed a net loss of £1,380 15s. 8d., and the Auditor-General said—

"It was then held by me that the loss was more than accounted for by reason of the fact that the stock of timber on hand at the Brisbane mill at the date of purchase was over-estimated, both as regards quality and quantity, and to that extent, at least, too much was paid for the stock." For the period from 1st October, 1916, to 30th June, 1917, a further net loss of £532 6s. 4d. is shown, but in this case no such reason can be advanced for the loss."

He thought the Auditor-General was fair in his report. He noticed that it was anticipated that this financial year they would make a profit of £2,000, but he was rather doubtful of that, and held that in fair competition with private millowners it would be found that private mills could supply timber cheaper than the State sawmills could supply it.

Mr. GUNN: This State sawmill business was not as profitable as the Government wished to make out. When the mills were purchased it was held by the Government that people were being exploited by millers, and they said the State sawmills would cheapen timber to the public; but when they started in the business they found that they had "caught a tartar." The sawmills had been run at a loss, and the price of timber had risen. Mr. Nixon, who gave evidence before the Council Select Committee, was asked, at question 1398, the following questions:—

"Have prices gone up since you took office under the association?—Yes, on two occasions.

"Did the prices charged by the State sawmill go up on each occasion?—Immediately. In fact, their prices were based on the prices charged by the Millers' Association.

"Did they offer any objection to the prices going up?—They welcomed the increase."

Of course, they welcomed the increase, but even with the increase in the prices for timber they could not make the mills pay, though they had not to pay taxes and other expenses that private millowners had to pay. The mills were charging a lower price to the Day Labour Department for the timber supplied to the department, so that they made the day-labour system appear to pay at the expense of the sawmills. A fruitgrower in his electorate required a lot of timber for cases, and he wrote to different sawmills for quotations. For a half-bushel case, which was the size most used in that industry, he got the following quotations:—Walker, Allora, 5d.; —, Killarney, 5d.; Peterson, Killarney, 5d.; Peachy, Toowoomba, 5d.; Lahey Brothers, Brisbane, 6d.; State sawmills, 8d. There was a big difference between the 6d. of the Brisbane private mill and the 8d. of the Government mill. Not only that, but only the other day some of his fruitgrowers found it very difficult to get fruitcases at all, because the mills were now making up cases for the Southern market.

The SECRETARY FOR RAILWAYS: They get more than 5d. there.

Mr. GUNN: He did not know what they got, but the private mills were quoting a lot lower than the State mill. If they were patriotic why did they not quote as low as the private mills? A great deal of their timber was being cut up and going away to the Southern fruitgrowers, and if they were not careful they would soon run out of fruitcase stuff altogether. He thought the Government might devote some attention to seeing whether they could not get some substitute for timber, because in a few years time they would not have sufficient timber to build their houses, and something else could surely be used for fruitcases. The Government were also taking a lot of credit for the Workers' Compensation Act. In that respect, the Auditor-General said—

"Although the Workers' Compensation Act applies to employees of the Crown, the Government decided not to insure its officers, but, in lieu thereof, entered into an arrangement soon after the Act came into force, whereby the Insurance Commissioner would manage and finance all claim settlements, such disbursements, together with a management fee of 5 per cent., to be refunded by the various departments concerned. Acting under this arrangement, the policy taken out by the State sawmill was cancelled on 6th September, 1916, by the refund of the premium already paid. Nothing eventuated then until 15th November, 1916, on which date an employee at one of the mills was killed, resulting, under the above arrangement, in a liability of the sawmill of £600, plus management fee, £30."

"On 14th December, 1916, the manager of the State sawmill applied for a workers' compensation policy to date back to 1st July previous, and the policy being accepted, paid the premium of £208 on 3rd January, 1917, thereby transferring its liability on to the Insurance Department, who paid the claim of £600."

Mr. Gunn.]

