

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 24 NOVEMBER 1920

Electronic reproduction of original hardcopy

LEGISLATIVE ASSEMBLY.

WEDNESDAY, 24 NOVEMBER, 1920.

The SPEAKER (Hon. W. Bertram, *Marce*) took the chair at half-past 3 o'clock p.m.

PAPER.

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

Report on the Government Central Sugar Mills.

RETURN.

The following paper was laid on the table:—

Return giving information asked for in a question by the hon. member for Murilla, on the 17th instant, in reference to the work recommended by the Public Works Commission.

QUESTIONS.

STATE PRODUCE AGENCY REPRESENTATIVE IN BURRUM ELECTORATE.

Mr. BRAND (*Burrum*) asked the Minister in Charge of State Enterprises—

"1. Was Mr. E. R. Linsey recently employed by the State Produce Agency in the electorate of Burrum?"

"2. To what—(a) salary, (b) travelling expenses did Mr. Linsey become entitled while in the Burrum electorate?"

"3. Were—(a) political organising on behalf of the Labour candidate, (b) the conveyance through the electorate of the Labour candidate and organiser in a motor-car hired at State expense, duties imposed upon Mr. Linsey by the manager of the Produce Agency?"

The TREASURER (Hon. J. A. Fihelly, *Paddington*) replied—

"1. No, but a Mr. Linsey was engaged to investigate and make a report in regard to certain State enterprises, including the State Produce Agency.

"2. Whilst engaged on this work he was paid—(a) Salary, £53 6s. 8d.; and (b) travelling expenses, £23 2s. 6d.

"3. No."

INKERMAN IRRIGATION WELLS.

Mr. SWAYNE (*Mivani*) asked the Secretary for Public Works—

"1. How many wells have been sunk up to date in connection with the Inkerman irrigation scheme?"

"2. How many of this number, if any, have been found lacking a sufficient supply of water for irrigation purposes?"

"3. If any have been found so lacking, will their cost be a charge against the scheme as a whole; or, if not, how will the same be defrayed?"

"4. Have any wells been filled in?"

The SECRETARY FOR PUBLIC WORKS (Hon. J. A. Fihelly) replied—

"1. One hundred and sixteen wells have been opened up to water; sixty of these are completed.

"2. Seven wells have been found unable to supply the quantity demanded. Offers have been received from some of the settlers, on whose portions these wells are situated, for the purchase of the wells.

"3. This is a matter which will be considered when the completed works are being handed over to the board.

"4. Yes, four."

BOOKLETS PUBLISHED BY GOVERNMENT.

Mr. CORSER (*Burnett*) asked the Premier—

"1. Will he lay upon the table of the House a copy of the booklet called 'Museum Memoirs,' shown in the return, tabled on 20th November, to have cost the State £328; also a copy of the booklet the 'Buzzer,' shown in the same return to have cost £150; and of the 'Terse Information' (two editions), shown to have cost £309?"

"2. To whom were the copies of the report of the Commissioner of Trade mentioned in the return distributed?"

The PREMIER (Hon. E. G. Theodore, *Chillagoe*) replied—

"1. Yes; I lay copies on the table.

"2. The greater proportion were sent to the Agent-General. (Whereupon, Mr. Theodore laid upon the table of the House copies of the booklets asked for.)"

SALES OF STATE CATTLE.

Mr. CORSER asked the Minister in Charge of State Enterprises—

"1. What is the total number of cattle owned by the State Stations Department at date?"

"2. How many cattle were sold by the State Stations Department—(a) outside the State, (b) to local butchers, (c) to the State Butcheries Department, (d) through the saleyards at Newmarket and elsewhere, (e) to meatworks; and what was the average price per beast received under each separate heading during the year ended 30th June, 1920?"

The TREASURER replied—

"1. 173,657.

"2. (a) Nil, (b) 605, (c) 15,829, (d) nil, (e) nil. Average prices—(b) 406 to Cairns butchers at £12 per head; 199 sundry at £11 per head, plus hide value. (c) £10 per head for Northern cattle; £11 per head for Southern cattle."

Mr. KERR asked the Minister in Charge of State Enterprises—

"1. How many cattle from State stations were offered for sale through the Newmarket yards, Brisbane, during the year ended 30th June last?"

"2. What was—(a) the highest, (b) the average price, for State cattle sold through the yards?"

The TREASURER replied—

"1. Nil.

"2. See answer to No. 1."

PURCHASING POWER OF SOVEREIGN IN QUEENSLAND.

Mr. FORDE (*Rockhampton*) asked the Premier—

"Has his attention been drawn to the telegraphed statement from Melbourne, appearing in to-day's issue of the 'Daily Standard,' showing that the Federal Basic Wage Commission's recommendation indicates that the purchasing power of the sovereign is greater in Queensland than in any other State?"

The PREMIER replied—

"Yes. Although I have not as yet seen a copy of the report of the Federal Royal Commission, I understand that the following basic wages have been recommended—Melbourne, £5 16s. 6d.; Sydney, £5 17s.; Brisbane, £5 6s. 2d.; Newcastle, £5 15s. 6d.; Adelaide, £5 16s. 1d.; Perth, £5 13s. 11d.; Hobart, £5 16s. 11d. So far as Brisbane is concerned, the above figures agree with those published in Knibbs's for the quarter ending September, 1920, which show that the purchasing power of the sovereign is greater in Brisbane than in any other capital city."

FRUIT FLY LURE.

Mr. WARREN (*Murrumba*) asked the Secretary for Agriculture and Stock—

"1. Is he aware that the fruit fly has wrought very considerable havoc among the orchards of Queensland during the past year?"

"2. What steps are being taken by his department to provide a satisfactory fruit fly lure in orchard districts, or to provide other methods of eradicating the fly?"

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*) replied—

"1. Yes.

"2. Since my answer to the question of the hon. member for Lockyer on 2nd October, 1919, an offer has been received from Mr. Harvey to sell his lure for a price. This offer was entertained by the Government for consideration, subject to comprehensive trials of its efficacy under the supervision of officers of the Department of Agriculture and Stock. These trials are being carried out, but the final decision has not been made."

FODDER FOR STARVING STOCK.

Mr. CORSER, in the absence of Mr. Walker, asked the Secretary for Agriculture and Stock—

"What quantity of fodder for starving stock was distributed by the Government during the year ended 30th June last?"

The SECRETARY FOR AGRICULTURE replied—

"The distribution of fodder was through the State Produce Agency, and the quantity distributed for the year to 30th June last was 101½ tons."

PUBLIC SERVICE BLUE BOOK.

Mr. PETRIE (*Toombul*) asked the Premier—

"1. Is it the intention of the Government to publish a Blue Book dealing with the public service during the past year?"

"2. If so, when will the book be available?"

"3. When was the last Blue Book issued?"

The PREMIER replied—

"1. No, it is not considered advisable until the Public Service Act has been amended.

"2. See answer to No. 1.

"3. August, 1917."

AMOUNT PAID TO GUNNER TAYLOUR.

Mr. KERR (*Enoggera*) asked the Premier—

"What was the total amount paid by the Government to Gunner Taylor (or to enterprises of which Gunner Taylor was the manager) during the two years ended 30th June last?"

The PREMIER replied—

"£50"

PRIMARY PRODUCTS AND PRICE FIXING COMMISSIONER.

Mr. LOGAN (*Lockyer*) asked the Chief Secretary—

"1. What primary products have been dealt with by the Price Fixing Commissioner to date?"

"2. Which of the primary products has the Commissioner—(a) Increased prices, (b) decreased prices?"

The PREMIER replied—

"1 and 2. As considerable inquiry must be made, I suggest that the hon. member give notice of this question for Tuesday next."

WHEAT POOL BILL.

THIRD READING.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): I beg to move—That the Bill be now read a third time.

Mr. VOWLES (*Dalby*): Before this Bill is read a third time I would like to bring under your notice, Mr. Speaker, reasons which, to my mind, are good reasons why it should not leave this House in its present form. Clause 27 of the Bill as now printed is quite different from clause 27 of the Bill as it was last before you. The title of the Bill was—

"A Bill to confer powers on a State wheat board with respect to the wheat harvest of the season 1920-1921, and for other purposes."

There has been an attempt, in a most remarkable way, to my mind, to bring about an amendment of existing legislation, that is, the Industrial Arbitration Act, by a new provision in this Bill, added in Committee. Of course, I know that you do not know what takes place in Committee, but I would like to tell you what happened. A certain member on this side of the House proposed an amendment to widen the scope of the Bill so as to make it possible for the Government to deal with other cereals than wheat, such as maize, in the same way as it is proposed to deal with wheat. The Chairman of Committees decided that the amendment was out of order because it was outside the scope of the Bill.

Mr. F. A. COOPER: That was not the judgment.

An HONOURABLE MEMBER: It was foreign subject-matter.

Mr. VOWLES: That is the same as matter outside the scope of the Bill. An amendment later was proposed by the Minister in charge of the Bill in which, by a subterfuge, he is bringing about an amendment of the existing law which was never foreshadowed and for which no leave was ever given. I take it that the powers now asked for in reference to the Industrial Arbitration Act necessitate expenditure of money in some direction or other, and as such exceed the leave which was given by

Mr. Fowles.]

the Lieutenant-Governor when he consented to the introduction of this Bill.

The SPEAKER: Order! I should like to ask the hon. gentleman if he suggests that the Speaker has the right to review a ruling of the Chairman of Committees?

Mr. VOWLES: I submit you have, Sir. The Bill has gone from you into Committee and has come back to you in a different form. Supposing something absolutely absurd was put in in Committee, do you mean to say you could not alter it?

The SPEAKER: Can the hon. gentleman give me any authority?

Mr. VOWLES: Only the authority of common sense. (Government laughter.)

The PREMIER: The amendments were taken into consideration in the House.

Mr. VOWLES: They were reported, it is true, and the House took them into consideration. This question could have been raised then, but I can raise it on the third reading of the Bill just as well as I could have done at the report stage. I would like to point out that the amendment which has been put into this Bill gives power to deal, not only with the harvesting of this wheat crop, but for the Industrial Arbitration Court to make an award which will cover the tilling of any soil at all.

The SECRETARY FOR AGRICULTURE: It gives power to make a regulation.

Mr. VOWLES: Yes, to make a regulation which will bring into effect an award which will affect not only the ground that has been ploughed for the purpose of putting in the wheat, or the wheat harvested during 1921, but shall apply to persons employed in work such as is usually carried on in farming operations in respect of wheat subject to this Act. That refers to persons engaged in the tilling of the soil, whether it be for wheat, maize, or anything else. It goes right away from wheat. That harks back to the fact that the Chairman of Committees already had decided that the Opposition would not move an amendment which would bring maize within the scope of the Bill.

The SECRETARY FOR PUBLIC LANDS: Does not the amendment also provide that the court cannot deal with it unless the matter is referred to it by the Minister?

Mr. VOWLES: There is a proviso that the Minister can do that or he can withhold it altogether if he wants to. Judging by the temper of some hon. gentlemen, it is not likely the Minister is going to have much opportunity of refusing to bring this class of work within the operations or the ambit of the Industrial Arbitration Court.

The SECRETARY FOR AGRICULTURE: The power will not be used except in the interests of industrial peace.

Mr. VOWLES: We do not want to debate that aspect of the matter again; we dealt with it last night. If the Chairman of Committees was in order in saying he could not accept an amendment to cover another class of produce, how could he consent to the introduction of a clause making provision for an award to be given respecting all classes of work where the tilling of the soil is necessary? The Chairman of Committees said that as the Bill dealt solely with the marketing of the wheat harvested, he considered the amendment was not relevant to

the subject-matter of the Bill. Yet here we have provision being made for the working of the soil.

The SPEAKER: I should like the hon. member to quote me authorities showing I have the right to review a ruling of the Chairman of Committees.

Mr. VOWLES: Well, I cannot quote any authorities to that effect. Supposing something absolutely absurd on the face of it got into a Bill, do you mean to say you would not have authority to deal with it? Must it go on to our statute-book in an irregular way when we pointed it out to you? Can you not rectify it? What takes place in Committee has nothing to do with your duty. The Bill goes away in a certain form and comes back in another form.

Mr. POLLOCK (*Gregory*): I rise to a point of order. I am going to ask your ruling as to whether the hon. member is in order in discussing this question, and I quote as my authority Standing Order No. 115, which states that when any objection is taken to a ruling or decision of the Chairman of Committees such objection must be taken at once and be stated in writing. I maintain that that course has not been adopted, and that the hon. member is out of order.

The SPEAKER: The point raised by the hon. member for Gregory is sound. I am interested in the point raised by the leader of the Opposition, but it seems to me that there is no appeal for either the Chairman of Committees or the Deputy Chairman to the Speaker. If the hon. gentleman will look up "May," at page 409, he will observe the following:—

"Order in debate in a Committee is enforced by the Chairman, who is responsible for the conduct of business therein; and from his decision no appeal shall be made to the Speaker, nor should an appeal from the decision of the Deputy Chairman or a Temporary Chairman be made to the Chairman of Ways and Means on his resuming the chair."

That is definite and emphatic. Again, on page 422, we find the following:—

"Following the principle which governs procedure in Committees of the Whole House, no appeal can be made to the Speaker regarding the decisions and rulings of a Chairman of a standing Committee."

I fail to see wherein I can assist the hon. member in the direction he desires now. It is not competent for the Speaker to review the decisions of the Chairman of Committees or Deputy Chairman.

Mr. G. P. BARNES (*Warwick*): Apart altogether from the point raised by the leader of the Opposition, regarding which I think it is unfortunate the House cannot give the weights consideration it should be able to give to a matter of such moment as that—

Mr. SMITH: You had an opportunity when in Committee, and you never took it.

Mr. G. P. BARNES: That may be unfortunate. It must be remembered that the amendment was launched on the very last clause of the Bill.

The SECRETARY FOR AGRICULTURE: It was an amendment of the last clause of the Bill.

Mr. G. P. BARNES: It gave the least opportunity to discuss the question. Yet the House must have been aware that this side

[*Mr. Vowles.*

of the House, and those representing the wheatgrowers, were intensely interested in it. They were desirous that the Bill, which had been introduced in splendid grace by the Minister, should be carried through the House with the same degree of fine feeling and approval, and that it should pass unanimously, if possible, through this Chamber in order to inspire the wheatgrower with the utmost confidence. It can readily be understood that, being entirely unsuspecting of the likelihood of such an amendment being forthcoming, we were naturally not prepared for it. If we were wanting at any stage in raising an objection or taking the move which should have been taken—according to the Chair this afternoon—we should be relieved of any sense of responsibility for such failure. I submit that the matter is of such importance that the Bill should be recommitted. Judging from the way in which the Premier and the Minister for Agriculture received the deputation, they were entirely in sympathy with them. As a matter of fact, the basis for the Bill is to be found in the various resolutions which were passed at Toowoomba. I have been on many deputations, and never in my life have I seen Ministers receive a deputation with greater cordiality than they received the deputation representing the Downs farmers in connection with this wheat pool matter. We felt we were at one. We went away enjoying the most complete confidence, and feeling that the highest degree of credit was due to the Ministers for the way in which they had received us and carried it out. That was renewed when without any unnecessary delay, the Minister tabled a Bill dealing with it. It can be understood, therefore, that when there was a reversal of the ideals of the Committee in the introduction of a point which had no right to receive any consideration whatever, we were on the alert; and, representing the people we do, it is our duty to do our utmost to oppose the introduction of that principle. The Government are introducing that which is unpalatable legislation to the farmer. He is not concerned so much about the wage at the present juncture. He would pay almost any wage. What he does object to, and what he fears, is ultimately being embroiled in strikes. Imagine a sympathetic strike taking place and being made applicable just now to wheatgrowing. Wheat is not going to await the convenience of the people; it must be dealt with instantly. It is that kind of thing that strikes terror and fear into the heart of the people.

The SECRETARY FOR AGRICULTURE: How would you propose to settle a strike if one took place.

Mr. G. P. BARNES: No strike is likely to take place. There is a perfect unity of feeling between the grower of the wheat and the men employed. They are receiving splendid pay. This kind of thing makes possible the introduction of trouble at a time when we cannot afford trouble. The Government know we have a crop worth, approximately, £1,500,000 or £2,000,000, according to their own estimated quantity, and that is in the balance just now. It would not have been so in the first place if this Bill had not been introduced, and certainly if the amendment had not been suggested. I am sure there is no thought in the minds of the people employed in connection with the taking off of this wheat crop of making a

demand. The demand would only come at the suggestion of someone else, just as every other demand in the land is being manufactured elsewhere. Demands are being made in different directions, quite unknown to the people who are concerned. I am sure we may live to see trouble arising from the fact that the suggestion has gone out that the way is open for making demands upon the farmers. The retrospectivity of the thing is extremely annoying. We know how sympathetic, unfortunately, judges have been in making retrospective the pay-
[4 p.m.] ment of increased wages. The whole thing is detrimental to the interests of the wheatgrowing industry, and also entirely detrimental to the larger interests of the country.

Mr. BEBBINGTON (*Drayton*): I wish to give reasons why this Bill should either be withdrawn or recommitted. Some very ill-effects will ensue if the amendment we object to is allowed to remain in the Bill. One reason is that a large number of men who have gone to work on the wheat fields are not farm workers. They are tradesmen who are used to any other kind of work except that which they are being put to, and, therefore, cannot earn half the wages which are given to an expert agriculturist.

Mr. RYAN: Is it skilled labour?

Mr. BEBBINGTON: It is skilled labour to the man who can do it, but I doubt if there are two men in the House who could do it. If the Arbitration Court award is made to apply to this field work, the whole of these men will have to be dismissed, and will have to join the ranks of the unemployed again. Another reason is that, as the Bill stands at present, it will have a very ill effect upon the next sowing of wheat, as no farmer with common sense would think of sowing wheat for another season. The Bill, as it stands, is practically useless to the wheatgrower. It would have been better if there had been no Bill, and to allow men to sell their wheat as best they could, to let the Commonwealth store it and make the advances upon it, and the Government stand by their own guarantee.

Mr. CORSER: I cannot help but protest at the action of the Minister and the Government in regard to their treatment of the Opposition. We have been subjected to treachery and trickery that have no precedent in this House.

The SPEAKER: Order!

Mr. CORSER: I might say that, as far as the Opposition are concerned, in the handling of our amendments by the Government we have been subjected to conduct more fitting to a two-up school than Parliament.

The SPEAKER: Order! The hon. member is not in order in using such expressions.

Mr. CORSER: I was interested in an amendment which was ruled out of order by the Chairman of Committees, on the ground that the Bill dealt solely with the marketing of the wheat harvest, but half an hour afterwards he accepted an amendment by the Minister in charge of the Bill dealing with the cultivation of the land for the wheat harvest. The only difference between my amendment and the Minister's was the difference between maize and wheat—the difference between one grain and another.

The SPEAKER: Order! The hon. member is out of order.

Mr. Corser.]

Mr. CORSER: The motion for the third reading has given us an opportunity to protest against the way we have been treated by the Government, and this sort of thing seems to be becoming more of a precedent day after day. The Government appear to want to force through the various Bills that may come into their mind, and the Opposition has not been given fair treatment, and has been handled in a way they have not deserved. When these points come up, everything is ready on the other side, and authorities are at hand, so that a ruling can be given which is detrimental to our interest. It is about time that the Opposition took all the action which is within their power to demand their rights in this Chamber, and that they are not subjected to the trickery they have been subjected to.

The SPEAKER: Order!

Mr. MORGAN (*Murilla*): I think that the Secretary for Agriculture, by the introduction of the amendment we are objecting to, has sounded the death-knell of the wheat growing of Queensland.

OPPOSITION MEMBERS: Hear, hear!

Mr. MORGAN: Fortunately, if I may say so, a great number of wheatgrowers in my district have been suspicious. I suppose the people in my district are the only people who opposed the idea of a wheat pool before we knew anything about the introduction of this measure. If they opposed the Bill with the provisions they were led to believe would be included in it, they certainly have more ground to oppose it now. I supported the second reading of the Bill because I recognised that it was imperative that a pool should be formed; but, as the Bill now stands, I do not know that I would not be justified in voting against the third reading. I feel almost inclined to do so, because, if the workers engaged in the wheat industry are brought under the Arbitration Court award, there would be no more wheat grown in Queensland.

The SECRETARY FOR AGRICULTURE: If you voted against this Bill you would not be able to go before your constituents again.

Mr. MORGAN: If I voted against the Bill I could still go to the people I represent. I am really supporting the Bill against the opinion of a great many people in my electorate. I have used my own judgment, recognising that the Bill—I may be wrong—will enable the farmer to sell his wheat in a reasonable time and get cash; but the Minister is now asking for an improper amendment. I know that it was forced upon the Minister, who had no idea when the Bill was drafted of bringing in such an amendment; in fact, it was forecasted by the hon. member for Mount Morgan and one or two other speakers opposite, and the extreme section were sufficiently powerful to tell the Government to introduce something which is not desirable. I honestly believe that if the Minister had been left alone he would not have moved the amendment. The amendment was complicated in its wording, and I rose to a point of order at the time and endeavoured to explain as best I could, on the spur of the moment, that the amendment was not in order.

The SPEAKER: Order!

Mr. MORGAN: I thought the remedy at the time was to object to the ruling of the Deputy Chairman. I am sorry that we did not debate the point more than we did. I

[*Mr. Corser.*

regret that the Government have not recommitted the Bill, so as to allow us to eliminate the objectionable amendment moved by the Minister. It is a blot on the Bill, which would otherwise be of some service to the wheat industry. It would help this dying industry from disappearing from Queensland altogether. There is no denying that the wheat industry has been suffering for years, and it will be only a year or two before the farmer will only grow sufficient wheat to harvest himself, without employing any labour at all. Instead of bringing about employment, this amendment will cause harm and injury, and the wheat-growing industry of Queensland will practically cease.

Mr. FLETCHER (*Port Curtis*): I would urge the Government to recommit the Bill, which, as it stands, has two distinct weaknesses. Firstly, there is no connection between the Government and the Bill in regard to finance, and I can only repeat what I said last night—that it will assist the board in their finances immensely if the guarantee is included in the Bill; not that I doubt the Premier's assurance, but I can see that there is going to be a good deal of trouble to the board before the business is completed. The Premier says he would like the board to make a success of the pool; and if that provision is included in the Bill it will help to make it a greater success.

With regard to the amendment brought in by the Government, I am not against conciliation and arbitration by any means. We on this side believe in it; but this is not conciliation and arbitration, because it is not going to apply to this wheat harvest, which will be practically finished before the provision is put into effect. It is an undesirable amendment to bring in, when it is likely to cause so much trouble. It was brought in at the eleventh hour, and we have not been treated fairly in connection with it. I think it may do a great deal of harm. I cannot see how it can do any good to the workers, as it is only for a limited period. The question of wages is not one that enters into the matter; it is the confusion that will arise if union secretaries and organisers interfere. The farmers came down and expected the Bill to be put through on certain lines, and now this amendment is put in at the last moment, quite altering the complexion of the Bill. I hope the Government will reconsider the matter.

Mr. DEACON (*Cunningham*): I think the Bill should be recommitted for the purpose of taking out the amendment. If the farmers had known that this amendment was going to be inserted they would never have agreed to the Bill, as it is a breach of the agreement come to. When we came down to see the Minister and the Secretary for Agriculture certain resolutions were agreed to, and they did not offer to put anything else in.

Mr. G. P. BARNES: They are not responsible.

Mr. DEACON: If they had intended to put anything else into the Bill, it was only fair to have mentioned it at the time, so that it could have been considered. It is not a fair thing to come along as the Minister has done and break the agreement without taking the responsibility.

Mr. COSTELLO (*Carnarvon*): As a representative of the wheatgrowers, and having a knowledge of the conditions prevailing in the wheatfields at the present time, I regret very much that this amendment has been introduced into the Bill. I am inclined to wonder whether this is the same Minister whom I was congratulating a few nights ago on the liberal conditions he was giving to the farmers. We asked for the Wheat Pool Bill, but we have not got it. We were under the impression that we were going to get what we wanted, but, alas! we have got something else. We have got the sting—not the sting of the Minister for Agriculture, as I give him credit for moderation; we have got the sting of the extreme element.

A GOVERNMENT MEMBER: Don't you believe in a fair wage for the men?

Mr. COSTELLO: Yes, and they are getting it. Taking into consideration the position the wheatgrowers are in to-day, the men need the Government's assistance; they need the assistance, not only of the people representing them, but the people representing the electors right throughout Queensland. We need our own flour, and it is very unwise for those people representing the industry to oppose the interests of the struggling wheat producer, because it is necessary, in the interests of the State, that the industry should be helped, and I think it only fair to give the wheatgrowers an opportunity to establish themselves before they make any attempt to cause strife between the wheatgrower and his labourers. The conditions prevailing in the fields are most harmonious—there is no talk of any strife or discord whatsoever so long as these people are kept away from the fields. The wages are quite ample. We only asked for a Wheat Pool Bill, not for a Bill containing this new amendment. I feel certain that the Minister has been forced into this awkward position, and, as the farmers at the present time are not expecting anything like this, I am certain that they will view it with the greatest discontent possible. I wish to enter my protest against it.

Mr. J. H. C. ROBERTS (*Pittsworth*): I beg to ask the Minister exactly what is meant by the words, "the provisions of the said Act shall apply"—

The SPEAKER: Order! The hon. member is not in order. He must confine his remarks to the motion.

Mr. J. H. C. ROBERTS: It seems to me that all farm workers are going to be brought under the provisions of the amendment so far as the wages to be paid are concerned. I consider this a very dangerous thing to introduce into the agricultural industry at the present time.

Mr. HARTLEY: You are wrong at the start. It is only to continue during this crop.

Mr. J. H. C. ROBERTS: I am very sorry, but I cannot take any dictation from the hon. member for Fitzroy at this time. I look upon this amendment as being the means of practically crippling to a very great extent an industry that is just getting on its feet again after four very bad years. During the last four years this industry has had particularly hard seasons—seasons that would almost break the heart of nine men out of ten. I can give you concrete instances of many men engaged in this industry who year after year ploughed their 300 and 400 acres—men who came to Queensland with a

large amount of capital, but who have gone out to-day with simply the clothes they stand up in. It seems to me that in giving this amendment we are giving the Minister a power that is going to prove a very great danger to the industry as a whole.

A GOVERNMENT MEMBER: Rot! Rot!

Mr. J. H. C. ROBERTS: That is what you have where you ought to have your brains. We hear occasionally that we on this side of the House do not believe in paying a fair wage. We are paying an eminently fair wage to all people engaged in the industry we are following, and in introducing this amendment the Minister was not quite fair to this side of the House. As one of those persons who waited on the Minister regarding the introduction of this legislation, I feel that it would be rather an underhand way of doing things if we were to accept this without protest. I protest very strongly against the amendment. The wheatgrowers are not going to be able to carry on under conditions that might be laid down by the Minister by getting an award from the Arbitration Court. We do not object to paying a living wage, or a good wage, to the men engaged in the industry who can do the work. (Government interruption.) One would naturally expect that the Labour unions, or rather the gentlemen on the other side of the House, would, first of all, have made inquiries regarding the conditions existing to-day in the wheat area on the Downs, and I say that they cannot point to one instance where there is any dissatisfaction existing—where there is one little bit of talk of strife or industrial trouble. You cannot show me one instance; and I would naturally have expected the Minister, in moving this amendment, to have come forward with some more concrete proposal than to stand up and say he was protecting the worker. You will find that, so far as the wheatgrower is concerned, he is prepared to protect the worker and himself as well.