That would not make a bit of difference to the person injured. Hon. members had tried to make out that it had been paid out of the generosity of the Government. Nothing of the sort. It was compulsory insurance, and the money would have had to be paid by the Government, if not by the sawmill, so that all that had been done was to cook the accounts so as to make the sawmill show less loss than it should show. Then again, the timber and machinery in the sawmill were not insured for half their value, and if a fire occurred and they were partly or wholly destroyed, the Government would have had to date back their policy—go in for a retrospective policy. He did not mind if the Government did not insure their employees. He thought, in a big concern like the Government service, if there was an accident, it might be paid out of the consolidated revenue and be done with it. But why pretend to insure their employees and their sawmills when they did not think it necessary. Then again, the timber that was going to be used at the joinery works at Ipswich road was to come from the State sawmill. He saw that one gentleman had given evidence to the effect that they would never pay or be a success. It had been suggested that the best way to get over the difficulty and save some of the money was to turn the works into a matchworks. A lot of their timber was going away to Victoria and being cut up there and being used for matchmaking. It would be cheaper and better if they turned the works into a matchworks and brought the phosphorus here. The people in the joinery business at present could not make it pay and some of them were going out of the business. The Government, like all socialistic Governments, were no good at State enterprises unless they had a monopoly as in the case of compensation insurance, or, as in the case of the butchers' shops, where they were able to commandeer their stuff at less than market rates. He thought that those State enterprises were proving more conclusively every day that they were not going to be a success. They had been tried in New South Wales and under a Labour Government in Western Australia, and every one of them turned out a failure. In fact, he believed that in Western Australia they had a steamer which used to run up and down the Swan River, and he had heard from a reliable man that she could not steam and whistle at the same time. (Laughter.) She had to pull up to whistle, like a race-horse.

The CHAIRMAN: Order! Will the hon. member connect his remarks with the State sawmills?

Mr. GUNN: He was only alluding to State enterprises. He would be only too glad if the State sawmill did turn out to be a success. People in his electorate would be glad to get cheap cases, and he would be very pleased if he could get cheap timber for his men's accommodation, but what was the good of all that waste of public money in order to run a sawmill at a loss? How did they expect people who had to pay rates and taxes to compete with the Government which paid none and did not insure its employees?

The CHAIRMAN: Order!

[Mr. Gunn.]

Mr. GUNN: He thought that he had proved conclusively that the sooner the Government went out of the business the better for Queensland. He did not want them to carry on the State groggery, but even in that respect the people were not losing their money, if they were losing their character.

Mr. BEBBINGTON (*Drayton*): He wished to make an explanation with regard to the insurance matter. He had no idea of saying that anyone was robbed over that transaction. What he wanted to say was that it was an unbusinesslike transaction, because it saved the sawmill £600, and they had the Insurance Department accepting a liability of £600 for £200. That was no benefit to the party who claimed it. The sawmill would have had to pay it out of their own funds. Surely the Government would admit that.

At half-past 10 o'clock p.m.,

The CHAIRMAN said: Under Standing Order No. 305 I shall now leave the chair and make my report to the House.

The House resumed. The CHAIRMAN reported progress, and the Committee obtained leave to sit again on Monday next.

REGULATION OF SUGAR CANE PRICES ACT AMENDMENT BILL.

MESSAGE FROM COUNCIL, No. 2.

The SPEAKER announced the receipt from the Legislative Council of the following message:—

“ Mr. Speaker,—

“ The Legislative Council having had under consideration the message of the Legislative Assembly of date 29th November, relative to the Regulation of Sugar Cane Prices Act Amendment Bill, beg now to intimate that they—

“ Insist on that portion of the addition to clause 6 contained in lines 43 to 56, page 6, but propose the following amendment:—On line 39, after ‘owner,’ insert ‘or canegrower.’

“ In which amendment they invite the concurrence of the Legislative Assembly.