Mr. FORDE: What is the objection to the clause?

Mr. J. H. C. ROBERTS: It is going to rebound upon you people. (Government dissent.) You are going to find that the farmers are going to do co-operative work now instead of employing labour, and they are going to do it in such a way that labour will practically not exist so far as harvesting operations are concerned. (Hear, hear!) We only ask for a fair deal. Had a suggestion been thrown out that this amendment was going to be introduced, the probability is that we might have asked the Minister to reconsider his proposal with regard to the price of wheat. It is all very well to say that the farmer is to get 8s. a bushel for his wheat; but in this Bill I absolutely fail to see where he is getting it from, or who is responsible for it. No one can show me in the Bill where he is going to get more than 5s. per bushel. We have an assurance from the Minister that he is going to get 8s. per bushel in accordance with a guarantee from the Government. Who is responsible for the financing? The board, and where is it going to get the finance from? We are given to understand that they are going to get it on the strength of a guarantee given by the Government for 8s. per bushel. I do not wish in any way to disbelieve their honesty with regard to the 8s.; perhaps the board may find that it is only forthcoming at some future date. After the amendment moved

J. H. C. Roberts.]

by the Minister, I feel that anything might happen, and if I were on the board I would certainly get out with as little delay as possible.

Mr. F. A. COOPER: In America wheat is down to 1s. 7½d.

Mr. J. H. C. ROBERTS: No doubt, the House will be pleased to hear the hon. member for Bremer afterwards, when he can tell them all about America.

Another side of the question which I think we have failed to consider is that we are depending upon the banks to finance the undertaking. I would like to feel that the banks are going to look with favour upon the Bill as it stands at the present time; but I feel that things are not quite what they appeared to be, and that the banks will look upon it in the same way as I do; and the question of finance is everything to the farmer at the present time. The amendment came, to this side of the House at any rate, as a very great surprise, and the pity is—

Mr. WINSTANLEY: I rise to a point of order, Mr. Speaker. I ask if the hon. member is in order in discussing on the third reading of the Bill an amendment which has been already discussed and agreed to by the House?

The SPEAKER: I would point out to the hon. member that it is not in order to make a second reading speech at this stage.

Mr. J. H. C. ROBERTS: I feel that it would be a very good thing if the Minister could see his way clear to withdraw the Bill and redraft it. The prosperity of the State largely depends upon the conditions of our agricultural, pastoral, and other primary producing industries, and while my friends on the other side of the House do not agree with me, I would like to say that the future prosperity and greatness of this country during the next decade is going to depend entirely upon its primary production, and anything that is done which is liable to bring about a reduction in the production of foodstuffs, essentially necessary for the people, and the production of foodstuffs that we may be able to send to other parts of the world, and thus bring money into the country, which I believe is also desirable, I consider is a great wrong to this State and to the people who are going to follow us in the next generation. I regret that this amendment was introduced at the time it was, and I hope the Minister will reconsider his decision, withdraw the Bill for the time being, and remodel it.

Mr. BRENNAN (*Toowoomba*): I do not see any reason for the objections of the other side of the House. I represent a farming centre. (Opposition laughter.) On this occasion the middleman has been chopped out, and I would like to ask whether the extra wages paid to the men would be preferable to the profits made by the middleman in years gone by?

Mr. BEBBINGTON: The middlemen have nothing to do with it.

Mr. BRENNAN: We know that the farmers' sons are engaged in industries in the cities, and the farmers appreciate what arbitration means for their welfare, and our friends on the other side of the House know that. The hon. member for Pittsworth will tell you that he is a friend of the farmers. When the conscription issue was pending in 1916, and the farmers' sons were put in Hughes's stockyard during a big wheat

J. H. C. Roberts.

harvest, the hon. member for Pittsworth was advocating conscription and on his own farm was employing Chinamen.

The SPEAKER: Order! Order!

The SECRETARY FOR AGRICULTURE: I should like to say a few words in reply to some of the insinuations which have been made. The hon. member for Pittsworth, in the first speech he ever made, made use of these words—

"We want our own party in the House, for the reason that we are against the old Liberal party because of their association with trusts and combines, and we are against the Labour party because of the attitude they take up with regard to wages."

The speeches made this afternoon prove that they are not only the "low wage party," but the party opposed to arbitration. The alternative then is, I suppose, that they believe in direct action, and I say that their attitude is strongly contrasted by the attitude of the Northern Country party, who voted to a man on this amendment.

Mr. VOWLES: Why didn't you put it in the Bill?

The SECRETARY FOR AGRICULTURE: We are told that the amendment was moved at the eleventh hour. It was moved at the twelfth hour; it was moved on the last clause, because that was the only place we could put it in.

Mr. VOWLES: Why didn't you circulate the amendment?

The SECRETARY FOR AGRICULTURE: Why didn't the Opposition tell me they were going to move their amendments? They were not circulated, nor was I informed that they would be moved, yet I accepted two of those amendments.

Mr. BEBBINGTON: Those are very small things.

The SECRETARY FOR AGRICULTURE: This is also a small thing. The amendments I accepted from hon. members opposite were not circulated.

Mr. BEBBINGTON: This is a big thing.

The SECRETARY FOR AGRICULTURE: This Bill gives power to make regulations, and it also provides for power being placed in the hands of the Minister for Agriculture in the event of a dispute occurring to refer the question of wages to persons [4.30 p.m.] employed in farming operations to the judge of the Arbitration Court. We are told that a dispute is not likely to take place, and that everything in the garden is lovely. We are told that the farmers are paying good wages. I have no reason to doubt those statements at all; but if those statements are true, why should the Opposition be afraid to have the power included in this Bill to prevent any industrial trouble arising, or to bring that trouble to a satisfactory termination if it does happen to arise? That is all that is sought to do with this amendment. With regard to the statements made by the hon. member for Warwick and the hon. member for Cunningham on this question, they say that this matter was not raised when the deputation waited on the Premier and myself. I have said already that when that deputation took place they were not actually aware that a Bill was necessary.

Mr. VOWLES: That is not correct. The matter was discussed with your Under Secretary a week previously.

The SECRETARY FOR AGRICULTURE: I know I talked the matter over with the Crown Solicitor myself, and I asked him if he thought it was possible to create a wheat board without an Act of Parliament, and he said it was not.

Mr. G. P. BARNES: Resolution No. 5 dealt with it.

The SECRETARY FOR AGRICULTURE: No. I do not think resolution No. 5 dealt with it at all. It was not known then that legislation was absolutely necessary for the purposes of forming a wheat pool. We discussed the question of forming a pool in anticipation of legislation being passed, but none of the details were discussed. All that was discussed was the resolution providing for the approval of the board and several other details. The details of the Bill were not discussed then. Even if they had been discussed, it was hardly likely that such details would be talked about before we submitted the Bill. The attitude adopted by hon. members opposite this afternoon with regard to this proviso leads me to think that there is not much sincerity on the part of the Opposition in the desire to have their crops harvested at the shortest possible opportunity.

Mr. BEBBINGTON: The crop is being harvested now. All we want is the money for the crop that is being harvested.

The SECRETARY FOR AGRICULTURE: As the hon. member for Toowoomba rightly pointed out, this Bill eliminates the middleman. That is a very sore point with some hon. members opposite; but, all the same, the middleman is being cut out. That being so, and seeing that the farmer is getting a record price for his crop, I do not see why he should not be prepared to pay a reasonable wage. If there is no trouble with regard to the labour conditions, then this clause will not be availed of at all. I venture to say that the House will trust me in this matter of endeavouring to see that the conditions are carried out as fairly as possible, and that the harvest will be got through as expeditiously as we possibly can. It is not very encouraging when we see members on the other side talking about wanting to get this Bill on the statute-book and then blocking it in the way they have done. There is a lack of consistency on the part of hon. members opposite so far as their speeches are concerned, especially when they talk about opposing the Bill or dropping it altogether.

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

The Bill was ordered to be transmitted to the Legislative Council for their concurrence by message in the usual form.

COMMONWEALTH BANK AGREEMENT RATIFICATION AND STATE AD- VANCES BILL.

SECOND READING.

The TREASURER: At the earliest stages of this measure, I gave the Opposition a fairly broad outline of the Government proposal. I emphasised the importance of the transaction, and expressed the opinion that the transfer was going to be of benefit to the depositors and also to the people of Queensland. Looking at the question from the point of view of the removal of the duplication that exists at present—the duplication of buildings, staff, machinery, and the

like—it will be admitted that the saving of duplication must be extensive. In Queensland, one person out of every three—one out of every 2.6 to be exact—has an account in the Government Savings Bank. There are some, also, who have duplicate accounts in the Commonwealth Bank. The reason that people have duplicate accounts in the two banks is because if they placed all of their money in one bank the amount would be above the maximum which is allowed for drawing interest, and by having an account in each bank they draw interest for the both amounts. The amalgamation of the two banks will not place such depositors at any disadvantage. As a matter of fact, those who have had accounts in the Commonwealth Bank will benefit, because they will now get $\frac{1}{2}$ per cent. more than they got previously. The Commonwealth Bank, under this agreement, will raise their rate of interest to the Queensland Government Savings Bank's standard, and both accounts will now be available for interest-bearing purposes.

Mr. BEBBINGTON: The interest is comparatively low.

The TREASURER: The interest is low. It is now $\frac{3}{4}$ per cent. I expressed my opinion on that at an earlier stage of the Bill. However, the rate of interest does not interfere with the present Bill at all. That is a matter quite apart from this measure; but, personally, I may add that I am quite in agreement with the hon. member for Drayton when he says that the interest is low. I think that the small depositors are entitled to the same rate of interest as the big business investors. I may say, though, that the low interest charged on the deposits has enabled the Government to do a lot of useful work cheaply in connection with building residences for the workers, and also for helping those engaged in the agricultural industry in Queensland. That is the result of fixing the interest at a cheap rate. This Bill consists of ten clauses. If hon. members will glance over the outside page and analyse the items, they will have a fair idea of the contents of this measure. It is really a précis of the measure itself. It deals with the ratification of the agreement, and with the separation of the Agricultural Bank, and with the separation of the workers' dwellings portion of the old Act. It outlines the method that will be followed in the future, and the machinery that is being built up to carry on these two sub-departments, and show how the money is to be raised, and so forth. Following the ten clauses there are two schedules. One schedule contains the agreement. It certainly appears in its present form to be involved and complicated. There is a good deal of legal phraseology about it, but, by worrying through it, it will be found to be quite clear in the end to members. Although it appears complicated, it can be explained very simply. The second schedule deals entirely with the amendments necessary in the present Act that we are working under—namely, the Queensland Government Savings Bank Act of 1915. That, briefly, will give an idea of the measure itself.

Now, perhaps, first of all, before diving into the more material alterations proposed in this legislation, I might repeat what I have said on a previous occasion—that the agreement is for twenty-five years, with the option of our continuing it for another twenty years. The Governor of the Com-

Hon. J. A. Fihelly.]

monwealth Bank will take over all of our officers, and their full rights will be preserved by him. He will make some arrangement in regard to the Commissioner. Whether he continues him in office, or whether he gives him some commutation in the way of honorary settlement for the services he might have rendered if he were kept on, is a matter entirely for him. At all events, we will see to it that the Commissioner will be satisfied, and, further, that the other officers are content with what is done in regard to them.

It may be urged—I think the hon. member for Bulimba did so at an earlier stage—that previous Governments had submitted to them a similar agreement, and after close inquiry concluded that it could not be of advantage to Queensland to ratify it. Proposals were submitted in 1912 of which the Denham Government I think did not approve, but the agreement into which we have entered is quite different in salient points, and will be, I believe, of substantial benefit.

Hon. W. H. BARNES: Tell us the salient points.

The TREASURER: I propose to pursue my argument in my own way, but I will digress for a moment and point out what they are. One of the suggestions in 1912 was that the Queensland Government securities then held by the State Savings Bank, amounting to £4,968,000, should be retained by the State, and that in lieu thereof the Commonwealth Bank should receive as an asset new debentures of a face value of £5,099,000, which in effect meant a loss to the State of £112,000.

Hon. W. H. BARNES: £112,137.

The TREASURER: Approximately, £112,000. There may be 113d. I have not calculated, but we do not need to go into such minor details. That objectionable feature has been entirely eliminated, and instead of our giving to the Governor of the Commonwealth Bank debentures of a greater value, he now is accepting our debentures at their book value and not at their market value. That means that if some of our debentures appear in the books as worth £97, they will be accepted by the Governor of the Commonwealth Bank as worth £97, whereas their actual quotation in the market might be £53. That is one substantial difference. It was also proposed that a great proportion of the new debentures should carry a higher rate of interest in order to bring the rate on the whole of them up to approximately the prevailing market rate of interest. That would have increased the interest bill by about £10,000 a year. Under this agreement also, the current account of £3,095,000 is to be treated as a deposit with the State at 3½ per cent. That sum will remain undisturbed unless there is an excess of withdrawals over deposits.

Hon. W. H. BARNES: Is not the whole amount at call?

The TREASURER: Of course, nominally at call.

Hon. W. H. BARNES: What is a sum at call?

The TREASURER: The hon. member should know.

Hon. W. H. BARNES: So should you.

The TREASURER: It is arranged that that sum shall not be disturbed unless there is an excess of withdrawals over the deposits, and then only to the extent of 70 per cent. That, in essence, gives the difference between the two agreements, and to the uninitiated—

[Hon. J. A. Fihelly.]

it does not require special knowledge to grasp this business transaction—it must be clear that this agreement is going to be of benefit to the State.

Let me now deal with the future position of the workers' dwellings and the Agricultural Bank operations. Later on in the session the Agricultural Bank will be elaborated and built up into what we hope will turn out to be a more efficient rural bank.

MR. CORSER: There is room for it.

Hon. W. H. BARNES: The Commonwealth take the securities of the workers' dwellings, do they not?

The TREASURER: No. We keep all the securities associated with the Agricultural Bank and the workers' dwellings, and give to the Governor of the Commonwealth Bank as security—he must hold some security—debentures covering that sum and bearing interest at the rate of 4 per cent. The securities do not go to the Governor of the Commonwealth Bank. We carry on our Workers' Dwellings Department and our Agricultural Bank under a corporation, which is created, known as "The Treasurer." The Treasurer will control the purse strings. Although the Agricultural Bank will probably be under the Agricultural Department, and the workers' dwellings under the Works Department, where there is more community of interest, one might say, yet the Treasurer will allot each year the amount that will be available for those two sub-departments. He will tell the Agricultural Department how much it can advance to the farmers, and the Works Department how much it can provide for workers' dwellings. That will be the rearranged position, and, personally, I think it is going to work out excellently.

On the last pages of the first schedule members will find a table indicating certain payments which are to be made to the Governor of the Commonwealth Bank to cover the repayments of interest and redemption of the principal and interest of the debentures handed by the Commissioner to the Governor of the Commonwealth Bank. There will be 111 payments of equal half-yearly amounts, amounting to, roughly, £50,000. That will represent certain debentures already held by the Commissioner of the State Savings Bank, which carry interest and redemption payments from the Government. The schedule is a rather fearsome thing to gaze upon—111 different itemised payments—but the explanation is simple.

MR. G. P. BARNES: Posterity will have a good deal to do.

The TREASURER: I might inform the hon. member for Warwick that the situation is just the same to-day with the agreement not ratified as it will be to-morrow with the agreement ratified. The Government have to pay the Commissioner interest and redemption on debentures issued by the late Government, as well as our Government, and by the Government before the late Government. Of course, posterity will foot its share of the Bill.

That corporation, known as the Treasurer, will operate on the funds as indicated by me. He will have authority to issue £5,000,000 worth of debentures for purposes associated with the Rural Bank and with the workers' dwellings. That is given now, and does not require any further parliamentary approval.

Hon. W. H. BARNES: You will have to go outside. I know you are up against it.

The TREASURER: We are not up against it. I do not know what the hon. member for Bulimba means about going outside for it when he tells us at other times that we cannot go outside for it. The profits accumulated in the bank, as I pointed out earlier, will be kept by the Government. They amount to about £380,000. The Treasurer will, in addition, be an advisory board to advise the Governor of the Commonwealth Bank in regard to the allocation of the remaining 30 per cent. of the deposits. The rate of interest cannot be altered at all in Queensland by the Governor of the Commonwealth Bank without the approval of the Treasurer, who is also a board there. If any other States join up with the Commonwealth Bank, under these conditions or under different conditions, the Treasurer—meaning the Government—will have the opportunity of altering the agreement to fall into line with the terms of the agreement with the incoming State if he thinks that that State is coming in on better terms than those arranged with Queensland. Altogether from pretty well any angle—from any point of view—the bargain is a good one, as I think it will be shown, with the fine seasons we are having, that the deposits will increase in the one amalgamated institution, and we have the use of 70 per cent. of those deposits without any fear of having a run on the bank, without any necessity to keep a reserve fund or any cash in hand. We can invest the whole of the 70 per cent. As regards the other 30 per cent., the Governor assures us, he will, as far as possible, be in a position to invest all the moneys deposited in his bank. He is in a position to reinvest all of his money now, which, of course, we could never do. The Governor of the Commonwealth Bank hopes to be able to build up a system whereby all the moneys deposited in certain localities will be reinvested in those districts. The 30 per cent. he hopes to reinvest in the district where the money is deposited in the bank in the first place. That is a splendid policy, and one that I hope will turn out successfully, because it will mean that we will have the full 100 per cent. of the total deposits of both banks invested in our State. That, I think, is certainly attractive. It should be attractive from our point of view. The Brisbane Savings Bank building is to be retained by the Government. I am not quite sure whether I mentioned previously that it was proposed that the Insurance Commissioner should take over that building. If so, I want to put members right in that matter. It will be taken over by the Government, and used for Government purposes. We have altered the previous decision. We badly want accommodation, and we will retain that building at the contract price, and, of course, we could not build it to-day at £40,000 in excess of the actual contract price. We are keeping that building, and we are keeping the one in Rockhampton. I just briefly refer to the desirability of handing it over or of retaining the bank building for ourselves to show that we are not selling our birthright for a mess of pottage. We are making a good bargain. We badly want the building, as our offices are spread all over the city. Having our offices upstairs and downstairs and in the different streets does not mean efficiency and does not mean economy. We are very glad to have the building, and it will be a good thing for the Government to possess a building like that.

To those who would suggest that we are selling our birthright I would again emphasise that we are making a good business bargain. No parochial sentiment should allow hon. members to push aside, without proper consideration, a proposal like this. It is good for the depositors, good for the State, and it is going to simplify matters for all State Governments now and in the future. It would be quite as parochial for us to object to the Post Office being handed over to the Commonwealth or to the army or navy or other similar service being handed over. Banking, I have always thought, should be essentially a function of the central governing body. I certainly opposed the Commonwealth Government rushing into competition with us. That was crudity in its worst form. It requires something more scientific than that. There should have been consultation and collaboration between the Commonwealth and State Governments before action was taken, but that cannot be helped now. And banking should belong to the central authority, that is the Commonwealth Government. Hon. members will remember, going back to the beginning of the war, that England awakened one morning to find that German financiers had control of the whole credit system of England; they had complete control of the banking system. It was altered within a few weeks, and the alteration was not really anything in the way of a miracle, because, instead of Germans having control of the finances, English financiers got control, which, although a much finer thing for Great Britain than the Germans having control, yet only changed the control from one group of financiers to another group. The point I wish to make is that the people should have control of the credit system. Take insurance, for instance. I do not wish to say anything to the detriment of the Australian Mutual Provident Society, but their huge reserves should not be manipulated by a few people in the interests of business people.

Mr. G. P. BARNES: It is a mutual company.

The TREASURER: I will put it this way: Take our insurance business. Our reserves there are not used for investment in corner allotments in the city proper. The draper or the business man who wants to duplicate his establishment would not get a loan from our Insurance Office. We invest our funds in genuine developmental work of the country—in advancing money to farmers, in the building of workers' homes, in the building of railways, if possible, and in building roads also, if possible. That is where the Commonwealth Bank is really built on a different basis to our State insurance. The Commonwealth Bank, although it is a splendid institution which is doing good work, is merely one of the associated banks for business purposes. It has not, to any extent, pulled down the rate of investment or increased the rate of interest to depositors, although admitting that it has made money more accessible to settlers and the like: and is now embarking upon the laudable policy of helping local authorities. It has this saving grace—that it retains to the people the profits which other banks would have made out of Government business in the late war. It is capable of reformation and improvement, and it will be improved. It is under wise direction. Our Insurance Department is different. It makes no profits, but gives everything back to the persons who

Hon. J. A. Fihelly.]

insure, whether fire or life, and the reserves go in the genuine developmental work of the country. At all events, while this agreement lasts for the next twenty-five years, and if it is extended for another twenty years, I think the basis of credit will undergo a good deal of change. Probably, after exchange settles down to something normal and the different financiers of the world get their heads together, we may have a slightly altered system. It is inevitable that it will come. Butchers' shops, State stations, and other nationalised institutions are very good in their way, but, in my opinion, they are only tinkering with the question, and the most important of all is control of the credit system. People might derive benefit who live in close proximity to the butcher's shop or fish shop.

Mr. ELPINSTON: They are useful for winning elections.

The TREASURER: I found that where a butcher's shop was established there were more complaints. (Laughter.) The nationalising of all those institutions is a comparatively minor consideration as compared with the nationalisation of the credit system. That is my opinion. I will content myself with these few remarks. I have explained the salient features of the measure. I think it is a good one, and I commend it to hon. members and formally move the second reading. (Hear, hear.)

HON. W. H. BARNES: I am sure we have all followed the Minister very closely. I want, first of all, to deal with a statement which the Minister made by way of interjection in regard to the 70 per cent. to be retained by the Government and the 30 per cent. that may go to the Commonwealth.

The TREASURER: I never said that. It was never in my mind.

HON. W. H. BARNES: I am quoting from the debates for 18th November. The Premier made this statement—

"There has been so much stonewalling going on that I do not remember the exact occasion he referred to it. The fact remains that, after taking out our balance of 70 per cent. the 30 per cent. remaining will be utilised by the Governor of the Commonwealth Bank, principally for local authorities in the districts where the money comes from."

The PREMIER: Do you say I made a statement that that was in the agreement?

HON. W. H. BARNES: No, I did not make that statement at all. All I say is that, the leader of the Government made a statement—

The PREMIER: You are shuffling. You said the Treasurer a while ago, and now you quote me.

HON. W. H. BARNES: I made a mistake in saying the Treasurer made the statement. But the leader of the Government, who is above the Treasurer, made a distinct statement that 70 per cent. was to be appropriated to the Government and the other 30 per cent. was to go probably in another direction. In other words, he made this point, with a view apparently of interesting those whom he thought would vote for him, and especially local authorities—that whilst the Government themselves were not now able to help, in the main, to finance local authorities, in the future such a little arrangement had been made that there would be no difficulty whatever for local authorities to

get it from the Commonwealth Savings Bank.

The PREMIER: That is all right. Are you disputing that?

HON. W. H. BARNES: No. All I am saying in that regard is that the position is perfectly clear that, up to a certain point, it was always believed that one of the principal factors should be that as far as possible the Government themselves should keep in hand the advancing of money to local authorities.

The PREMIER: All I can say is that you are a champion shuffler.

HON. W. H. BARNES: The hon. gentleman cannot deny the fact that he tried to make the House believe that whilst the Government themselves were not, in the future, going to finance local authorities, an arrangement had been made with the Commonwealth Bank, and that the remaining 30 per cent. would be appropriated for that purpose.

The PREMIER: An arrangement has been made with the bank to keep 30 per cent., out of which the governor will do his best to finance local authorities.

HON. W. H. BARNES: There was a definite reference made to that effect. The Premier wanted to make this House believe the Treasury were unable to continue to help the local authorities, but that, nevertheless, there would be a distinct gain, in that provision was going to be made by the Commonwealth Bank—

The PREMIER: That is so.

HON. W. H. BARNES: For the 30 per cent. to be given to the local authorities, if they so desire. Does the Premier deny that?

The PREMIER: I repeat, you are a champion shuffler.

HON. W. H. BARNES: I could not equal the Premier. Let me say that if I am a champion shuffler he is a double champion shuffler. (Laughter.) Everyone knows that that is the position. I followed very carefully and very closely the speech of the Minister who introduced the bill. After all, there was not a great deal of information given.

The TREASURER: I gave everything, unless you want me to manufacture something.

HON. W. H. BARNES: The Minister was not successful in detailing what the Bill proposes to do. One of the most astonishing things in connection with this Bill and in connection with its introduction is that there has not been a single statement made that the officers of the department have been approached and asked if they regard the Bill and the agreement as being a satisfactory one from the standpoint of Queensland.

The PREMIER: Which officers do you mean?

HON. W. H. BARNES: I mean, for instance, the Commissioner of the Savings Bank. By whom was the agreement made?

The PREMIER: The Governor of the Commonwealth Bank.

HON. W. H. BARNES: That is the point I want to get at. It was not made by any politician. Now, as far as we know, the agreement, as far as Queensland is concerned, was made by the Treasurer.

The PREMIER: The agreement was made in accordance with the provisions of the Commonwealth Bank Act with the governor, and approved of by the Commonwealth Treasurer.

[Hon. J. A. Fikelly.]

HON. W. H. BARNES: Is it not a reasonable thing to suppose that men who have been associated with an institution for a great number of years, who have had to do with the financing of this State—may I refer to the Under Secretary to the Treasury and to the Commissioner of the Savings Bank—should be called in and an endeavour made to find out what their opinion was regarding the agreement, which, in some respects, is actuarial?

THE PREMIER: You assume that the experts have not been consulted.

HON. W. H. BARNES: I am not assuming it at all. I will quote from the report of the Queensland Government Savings Bank a statement by the Commissioner which is very significant. At any rate, the inference is that he was not consulted. On page 20 of the report of the Commissioner of the Savings Bank, dated 30th June last, it is stated—

“Since 1st January, 1917, the Queensland Government Savings Bank has been under my control as Commissioner acting under the authority of the Queensland Government Savings Bank Acts, 1916 to 1919, and of a commission issued to me in pursuance thereof.

“I have recently received an intimation that an agreement has been entered into between the Government of this State and the Governor of the Commonwealth Bank, with the consent of the Federal Treasurer, for the amalgamation of the Savings Bank portion of the institution with the Commonwealth Bank by transferring to that bank, under certain conditions, the relative liabilities and assets and portion of the staff.”

Then he goes on to say that, in view of that determination—I need not read any more—he is going into matters very much more fully than he would have otherwise gone into. Yet the Premier tried to sidetrack a few moments ago, and to imply that certain officers had been consulted.