“ Agree to the substitution of the word ‘eighty’ for the word ‘seventy-five’ in their amendment in clause 12, page 10, lines 52 and 53; and insist on the insertion of the other words of the amendment.

“ Agree to the substitution of the word ‘eighty’ for the word ‘seventy-five’ in their amendment in clause 12, page 11, lines 19 to 24; and insist on the insertion of the other words of the amendment; and

“ Do not insist on their other amendments in the Bill to which the Legislative Assembly have disagreed.

“ W. HAMILTON,

“ President.

“ Legislative Council Chamber,
“ Brisbane, 30th November, 1917.”

CONSIDERATION IN COMMITTEE OF COUNCIL'S
MESSAGE.

Clause 6—"Appeal from valuation"—

The SECRETARY FOR AGRICULTURE moved—

"That the Committee do not insist upon their disagreement to the omission of that portion of clause 6 which is contained in lines 43 to 56, page 6, and agree to the further amendment of the Legislative Council in line 39, after the word 'owner.'"

Question put and passed.

The House resumed. The CHAIRMAN reported that the Committee did not insist on their disagreement to the omission of that portion of clause 6 which was contained in lines 43 to 56, page 6, and agreed to the further amendment of the Legislative Council in line 39 after the word "owner."

The report was adopted. The Bill was ordered to be returned to the Council with the following message:—

"Mr. President,—

"The Legislative Assembly having had under consideration the message of the Legislative Council dated 30th November, relative to the Regulation of Sugar Cane Prices Act Amendment Bill, beg now to intimate that they—

"Do not insist upon their disagreement to that portion of the addition to clause 6, contained in lines 43 to 56, page 6, and agree to the further amendment proposed on line 39 after the word 'owner.'"

"W. McCORMACK,
"Speaker.

"Legislative Assembly Chamber,
"Brisbane, 30th November, 1917."

MOUNT MOLLOY RAILWAY EXTENSION.

PLAN, ETC., RETURNED FROM COUNCIL.

The SPEAKER announced the receipt of a message from the Legislative Council intimating that they had agreed to the plan, section, and book of reference in connection with this railway.

JOINT COMMITTEES.

CONTINUATION DURING RECESS.

The SPEAKER announced the receipt from the Legislative Council of the following message:—

"That, in the opinion of this Council, it is desirable that the members constituting, respectively, the Joint Library Committee, the Joint Refreshment Rooms Committee, and the Joint Buildings Committee, should continue to control, during the recess, the several matters committed to their charge as such committees during the session.

"That the above resolution be forwarded to the Legislative Assembly by message inviting their concurrence therein."

The PREMIER moved—That the following message be sent to the Legislative Council:—

"Mr. President,—

"The Legislative Assembly, having had under consideration the Legislative Council's message of this day's date, relative to the control of the Library, Refresh-

ment Rooms, and Parliamentary Buildings during the recess, beg now to intimate that they concur in the resolution contained in that message.

"W. McCORMACK,
"Speaker.

"Legislative Assembly Chamber,
"Brisbane, 30th November, 1917."

Question put and passed.

BRISBANE TRAMWAY PURCHASE
BILL.

SECOND READING.