THE PREMIER: No; I said it is too stupid of you to assume that we have not consulted the officers—the experts.

HON. W. H. BARNES: If it is too stupid of me to assume that, it is apparently too stupid of the Commissioner to make the reference which he made in his report. Apparently, there are two stupid people—the Commissioner, who has made a reference in print, and the Premier, on the other hand, who states it is not correct. I would like to know if there is any going back now. I suggested, in reply to an interjection where he charged me with being a shuffler, that he was a double shuffler. I do not know that he has not earned the title to be called a champion shuffler. It seems to me that that may be the position. This is not a laughing matter, because we are handing over to the Commonwealth a very important asset to Queensland. Surely, in an important matter like this there should have been consultation.

THE TREASURER: With whom?

HON. W. H. BARNES: With the officers of the department.

THE PREMIER: I say you are stupid. You assume that there has not been.

HON. W. H. BARNES: I have proved that the Premier is stupid, because the Commissioner of the Savings Bank implies that he has not been consulted. Would anyone

in the House to-day say that the Treasurer is a financial expert?

A GOVERNMENT MEMBER: Yes.

HON. W. H. BARNES: I am glad to hear it. I admit that there are many matters connected with insurance and subjects of that kind on which probably no man in this House would be regarded as being an expert. Apparently, the Treasurer has had to do with this agreement, and has not allowed the officers of the department to come in in case they might by some means frustrate his desire. The real crux of the position is that the Government are running to a dead end, and every movement they are making in the direction of finance is to see if they cannot get a little more money to help them over their difficulties.

THE PREMIER: Do you not admit that there is more money immediately available?

HON. W. H. BARNES: I admit that, in some directions, there is more money immediately available, but I think I shall be able to show, by an extract from a previous report, that it is only going to be very short-lived. Will the Premier, if I am on the wrong track, tell the House, if there has been consultation, what the result of that consultation was? Was it in favour of or was it against the proposal? I believe, if there was any consultation with the officers of the department, it was dead against the proposal, because, if after consultation it had been favourable, the Treasurer would have published it, and we should have had it to strengthen the report which he is making to-day; but there was no danger of the Treasurer doing that kind of thing.

THE PREMIER: The principal officers of the department strongly recommended it.

HON. W. H. BARNES: Are we going to accept that off hand? We were told that the Commissioner strongly recommended it, but we find he did not.

THE PREMIER: Who told you that?

HON. W. H. BARNES: I followed the Premier in the earlier stages this afternoon, in the direction that they had consulted the officers of the Savings Bank, and the Commissioner had recommended it.

THE PREMIER: No; I say you were stupid to assume that we did not consult experts on the matter.

HON. W. H. BARNES: And I say you were stupid, if you did not consult experts, not to have done so. I cannot discuss the details of the Bill on the second reading; but, apparently, this Bill is out to ratify the agreement with the Governor of the Commonwealth Savings Bank, to take effect from 30th June last, and, apparently, it has been in operation since that time, subject to the confirmation of this House. I want to know who moved in connection with this Bill. Was it the governor of the Commonwealth Bank, Sir Dennison Miller, who moved or the Treasurer?

THE PREMIER: It originated at the Treasurers' conference, and was brought forward by Mr. Watt, the Federal Treasurer.

HON. W. H. BARNES: I am obliged to the hon. gentleman for making that suggestion. I remember that there was a conference when Mr. Watt was the Treasurer of the State, and he was dead against the transfer, but I presume the position was changed because he was the Federal Treasurer. I ask the Premier, when he comes along through

Hon. W. H. Barnes.]

his Treasurer and asks us to swallow this Bill, what has been the attitude of the other States in connection with the proposals of Sir Denham Miller and the Commonwealth Bank?

The PREMIER: At least one has amalgamated, and one or two others are considering the matter.

HON. W. H. BARNES: Yes, one. The little State of Tasmania has certainly long since got into line; but at conferences I have known anything about these proposals have been turned down with a thud by the various State Treasurers, because they felt they were losing a grip upon one of the most important assets of the States. Who is going to gain by it? Is the State going to gain by it, or is the Commonwealth going to gain by it? Let me quote what was said by an officer of the department when the previous agreement was suggested to the then Denham Government. An officer of the Government made this statement, amongst other things—

“For some years the amount of the Sinking Fund and 75 per cent. of the new business would be quite inadequate to meet the cash requirements of the States, consequently either a large overdraft would have to be arranged for, which at present would cost at least 6 per cent., or loans raised at a cost of 4½ per cent.”

I have here a report which shows distinctly that, although money was then cheaper than it is now, it was thought by the officers of the department that any of the proposals which were being made in connection with the State Savings Bank were going to be disastrous to the State. I am prepared to admit that the Treasurer this afternoon detailed one or two of the losses which were suggested by the accountant at that time; but, while that is so, the position has not improved since then, but has rather been accentuated in every direction.

The TREASURER: You cannot compare them.

HON. W. H. BARNES: What is the position under this Bill? I say that the State will be an absolute loser, and it will be the greatest loser in that it is going to lose the control of the Savings Bank. Let me hark back. The hon. gentleman, speaking this afternoon, was good enough to say that, at the time of the encroachment of the Commonwealth Government, he thought they had made a mistake in coming into the business in the way in which they did.

The TREASURER: It is only my opinion.

HON. W. H. BARNES: My opinion coincides with the hon. gentleman's.

The TREASURER: Then I think I must be wrong. (Laughter.)

HON. W. H. BARNES: The hon. gentleman says he must be wrong. The fact remains that at that particular time a most strenuous fight was put up in order to retain the Savings Bank business. The hon. gentleman must know that then and now the amount of money held by the State is very much greater than the amount held by the Commonwealth as far as the Savings Bank is concerned. I was very anxious to get all the information I possibly could in connection with this particular matter, and I wrote to the superintendent of the Commonwealth Bank in Brisbane asking him for certain information. His reply, which is dated the 23rd November, is as follows—

“Referring to your letter of the 22nd

[Hon. W. H. Barnes.

instant, I beg to advise that the governor of this bank has instructed me to furnish you with the information asked for in your letter under reply.

“1. The total number of branches and agencies in Queensland as at 30th June last was 311.

“2. The total number of depositors, 29,721.

“3. The total amount to the credit of depositors, also on the 30th June, was £3,938,434 14s. 7d.”

What is the position with regard to the State Savings Bank? I hold that we are allowing a big business, as revealed by the Commissioner of the Savings Bank in his report, to pass away from us for the sake of gaining a temporary convenience.

The PREMIER: Because of the permanent benefits we will get under the agreement.

HON. W. H. BARNES: What is the real position? According to a statement published by the Savings Bank Commissioner, on page 19 of his report, the total amount standing to the credit of the Queensland Government Savings Bank Fund at 30th June, 1920, was £15,175,759, compared with £14,598,440 at the close of the previous financial year. The Commissioner states that in pursuance of section 13 of the Savings Bank Acts this sum was “held, invested, and used” for certain purposes. I need not give the details mentioned by the Commissioner, but I may state that among the items referred to in his report are the sum of £7,802,156 invested in Queensland Government securities, and the sum of £275,930 invested in Commonwealth war loan securities. At any rate, the position is that we are going to hand over a business of £15,000,000 to the Commonwealth which is running a business of £3,000,000 in connection with savings bank deposits.

The TREASURER: What is wrong with that?

HON. W. H. BARNES: The only thing wrong with it is that the business is going into the hands of those who are incapable of spending the money properly. The Government practically say to the Commonwealth, “Your business amounts to £3,000,000, our business amounts to £15,000,000; you take it.” The Commissioner is to be deprived of his position, as was pointed out by the Minister in his second reading speech on the Bill, and it is possible that the Commissioner may receive a certain sum to go out. The Minister did not state the position as frankly as that, but that is practically what his statement amounts to.

The PREMIER: The position is that the Commonwealth have to take the Commissioner over or provide him with a position equivalent with the one he has occupied under the State Government.

HON. W. H. BARNES: I say that a man who has been so long in the State's service had a right to be considered. The action taken by the Government in connection with the Commissioner of the Savings Bank is not the same as the action taken by the Government in connection with other public servants in other directions. As a matter of fact, the spirit of repudiation is abundantly manifest, and old officers are now being dismissed. All the assets of the Savings Bank are to be transferred to the Commonwealth Bank, and the moneys are to be invested in a corporation who is to be the Treasurer. The Treasurer will have control over those

monneys and over advances recommended to be made from the funds.

THE PREMIER: No; there is no difference from the present arrangement, except that the Treasurer is incorporated as a corporation for legal purposes.

HON. W. H. BARNES: The Bill provides that the Treasurer shall be a corporation solely by the name of the "State Advances Corporation," and that he shall have power to take, purchase, sell, exchange, lease, and hold land, goods, chattels, securities, and any other property whatsoever. That means that the Treasurer, with the approval of the Governor in Council, will have power to raise £5,000,000 from the Savings Bank funds. The hon. gentleman at an earlier stage twitted me about making reference to the Government going outside for loan money.

THE TREASURER: I did not twit you. You were twitting me.

HON. W. H. BARNES: The hon. gentleman twitted me for saying that it was impossible for the Government to get money outside. Yet it is a fact that in this particular Bill they are making an effort to get money outside, and to employ the Agent-General in that particular connection. That is the position as far as this particular measure is concerned. The position is made an exceedingly difficult one by the fact that the Governor of the Commonwealth Savings Bank is going to take over all the business and all the assets of the Queensland Government Savings Bank, with the exception of the building to which reference has been made this afternoon.

THE PREMIER: There are other exceptions also.

HON. W. H. BARNES: The assets of the Queensland Government State Savings Bank are going to be taken over by the Governor of the Commonwealth Savings Bank. There is to be a deposit at call issued by the Governor of the Commonwealth Savings Bank, which, roughly speaking, will amount to £2,772,000. There may be an unfriendly Governor controlling the Savings Bank, and what will happen then?

THE TREASURER: Governors of banks are not usually unfriendly in these matters.

HON. W. H. BARNES: The hon. gentleman is very trustful sometimes when it suits his purpose, but he is not always trustful of officials. The arrangement is that interest is to be paid at the rate of $3\frac{1}{2}$ per cent., which is fair and reasonable. Then there are to be handed over securities amounting to about £8,000,000 in value and those securities are securities which have to do with the very life of Queensland.

[5.50 p.m.]

THE TREASURER: You know very well that the amount at call cannot be touched unless the withdrawals exceed the deposits.

HON. W. H. BARNES: I think the hon. gentleman is wrong. In connection with the new business there can be no withdrawals unless, as the hon. gentleman says, the business falls off to such an extent that the withdrawals exceed the deposits, but the whole thing indicates that in this Bill we are practically losing the greatest asset we have in this State. We are going to hand over that asset to the Commonwealth Government. It is only a step towards unification. Perhaps

the hon. gentleman wants to see unification brought about. It is said that he is out for Federal honours, and it may be that he hopes some day to be the Federal Treasurer, and is now paving the way for it. The House should have something very much more definite in connection with the statement that was made by the Premier with regard to the 70 per cent. Let us not forget that the previous agreement which was turned down provided that 75 per cent. of the new money should be at the disposal of the State Government, whereas this agreement provides that the State shall receive only 70 per cent. If the Commonwealth Bank is going to help the State in the direction indicated by the Treasurer, then what is going to be done should be clearly laid down in the Bill. It should not be left in the form of an assurance made by the Premier, or by the Treasurer, that something may be done. The Bill should clearly and definitely set out what assistance is to be given by the Commonwealth Bank to the State.

THE TREASURER: We are to receive the £3,000,000 at call in the Treasury. Read clause 5 of the agreement.

HON. W. H. BARNES: If I were to start reading clause 5, the Speaker would pull me up.

THE TREASURER: You are quite wrong. The agreement says distinctly that that amount shall not be touched unless the withdrawals exceed the deposits.

HON. W. H. BARNES: The hon. gentleman will have an opportunity at a later period of making any explanation he wishes. I do not think that the people of Queensland realise the direction in which the Government are taking them in this Bill, and that it involves the loss to the State of such an important asset. I would remind hon. members that it is the Savings Bank which has made possible advances for workers' dwellings, advances to settlers, and many other forms of assistance to the people of Queensland. In times of crisis it has even given very material assistance to the Government themselves. I might refer to the Auditor-General's report, where he points out that on 30th June last, if it had not been for the £1,000,000 which the Treasurer has received from the Commissioner for the Savings Bank, the Government would have been in a sorry plight.

THE TREASURER: That is a very unfair charge to make, because the Commissioner is absolutely independent of the Government.

HON. W. H. BARNES: The hon. gentleman is trying to sidetrack again. I have made no charge against the Commissioner. The Auditor-General says that, had it not been for the temporary advance from the Savings Bank of £1,000,000, there would have been a debit balance of about £900,000 in the Loan Fund. It was the goodness of the Commissioner in not calling up that advance that saved the position for the Government.

THE TREASURER: You know that your Government had complete control of the bank, but we gave the whole control to the Commissioner.

HON. W. H. BARNES: The hon. gentleman knows that that is not correct. Under previous Governments there were certain trustees who had control of the funds of the bank. One of those trustees was the Speaker

Hon. W. H. Barnes.]

of the Legislative Assembly, and another was the President of the Legislative Council.

The TREASURER: We gave the Commissioner complete authority.

The PREMIER: The trustees you speak of were mere custodians of the securities.

HON. W. H. BARNES: The hon. gentleman is wrong. In addition to being custodians of the securities, they made provision with regard to investments.

The PREMIER: They had nothing to do with investments. I was a member of that board of trustees, and so were you for several years. They had nothing whatever to do with the investments.

HON. W. H. BARNES: They had to do with the investment of certain moneys.

The PREMIER: Nothing of the kind.

HON. W. H. BARNES: This Bill will take away all the rights of Queensland, and will hand over to the Commonwealth our most important asset. If there is one thing from which Queensland suffers more than any other State, it is our distance from the centre of the Commonwealth Government. Again and again hon. members of this House, and people outside this Chamber, have complained that it has not been possible to get the ear of the Commonwealth Government quickly because we are at the extreme end of the continent, and yet this important asset—this Bank, which holds over £15,000,000 of State money, from which the Queensland Government make a profit—is to be handed over to the Commonwealth.

The PREMIER: No.

HON. W. H. BARNES: I am prepared to admit that the Treasurer will receive a share of the profits on new business.

The PREMIER: We will retain the old profits, too.

HON. W. H. BARNES: If the House passes this Bill, it will be doing Queensland an absolute injustice. To use the Treasurer's own words, it will be parting with the birth-right of Queensland. It is the bank of the people of Queensland, and it is absolutely unfair that this legislation should be passed.

Mr. FORDE (*Rockhampton*): It is somewhat distressing to listen to the carping criticism of the hon. member for Bulimba. It is a wonder to me that he cannot rise above mere parochialism, and look at such big questions from the national viewpoint. He tells us that he is a supporter of a party which is designated the National party. It is national in name only. No doubt, the hon. gentleman would offer the same objection to the Commonwealth having control of the Post Office, of the Customs, and of Defence. He stated to the Premier that the present Government have repudiated their obligations to certain public servants.

HON. W. H. BARNES: They are doing it now.

Mr. FORDE: The hon. gentleman was a member of a Government that repudiated its obligations to public servants to the extent of £55,000 in the matter of automatic increases.

Mr. SIZER: This Government are doing that at the present moment to the police.

Mr. FORDE: When the present Government came into power they honoured the obligations which had been repudiated by the Denham-Barnes Government. However, that is by the way. I am one who believes

that this Bill is a good one, and that it is a move in the right direction. I believe that, when the Commonwealth Labour party introduced the Commonwealth Bank Bill in the House of Representatives in 1912, they did not go far enough. They should have provided for the nationalisation of all banking. At the time that that Bill was before the Commonwealth Parliament, Nationalists like Sir Joseph Cook and Sir Alfred Deakin said that the time was inopportune to establish a Commonwealth Bank.

They said it was detrimental to the best interests of the people of Australia. They did not want the people to control their own bank. The Commonwealth Labour party should have made provision for the nationalisation of all banking in Australia, and, in my opinion, they should have made provision for the nationalisation of all insurance as well. I think that both banking and insurance systems should be controlled by the one central authority in Australia. The Hon. Andrew Fisher was Prime Minister and Treasurer of Australia at the time that the Commonwealth Bank was started, and he lent £10,000 to the Governor, Sir Denison Miller. It is a well-known fact that the Commonwealth Bank has progressed beyond all expectation. That bank now holds assets aggregating £63,000,000, and its accumulated profit amounts to £2,756,000. Altogether the Commonwealth Bank, which began its career under a Labour regime amidst a storm of Tory abuse and belittlement by the Conservatives of Australia, has put up an excellent record. I consider that the Commonwealth Bank stands as a lasting monument to the enterprise and initiative of the Commonwealth Labour party. The people of Queensland have nothing to fear from this proposed amalgamation. We have operating in Australia to-day the following banks—namely, the Commercial Bank of Sydney; the Australian Bank of Commerce, Limited; the Bank of Australia; the Commercial Bank of Sydney, Limited; the English, Scottish, and Australian Bank, Limited; the London Bank of Australia, Limited; the Bank of New South Wales; the Bank of Queensland, Limited; the Queensland National Bank, Limited; the Union Bank of Australia, Limited; and the Commonwealth Bank of Australia. There are far too many banks operating in Australia. There should be one big bank; the result would be efficiency and economy, and the people's deposits in that one bank should be made available to the people of Australia for the development of this great Commonwealth.

Mr. COLLINS: It is the one mistake the Labour party made when it did not nationalise banking.

Mr. FORDE: I agree with the hon. member for Bowen; it is the one mistake the Labour party made. However, we must learn by our mistakes, and I feel sure that that mistake will be rectified at the earliest opportunity. The deposits in those banks which I have just referred to amounted to £224,766,000 up to 30th June, 1912; and the deposits for the year ended 30th December, 1918, amounted to £33,891,000. On the 31st December, 1918, there was approximately £130,000,000 standing to the credit of Savings Banks depositors in the various Savings Banks of Australia, and it worked out at an average of £53 13s. to each depositor in Queensland Savings Bank as against £37 7s. 7d. in Tory-governed Victoria. I submit that all that money deposited in

[*Hon. W. H. Barnes.*]

the various banks of Australia should be available to the people of Australia for the development of this country, and not go to enhance the dividends of a few wealthy shareholders.

Mr. G. P. BARNES: How is it being utilised now?

Mr. FORDE: I am satisfied that this amalgamation between the Savings Bank of Queensland and the Commonwealth is but the thin end of the wedge. We will find that the Commonwealth will take over all the Savings Banks from the other States, and eventually it will take over the whole of the banking business throughout Australia. It must come. Nationalisation of insurance must also come. We know the result of State insurance in Queensland. We know that it has been a great success. The Labour party have always stood for State banking and for State insurance, and I feel certain that when the Commonwealth Labour party gets into office again that State insurance for the whole of Australia must come. (Hear, hear!) When the Labour party get into office in the Commonwealth again we will find they will follow on the lines adopted by the Queensland Labour party in regard to State insurance.

Mr. SIZER: The Labour party have to get into power first.

Mr. FORDE: I am quite satisfied that hon. members opposite will not get on the front Treasury bench. The people of Queensland have just repudiated them.

Mr. SIZER: The hon. member for Rockhampton will never get on the Treasury bench.

Mr. FORDE: We will not have a dispute over that at the present time. I say that I will be there before the hon. member for Nundah. I consider that this amalgamation of the Commonwealth Savings Bank and the Queensland Savings Bank is a move in the right direction. I was pleased to know, as the Treasurer pointed out, that the agreement is for the transfer of the Queensland bank's business for twenty-five years, with the option of an extension for another twenty years. It is also pleasing to know that the rights of the officers of the Queensland bank, from the Commissioner right down to the most recently appointed junior, will be respected when the bank is handed over. I was also pleased to learn that the Queensland bank will receive 70 per cent. of the increased amount of deposits to be used for the purpose for which Trust Funds are used, such as in connection with workers' dwellings and what is known as the Agricultural Bank. I am glad that the State Government will continue to manage the two sub-departments known as the workers' dwellings section and the Agricultural Bank. I hope that the Treasurer will see that these matters are not in any way shelved. I feel sure that he will see to that, because the people of Queensland are looking out for a great housing scheme which should be provided, and they hope to see a more up-to-date and hygienic system of housing than we have in this State to-day. I am glad that the Governor of the bank was broad enough to agree to the balance of the deposits, amounting to 30 per cent., being invested in the centres where the money was deposited. That is an important matter. It is important for the people of Rockhampton, because we expect in the near future to go in for an up-to-date water scheme and an

electrification scheme, and in course of time an irrigation scheme. (Hear, hear!) The Rockhampton City Council are now considering the question of borrowing money from the Commonwealth Bank for these purposes.

Mr. GREEN: What clause is that?

Mr. FORDE: I am pleased to know that the hon. member for Townsville, who is also mayor of that city, intends to borrow from the Commonwealth Bank for public works in Townsville. This Bill is a move in the right direction. Provision has been made for the use of the deposits for the development of Queensland. I am sure that no notice will be taken outside of the carping criticisms of hon. members opposite.

Mr. FRY: They took notice at the election.

Mr. FORDE: I feel sure that nobody takes any notice of the hon. member for Kurilpa.

Mr. FRY: I increased my majority three times over.

Mr. FORDE: It is certain that the measure will be of great benefit to Queensland; and I hope that the House will pass it through without any delay whatever, and that the agreement will be ratified, and I also hope that in the course of time our whole banking and insurance system in Australia will be nationalised. (Hear, hear!)

Mr. ELPHINSTONE (*Oxley*): It seems to me that if one wants to judge a measure of this kind in its true perspective one must go right back to the root of things. I propose, with the permission of the House, to refer to what is the Labour party's objective regarding unification. This measure plays a very important part in that matter.

OPPOSITION MEMBERS: Hear, hear!

Mr. ELPHINSTONE: I read that at the last Federal Labour Convention—this information is supplied to us by the Melbourne Trades Hall—that amongst other movements that were up for consideration were the following:—

“Complete self-government of Australia. (Hear, hear!) No Privy Council. No Senate. One House of Representatives consisting of 100 members. No States, but Provincial or Soviet Governments, of which Queensland was to possess four.”

I have always argued that a person who wants to get the true idea of future legislation of Labour Governments, both Federally and as regards the State, wants to study what takes place at these Labour Conventions. (Hear, hear!) In Townsville last year we see clearly outlined what is to be the legislation that the Labour party are to bring forward during their tenure of the Government benches. They are holding the reins of the Government here, and per medium of the late Premier, they are anti-cipating getting back the reins of Government in the Commonwealth, and we can see quite clearly that one of their intentions is to aim at unification by rendering self-government in Queensland inoperative. It is truly significant—it is almost pathetic—that the State Government Savings Bank building was used at the time of the election to appeal to the electors to retain self-government for Queensland. (Opposition laughter.) In this measure we see the facilities for handing over this State banking business to the Commonwealth Government, or knocking the first nail in

Mr. Elphinstone.]

Queensland's coffin in the matter of giving over Queensland self-government to the Commonwealth. That seems to me to be the right perspective in which to view this measure, and keeping that in mind, it is just as well for us to follow the clauses of the Bill and the agreement step by step.

Looking at the proposal from the business point of view, I cannot help commending Sir Denison Miller for his business acumen in effecting an agreement such as this. I consider it is excellent business for the Commonwealth, but deplorable business for Queensland. (Hear, hear!) That is the view I have, and I can quite understand how it comes about that the Commissioner for the State bank was not consulted in this proposal, because it is quite obvious—as the leader of the National party pointed out—that we had, on the one hand, a man who knew his business conferring with gentlemen on the other hand who were permeated with the one desire of sooner or later handing over Queensland's self-government principle. As a result of that, we see the agreement that is before us at the present moment.

There is one point with which the Treasurer did not deal when outlining this proposal. It is not only handing over to the Governor of the Commonwealth Bank all the banking business of the Government, but in the last clause, if I remember rightly, it gives into the hands of the Commonwealth Bank all the flotations of Queensland loans in the future.

The TREASURER: Quite so.

Mr. ELPHINSTONE: That is an important fact.

The TREASURER: When the Bank of England agreement expires in 1930 and the Queensland National agreement next June, all our business will be given to our own Commonwealth Bank.

Mr. ELPHINSTONE: Anyone who reads the agreement can see that quite clearly, but I am sorry that the Treasurer did not point to that very important feature when he was addressing the House. I want to deal with that matter, and show you, Mr. Speaker, and the House, that there are weaknesses in that proposal. One point I want to stress is that a clause in the agreement gives to the State Government here 50 per cent. of the profits which arise from the combined businesses of these two banks, but I see no reference to 50 per cent. of the profits which the Commonwealth Bank is going to make out of the flotation and renewal of Queensland loans in London.

The TREASURER: We do not get 50 per cent. of what the Bank of England makes.

Mr. ELPHINSTONE: I quite admit that, but nevertheless, here the Government were making a contract with the Commonwealth Bank and stipulating for 50 per cent. of the profits.

The PREMIER: Ridiculous.

Mr. ELPHINSTONE: The hon. member may think it ridiculous, but other people may not.

The PREMIER: I do think it absolutely ridiculous.

Mr. ELPHINSTONE: Of course, the hon. member would. He showed his financial ability and business capacity by making absolute chaos of Queensland finances in London. (Disorder.) We can see in this agreement

a shelter for the inability and financial ineptitude of the late State Treasurer. That is probably the reason why this agreement has been entered into.

The TREASURER: Do you seriously contend—

Mr. ELPHINSTONE: I am not going to contend anything with you. I am just going to address the Speaker, not the hon. member.

The TREASURER: Keep cool.

Mr. ELPHINSTONE: I am quite cool. I hope that the hon. member will keep cool, but I see evidences of flurry on the other side of the House. I am going to stress that point I have made. If you look at the Auditor-General's report, you will find that the Bank of England made a profit of £5,000 out of the £2,000,000 loan, about which there was such a great song a year or two ago. The failure of the Government to raise further loans has been a wonderful surprise to them. I remember commenting, and I will do it again, that the reason why the Labour Government was successful in floating that loan was not because of the ability of Queensland's administrators, but out of gratitude to Queensland's soldiers for what they did for the Empire. For that I was taunted—that was something unworthy of consideration—but when these gentlemen go to London and have to stand upon their own ability, they find their true level, and that is in the ranks of those who do not know their business. (Interruption and disorder.) In my opinion, the handing over to the Commonwealth Bank of the State banking business is an excellent piece of business for the Commonwealth, but disastrous to Queensland. Queensland has in its hands the nucleus of an excellent banking business. Referring once more to the Auditor-General's report, you will see that this Government have no fewer than 639 accounts in the Queensland National Bank at the present moment. I venture to say that there are some banks doing business in Brisbane to-day that have not that number of accounts altogether. Combine those accounts with the £14,000,000 of deposits which are at present in the safe custody of the State banking institution, and you have the nucleus of an excellent business.

The PREMIER: You are splintering every platform of the Nationalist party.