The HOME SECRETARY (Hon. J. Huxham, *Buranda*): In moving the second reading of this Bill I may say that it is an important Bill for the people living in and around the city of Brisbane. It is recognised that in 1920 the trams may be taken over from the present company, and we propose that they be taken over and vested in the Government. I want hon. members to recognise that the Government are simply taking over the trams for the local authorities. The Government's intention is that the trams shall be taken over under the Greater Brisbane scheme, notice of which was given to-day. It is proposed that all public utilities in and around Brisbane shall be vested in that authority, which shall have control over all matters appertaining to the people in the metropolitan area. I know that there will be one part of the Bill that will be contested by hon. members, and that is the part where the Government take no responsibility for that portion of the tramlines which were unauthorised. The Tramways Company made extensions which were unauthorised by the Government. It is a fair thing that that portion of the tramway which was authorised will be regarded as an asset of the company, and that will be taken into consideration when the trams are being taken over. So far as that portion is concerned the company are entitled to consideration at the hands of the Government. As regards the other extensions the Tramways Company have taken a position upon themselves which is overbearing and autocratic in its incidence. Hon. members will recollect that in 1913 Parliament passed an Act validating an agreement between the Chief Secretary and the Brisbane Tramways Company, Limited, providing certain machinery for the compulsory purchase of the Brisbane Tramway and certain specified extensions. By an Order in Council dated 1st October, 1895, it was directed that the compulsory purchase of the tramway should be postponed to the 20th September, 1920, slightly less than three years hence. The Bill supplements the powers necessary to make compliance with this Order in Council an accomplished fact. Hence the Government not only made provision for taking over certain tramlines but for certain specified extensions. The Governments have taken over the tramways in other parts of Australia. It was done in South Australia; it was done in Western Australia; and it was done in Victoria and Tasmania. Both at Launceston and Hobart the tramway systems were taken over by the Government, and Queensland stands out as the one State where the tramway systems have not been taken over by the Government. This should be done, and this Bill will make it an accomplished fact. I repeat that the Government are taking over the trams for the benefit of the local authorities and the citizens of Brisbane. Clause 3 provides for

Hon. J. Huxham.]

the vesting in the Railway Commissioner on and from 20th September, 1920, of the authorised tramway and all duly authorised extensions or additions thereto. All power-houses, car-sheds, rails, rolling-stock, cables, wires, posts, appliances, or appurtenances, rights and easements owned or used by the company for the purposes of the tramway shall also vest in the Railway Commissioner on that date. Only that part which was authorised will be recognised as a fair asset of the company. I may say that we have obtained legal opinions as to the question of additions made by the Tramway Company without authority from the Government, and they are absolutely conclusive and convincing so far as the position taken up by the Government is concerned. Legal opinions were obtained in Brisbane, including one from the Hon. E. W. H. Fowles, a member of the Legislative Council, whose law on that matter is unquestionably sound. It is sufficiently strong to warrant the Government in making provisions for only the authorised portion of the tramways. Hence the position will be satisfactory to the Government, to the local authorities, and to the people of Brisbane. The law is also laid down by the Privy Council dealing with that matter, and I am sure will be recognised by the hon. member for Toowoong. At any rate, the local authorities will be on very sound ground. One point I might dwell upon briefly is the question of payment. The company will have the option of taking cash for the assets belonging to them or debentures. We do not want them to take debentures unless they choose to do so. That is in their own hands. This Bill will relieve the local authorities of a great deal of difficulty so far as the negotiations are concerned when it comes to taking over the trams. They will first be vested in the Railway Commissioner, and when the local authorities are prepared to take them over we will transfer. That will show our bona fides in the matter. The purpose of the Government is to overcome the many difficulties that will have to be faced by the local authorities if the Government do not take it in hand and hold it in trust for the local authorities until they wish to take it over. I do not know that I need speak any further on this matter. It is a Bill more for the Committee than for a second reading speech, but I am perfectly satisfied that if the Bill goes through this House, and also its twin brother—the Bill dealing with the rates and fares—that it will be a boon in 1920 to the city of Brisbane, and the greater city that it is hoped to have at an early date. I have much pleasure in moving that the Bill be now read a second time.

Mr. MACARTNEY: I do not propose to discuss the second reading myself, but, at the request of the leader of the Opposition, I desire to move the adjournment of the debate.

Question put and passed.

The resumption of the debate was made an Order of the Day for Monday next.

STATE CHILDREN ACT AMENDMENT BILL.

RETURNED FROM COUNCIL.

The SPEAKER announced the receipt of a message from the Legislative Council returning this Bill without amendment.

The House adjourned at five minutes to 11 o'clock p.m.

[Hon. J. Husham.]