Mr. ELPHINSTONE: All the Labour stalwarts who are to-day conspicuous by their absence and conversion to National ideals—those old Labour stalwarts saw the wisdom of establishing a Commonwealth Bank, but these young Labour stalwarts, who are running Queensland on the rocks, cannot see the wisdom of creating a State bank in Queensland. I cannot understand why they have not seized with both hands this opportunity of establishing a State bank in Queensland. They have fish shops and butchers' shops, and all these cheap window-dressing, vote-catching businesses, but when it comes to establishing a business where they have already a nucleus of a profitable undertaking, they wave it aside, and cast it to the first man who comes along and offers them a bid. It is quite obvious that the remarks with which I opened my speech are true, that these gentlemen see quite clearly that Queensland's doom as a self-governing colony is sealed, not by the London financiers, but by those gentlemen who are seeking refuge and seats in the Federal House. (Government interjections.) We see some of our youngest

[Mr. Elphinstone.]

and most inexperienced members seeking to share the responsibilities of the Government of the Commonwealth.

Mr. FORDE: They would not have you, anyhow.

Mr. ELPHINSTONE: We have heard our Treasurer on this Bill to-day. I remember a year or two ago his name was mentioned in a similar connection, and even that of the Home Secretary, and we have seen very conspicuously that the only by-elections we have had during this last Parliament were by-elections caused by the retirement of four Ministers of the Crown.

The TREASURER: That is not a crime.

Mr. ELPHINSTONE: It is not a crime, but it is significant. (Opposition laughter.) The crime is, that the aspirations and desires and ambitions of these gentlemen should be allowed to interfere with the destinies of Queensland from a banking point of view. (Hear, hear!) That is the crime, and it is obvious to me that these gentlemen are simply playing up to the importance and aggrandisement of the Commonwealth to the detriment of the State, simply because they see all their future hopes and means of future political advancement lie in Federal politics.

The HOME SECRETARY: You are giving us hope.

Mr. FRY: It is the last hope.

(Sitting suspended from 6 p.m. till 7 p.m.)

Mr. ELPHINSTONE: One of the arguments that the Treasurer advanced in his proface to this Bill was that amalgamation was going to effect economy.

The TREASURER: It must.

Mr. ELPHINSTONE: It is very much better, in this instance, to look for the greater advantages which a State bank would give. I prefer competition, and to those gentlemen who preach economy by the amalgamation of these two services—Federal and State—may I ask them why it is they have not exercised that principle in the amalgamation of the State and Federal rolls where there is plenty of room for the exercise of economy? The answer is pretty obvious, that the Federal roll system does not permit of the existence of 65,000 ghosts whereas the State roll does, and, therefore, it does not suit hon. members opposite to exercise economy where the amalgamation of the rolls is concerned, but where it is matter of the amalgamation of banks with a view to glorifying the positions which they are looking forward to occupying at no distant date, then, of course, the argument can be advanced. We frequently hear the statement made that the Commonwealth of Australia has too many Parliaments, and possibly on a population basis that argument would hold good, but the real evil lies in the fact that we have not enough people here. There are none too many Parliaments for a huge continent such as is embraced in the Commonwealth of Australia, but where the great evil exists is in the fact that we have not anything like sufficient people. It is to be hoped that at no distant date we will have a Nationalist Government in Queensland, when a system of immigration is going to be encouraged on an economically sound basis. Then we shall find that a State Parliament is necessary and we should remedy that anomaly which exists to-day of a huge continent of the size of Australia only populated by a handful of people. I have also referred

to the fact that I can see no reason why we should transfer the flotation of our loans in Great Britain to the Commonwealth Bank. If it had been shown that by this agreement the State was going to share in the profits on the flotation of these loans in London, I could understand it. As I pointed out, the Bank of England made £5,000 from a kind of supervision of the last £2,000,000 loan which was floated in London.

The TREASURER: The profits will remain in Australia.

Mr. ELPHINSTONE: It is quite obvious that the Government hopes to shelter under the wings of the Commonwealth, which, fortunately, is controlled by a Nationalist Government and where sanctity of contract is safeguarded, when they go on the London money market for a loan. I would point out that the Commonwealth is going to make considerable profits out of Queensland in the flotation of these loans. It also has to be borne in mind that during the next five years we have something like £28,000,000 falling due for renewal, certainly not redemption, because we cannot redeem them. Just fancy the commission the Commonwealth Bank are going to make out of the renewal of £28,000,000, not taking into account the new loans that will be floated in the interval. If we shared in the profits the Commonwealth will make on these loans then there would be some reason why we should embrace this Commonwealth Bank proposal. Personally, I prefer that we should leave the conduct of our loans in London to the Bank of England, and my reasons for that are several. The chief one is that the Bank of England knows all about loan flotation in Great Britain and on the Continent. It has had centuries of experience in this connection, whereas, I question very much whether the Commonwealth Bank has floated a single loan on the London market. It is quite new to the game, and as the Premier has found out, these would-be financiers new to the game receive some very hard knocks when they go to London, and that doubtless will be the experience of the Commonwealth Bank. If the flotation of loans in London were left to the Bank of England, Queensland, properly governed and not required to shelter under the Commonwealth, would get a very much better service.

The PREMIER: Do you say the Commonwealth Bank has never floated a loan?

Mr. ELPHINSTONE: I may be wrong.

The TREASURER: You are.

Mr. ELPHINSTONE: Whatever they may have done in the flotation of loans their experience is only infinitesimal compared with the experience of the Bank of England. The Bank of England knows its business and has a very much greater clientele, and, as everyone knows, the Bank of England is one of the greatest banks of the Empire to which we belong, and why should we turn the Bank of England down unless there is business in it? If there is business in it well and good, but if there is not, I see no sentimental reason for turning the Bank of England down, when, as I point out, there are obvious advantages associated with trusting the Bank of England with the conduct of our future loans. Another point I wish to stress is this: In my opinion a twenty-five years' agreement is far too long. Twenty-five years is almost as good as perpetuity, because once we get into the methods of

entrusting our financial affairs abroad in the hands of the Commonwealth Bank, and it exists for twenty-five years, it is pretty obvious that we are not going to alter it and it is almost more perpetual than the perpetual leases which the Government hang out as being as good as freehold, because twenty-five years really means in perpetuity. I quite conceive to hon. gentlemen occupying the Government benches at the present moment—which they do by accident—that there are advantages associated with the removal from the Government Savings Bank of the control of the conduct of the finances in connection with advances to settlers and workers' dwellings. It has been a bone of contention amongst hon. members opposite that their political influence has been of no avail as regards the Commissioner of the State Savings Bank. We have often heard it stated in this House that this Commissioner is deaf to the pleadings of politicians, and that is one of the reasons why the State Savings Bank has been so successfully conducted, and in that direction lies the future salvation of many of the State enterprises. As soon as they are removed from the control of politicians and from the exercise of that pressure which they bring to bear on State enterprises, so soon will they start to be successful. Now what happens under this Bill? It means that the control of the advances for workers' dwellings will pass to the Works Department, and it means, therefore, that instead of being controlled by one dominating head it is going to have seventy-two directors with all the pulling of strings which we know goes on in connection with State enterprises generally. I would leave it where it is if the bank were allowed to continue its separate existence as it is to-day. If the Government are making the mistake of extinguishing the bank it is obvious that one mistake requires several others. That policy we have seen expressed and practised right through the whole programme of the Labour Government. They start off by altogether disregarding the elements of human nature and go on perpetuating mistakes.

The TREASURER: It only recently came under the bank.

Mr. ELPHINSTONE: We know quite well that since it came to the bank it has been better controlled from an efficiency point of view. From the point of view of workers' dwellings the same argument applies. Those two branches of State activity pass from the control of the man who knows his business and are put under the control of departments which Government members can control. There are some of us who at first blush thought that this Bill and this agreement had advantages. I must admit that when I first read of this in the paper I thought, "Well, thank God, the State Government Savings Bank is passing from the control of the Labour Government and going under the control of some National organisation." Those who take a cursory review of the situation may possibly see some satisfaction in the fact that the finances are passing from the interference or control—or the subcontrol as we might call it—of the Labour Government, and going to a Government controlled by National and Farmers' forces. However, there is poor consolation in that, because it is quite easy to conceive that during the next two or three years Queensland will be controlled by National and Farmers' forces, and the Commonwealth may

be controlled by Labour forces. Therefore, if we pass over our Government Savings Bank to the Commonwealth we are going from the frying pan into the fire, and the satisfaction we may get from the argument I have advanced will be very poor indeed. That is my view of this Bill. I can see extreme dangers in it. I admit that this measure is one which should be considered from a purely non-party point of view, and that very probably some members on this side of the House will take a contrary view to that which I have expressed. However, that is my opinion, and I have given my reasons for forming it. I venture to think there is a certain amount of sound judgment in what I have stated. There is only one thing which stands out paramount above all others, and that is the giving up or the relinquishing of Queensland's State rights to a Commonwealth Government. I see no reason for doing that at the present juncture. In fact, I see great danger associated with it, and when other proposals are brought forward this bank agreement will be continually quoted as a precedent of what can be done. Only recently one of the Southern banks saw sufficient attraction in Queensland to open a branch here.

Mr. KIRWAN: After all the Opposition said!

Mr. ELPHINSTONE: Well now, let me deal with that phase of it. I am not a pessimist regarding the future of Queensland.

HONORABLE MEMBERS: Hear, hear!

The SECRETARY FOR AGRICULTURE: Come over here.

Mr. ELPHINSTONE: I will not. When you listen to my reason you will probably withdraw that invitation. (Hear, hear!) In my opinion, Queensland is just about as deeply in the dregs of despair as it can be; but it is just on the turn, and the elections quite recently held clearly shows that; and just as I would advise a man to go in and buy shares when the market is at its lowest, so I would advise people to come to Queensland when its destinies are at their lowest, in order that they can share in the prosperity which is bound to occur with the advent of a common-sense Government, such as is rapidly coming in Queensland. To a man who says he is going to leave Queensland—and there are many at the present moment—I say, I pity his judgment. I say when things look blackest that is the time to buy; because the common sense of the people is not for ever going to tolerate this mismanagement of their affairs which exists at the present moment, and any reader of the signs of the times can see quite clearly that a big change is coming, and any man who comes in to-day and buys properties and shares is the man who shows business acumen and foresight. So my advice to everyone is to come to Queensland and help in the funeral of the Labour Government. I hope sincerely that many will take advantage of that invitation. The banking institution I referred to evidently can read the signs of the times, and sees that this is the time to come to Queensland to establish its business, so that it can get its house in order ready to take part in the boom which is bound to take place as soon as this Government are turned out and the National and Farmers' Government are installed, with the help of the great season which is in front of us.

[Mr. Elphinstone.]

That is my frank opinion of the position, and I commend to the consideration of the House the views I have expressed. (Hear, hear.)

Mr. BEBBINGTON: With our party this is a non-party measure. Not a single word of it has been discussed, and no member is asked to vote in one way or the other. For my part I shall vote against the Bill. (Laughter.)

Mr. KIRWAN: Oh, Great Scott!

Mr. BEBBINGTON: I am going to give my reasons. First of all, because it is not the first step that has been made here to practically dismember Queensland; it is the second. Hon. members here will remember the Hon. T. J. Ryan going down to Melbourne to a Premiers' Conference and coming back and introducing into this Assembly a Commonwealth Powers Bill which would have stripped Queensland of practically all its power and all its liberty.

Mr. BRENNAN: That was a war measure.

Mr. BEBBINGTON: There was no war then. And it would have left Queensland in the position of a shire council. That is one of the reasons why I am going to vote against the Bill. It is the second attempt that has been made in this House to bring about unification. Now, what would be the position of Brisbane? The hon. member for Brisbane ought to be interested in this.

Mr. KIRWAN: Yes; he is listening.

Mr. BEBBINGTON: To-day Queensland is a sovereign State. It has the right to manage its own affairs. Brisbane is the capital of a very large, wealthy State. Under unification Queensland loses its sovereign power, and Brisbane becomes a suburb of Sydney. As unification is the policy of the Labour party, I wonder how it is that Brisbane people vote for a man who favours unification and is going to bring them down to the position of being a suburb of Sydney. That is one of the things which the people of Brisbane especially ought to consider in connection with unification. The next is this: Sydney itself has about 1,000,000 inhabitants. They are the most selfish million inhabitants that possibly could be got together. I was at an hotel one day, and the conversation at dinner turned upon the question of the Millions Club in Sydney. One gentleman said, "Don't take any notice of him; he is a member of the Millions Club." I said, "I am very glad to meet him. I have often wanted to know what were the objects of the Millions Club." He said there is only one object and one plank, which they have so far put into operation; that is, to prevent any place in New South Wales from getting any improvements in regard to harbours, railways, or anything else that would lessen the influence of Sydney until Sydney has got 1,000,000 inhabitants. Put Brisbane under the thumb of Sydney, and make it a suburb of Sydney, and you will see what the people of Brisbane have to lose by unification. We have hon. members opposite seeking the votes of the people of Brisbane. Brisbane is not Queensland, and we know that, once we get under the thumb of Melbourne and Sydney, we will be in exactly the same position as we are at present, as far as Commonwealth matters go. Our Federal members practically cannot do anything.

The TREASURER: Oh, yes; they can.

Mr. BEBBINGTON: They are exactly in the same position as we are to-day on this side—nothing counts but votes in the Commonwealth Parliament, the same as in any other—and when Sydney and Melbourne join together they rule the Continent of Australia, and keep every other district under their thumb. I opposed the Commonwealth Powers Bill which the Labour party brought in, because it would have reduced Queensland practically to the level of a shire council. I am opposing this Bill on the same grounds—namely, that it is one of the first measures to dismember Queensland, and to bring about unification. Hon. members opposite know that Queensland would not have unification in one measure, so they are taking one power and then another. How is it that Northern members, instead of going for a State of their own, are handing over more power to the Commonwealth Government? I would advise them not to vote for such a Bill as this. If they want a new State in the North, let them keep all the power they can in Queensland, and they will have less trouble. Another reason why I oppose the Bill is that it interferes with the first plank in the Country party's platform—co-operative manufacture. Hon. members will recollect a motion which I introduced in the House, a portion of which read as follows:—

"That, in the opinion of this House, increased production in the secondary industries of the State, by making the raw material into saleable articles, is essential to the profitable employment of the people and the creation of a higher standard of living generally among the working classes."

Every word of that motion ought to have been burnt into the minds of hon. members opposite. The great cry of the workers to-day is to own their own industries. We say that we are going to assist them to own their own industries, and we want to set up a great bank in Queensland where we have some control over the Government and the funds to be lent to the people here to help them to build their own factories. I know that is not the policy of hon. members opposite. I know their policy is to take other people's factories. Honest workers do not want to steal other people's industries, or to take anything from anyone else, but they want the right to work out their own salvation, with assistance from a great banking asset in the shape of a strong bank in Queensland. The handing over of the State Savings Bank is a blow at the first plank in the policy of the Country party, which is to assist the workers of Queensland to own their own industries, and to lend them money and enable them to enjoy the results of their labour by co-operation. That is the principal reason why I am going to oppose the transfer of the Savings Bank.

The TREASURER: That is not a reason at all. Don't you get 70 per cent. of the State funds and the Commonwealth funds now?

Mr. BEBBINGTON: We know that the bulk of that control is going out of the hands of Queensland. It is all very well to say we have these funds; but behind the curtain there will always be the hand of restriction of the Commonwealth Government.

The TREASURER: What do you want?

Mr. Bebbington.]

Mr. BEBBINGTON: I want home rule for Queensland, and not to be under the domination of Sydney and Melbourne. I do not want to sell Queensland to the Commonwealth. So far as I am concerned, Queensland is not for sale. (Loud laughter.) Hon. members opposite have made two attempts to sell Queensland. The first time they wanted to hand all the powers of Queensland over to the Commonwealth; but to-day, when they cannot sell Queensland whole-sale, they are bringing in one piece of legislation at a time. Through the war the Commonwealth Bank has made such huge profits that it is in a position to-day, not only to mop up the Government Savings Banks, but practically the whole of the banking institutions of Australia. How do you explain the position that the Commonwealth Bank can to-day make advances at 5 per cent. interest? How is it that the Commonwealth Government can advance money to the Toowoomba City Council at 5 per cent., whereas hon. gentlemen opposite cannot borrow money in England at under 7 or 8 per cent.?

The TREASURER: I will tell you.

Mr. BEBBINGTON: I know. I do not want you to tell me. The Commonwealth Bank is in this strong position because of the floating of immense loans on behalf of the Commonwealth.

The TREASURER: No; that has nothing to do with it.

Mr. BEBBINGTON: Yes. The Commonwealth Government has been holding immense sums of money, free of interest, which the people of Queensland have been paying interest on, and which has put them in the strong position they are in to-day. I am not complaining of that. Had it not been in that position, possibly some other bank would have been. It is our duty not to hand over these things to the Commonwealth, but to build up a big, strong Queensland bank which will be able to lend our workers money to start their own industries. That is the policy of the Country party—to build up a strong financial institution in Queensland which will lend money for co-operative objects, and help, not only primary, but secondary, industries. We are as much interested in the workers owning their own factories as we are in the farmers owning their own industries. Now, the Labour party come along and undermine [7.30 p.m.] our platform by taking away the financial means which would enable us to accomplish what we desire. That is a very wrong position for the Government to take up. It is said that Queensland will have control of 75 per cent. of the funds of the bank, but I would point out that behind the Queensland Government you will always have the strong arm of the Commonwealth Government. That must influence the conduct of the State Government. Possibly it is necessary that they should have a strong arm behind them to keep them straight. I do not say anything about that matter. I am not one of those who believe that the State is bankrupt.

The PREMIER and GOVERNMENT MEMBERS: Hear, hear!

Mr. BEBBINGTON: I maintain that the State cannot go bankrupt, for this reason—

Mr. FORDE: That there is a Labour Government in power.

[Mr. Bebbington.

Mr. BEBBINGTON: I say the State cannot go bankrupt. If I borrow money from a bank or anyone else, the banker or the person from whom I borrow will want someone who will stand behind me and back my bills. The banker will not trouble about whether I have got any money or not as long as the man who backs my bills has money; they will look to the man who backs the bill. Who have backed the Government bills? The people. The Government itself cannot go bankrupt, but they may draw the people to the verge of bankruptcy, because the people have backed the bills for money which the Government have wasted. The people are already approaching the verge of bankruptcy by reason of the extra taxation imposed by the Government. What is the financial position to-day? The financial position is that the Government are trying to get rid of some of their assets.

The TREASURER: No, no!

Mr. BEBBINGTON: The Government are in the position of a man who cannot meet his liabilities and who is sacrificing some of his assets in order to meet those liabilities, and sacrificing them at a price at which they ought not to be sacrificed. That is another reason why I shall vote against this Bill. While I say that the Government cannot go bankrupt, I maintain that the State has very nearly reached the position where a receiver will have to be put in and extra taxation be imposed in order to meet the liabilities of the Government. No one can gainsay that fact. The credit of the Government has gone, and if they stay in office much longer it will soon be a question as to whether a receiver ought not to be put in in order to see that the Government meet their liabilities. The reasons I have mentioned are some of the reasons why I shall vote against the Bill now before the House. If the Treasurer wants any more reasons I can give them to him, but I think I have given sufficient reasons to justify my opposition to the Bill.

Mr. FERRICKS (South Brisbane): I know it is often said that it is the duty of the Opposition to oppose measures introduced by the Government. While I admit that it is at all times the duty of the Opposition to criticise anything which they can show is bad, I also hold that it is their duty to support anything that is good and in the interests of the State. Speeches have been made by members on the Opposition side of the House containing broad statements to the effect that the arrangement entered into by the Treasurer with the Commonwealth Bank is a bad bargain for the State, but not one of those members has made any attempt to show wherein that bargain or agreement is detrimental to Queensland. Broad and general statements of that character may go out to the country, and while they are not convincing to people who have studied the subject closely, they very often have a pernicious effect on people who, perhaps, have not the opportunity to go into matters sufficiently deeply. I believe that the amalgamation of the Commonwealth and State Savings Banks is not only warranted, but that it has been too long delayed, and that opposition to the proposition cannot be justified if it is considered on its merits. I was sorry that the Fisher proposal of 1912 was not accepted by the Government of this State, but I believe that the agreement now

made is a much better agreement for Queensland, and I am glad that the present Government have seen fit to clinch the bargain. I shall endeavour to show in what respect I consider it is a good bargain for the State. Hon. members who oppose the agreement should endeavour to show that it is a bad bargain for the State; but that has not been done by members of the Opposition who have so far taken part in the debate. When we consider for a moment what the duplication of staffs and offices throughout the State means in connection with the Savings Bank, I ask: Is it conceivable that the people have tolerated that duplication so long? The entry of the Commonwealth into the arena of savings bank business in Queensland was not without its effect at the time. I have a vivid recollection of what happened when I sat in this Parliament previously, at a time when the hon. member for Bulimba was Treasurer. I made repeated representations to that hon. gentleman and his Government as to the desirability of establishing a branch Savings Bank at a centre in North Queensland known as Merinda. The State Treasurer, and the State Government, absolutely refused to establish a branch of the Savings Bank at that place, but when the Commonwealth Government Bank came into the arena the Treasurer at once got busy and established a branch Savings Bank at Merinda and other branch banks in almost every centre in the State. Since that time this duplication of the services of men and offices, and of the whole machinery of banking business, has gone on in Queensland. That cannot be said to be in the interest of the State or in the interest of the Commonwealth. During recent times we have heard quite a lot said about economy. We have heard economy preached from those benches opposite, and we have had it repeatedly preached in the Press. Is there a member on the other side of the House who will endeavour to justify this dual expenditure in connection with the Savings Bank business, and then say that they have endeavoured to bring about economy?

Mr. G. P. BARNES: The whole of the staff is being taken over.

Mr. FERRICKS: Yes, but there will not be two staffs or two separate offices doing the business which one staff and one office might do. We have heard this, too, in connection with duplication in other avenues. Some hon. members opposite have voiced the sentiment that in this proposal—this Australian proposal I call it—the tendency in these days is an extension of Australianism—they profess to fear a danger of what they call unification. Call it whatever you like. I am firmly convinced that before long public opinion throughout Australia will exercise such pressure that these duplications of services will be removed, because the burden of taxation will force their removal. Whether this Government or any other Government be in power, it is pretty certain that in the development of this State there will be increased taxation—there must be increased taxation. That has been the experience all over the world; and when I hear hon. members opposite and their Press complaining about the total taxation in Queensland, I am reminded of half a dozen words in the Financial Statement of Sir Joseph Cook, the Federal Treasurer, a few months ago, when he pointed out that in Great Britain before the war the total taxation per head was £3 15s. 6d., and to-day, after the war, it has

risen to £23 3s. 11d. per head of the population.

Mr. CONSER: For war purposes.

Mr. FERRICKS: Not only for war purposes, but for the development of civilisation, taxation has increased all over the world. Now, the total taxation in Australia, State and Federal, including expenditure for war purposes, is about £7 per head at the present moment. Unquestionably, the burden of taxation will force public opinion in this matter, and many of the people who are now howling against the unifying of these services will in a few years be advocating their consummation.

Something has been said about experts in the State departments not being consulted, or about the officials at the head of the State Savings Bank not being asked for their opinions with regard to this proposal. I do not know whether that is so or not; I have never asked the Premier anything in that connection. But, if he did ask those gentlemen for their opinion, he might expect what any man would expect from officers similarly situated. I believe that is an influence that has operated against the amalgamation, not only of the State and Federal Savings Banks, but of the land taxation, the income taxation, and the electoral systems of State and Commonwealth. The men at the head of these various State institutions have gone with previous Premiers and Treasurers to conferences in Melbourne to meet the departmental heads and Ministers of the other State and Commonwealth Governments with a view to discussing the advisability of bringing about uniformity in the carrying out of taxation, land and income, and of the electoral systems, and on every occasion objection has been raised by either the Federal or State departmental heads to any amalgamation. Is it not plain that, if amalgamation were brought about, one or other of these sets of officials would have to go or be absorbed? Is it not easy to realise that the gentlemen at the head of the State Savings Bank—I will have to mention it, although I do not want to make any personal reference—will either have to go or be absorbed if amalgamation takes place? The same with reference to the heads of the land taxation, income taxation, and electoral departments?

Mr. T. R. ROBERTS: We had evidence of that last week, when members on your side were opposed to a reduction of the number of members of this House. They were afraid they would lose their jobs.

Mr. FERRICKS: In my opinion, there are not more members in this Parliament than are necessary. I believe in a membership of seventy-two for the good government and proper looking after of this huge State.

The TREASURER: The hon. member for East Toowoomba supports a party that was in power for fourteen years after federation, and they never bothered about reducing the number of members.

Mr. FERRICKS: I am just as strongly convinced that two sets of officials for taxation purposes—State and Federal—are not necessary, and their retention cannot be justified. Nevertheless, the heads of those departments are against amalgamation, because the State head, we will say, knows that he will have to go or be absorbed. While he may be given an equally lucrative appointment, in the matter of prestige, which

Mr. Ferricks.]

the "top-notchers" in the public service always like to retain and do not like to sink, they are likely to suffer, with the result that their influence is used—and in my opinion curd a great deal of ice—against the amalgamation of State and Federal services. I commend that view to the hon. gentlemen opposite. I ask them if there is any one of them prepared to get up on the floor of this House and advocate the retention of two systems of land taxation, income taxation, electoral systems, or Savings Banks. I say they cannot justify their retention. Least of all, can they justify it on the ground of economy, of which we have heard so much.

Mr. T. R. ROBERTS: We oppose it in our policy.

Mr. FERRICKS: I heard one hon. member opposite advocate a State Bank, but hon. members opposite, if they would not do it themselves, represent interests that, if such a bank were established in Queensland by the Government, would use every means in their power to place obstacles in the way of the success of that bank. They would even go the length of boycotting the institution if it were established in competition with private enterprise. Hon. members opposite know that they are representing interests which are diametrically opposed to a State bank, and a State bank established under such circumstances could not possibly be a success.

Opposition to this proposal cannot be justified, and, if any hon. member on the other side says that he is going to vote against the Bill, then in common fairness to the House he should endeavour to give some reasons to show that it is a bad bargain for the State of Queensland.

I know that the Commonwealth Bank has not achieved all that we would like to see it do; but it has achieved all that was expected from it in the narrow confines of its establishment. While it was sufficiently wide to meet the conditions that then existed, developments have since taken place which show that the extension of the bank is an absolute necessity in the interests of Australia. We realise that the bank must be extended in its operations to fulfil its true destiny. An hon. member on the other side said this afternoon that he is afraid that some day that bank may be under the control of a Governor who may be unfriendly to the State of Queensland. That is a very puerile argument to be used by no less a gentleman than the hon. member for Bulimba—the leader of a party in this House. Yet he said that he could see a danger of a governor of the Commonwealth Bank having a grudge against this State. To my view, such a suggestion is too idle for words. Is it reasonable to assume that any man occupying such a responsible and such a powerful position would take such a view of an important part of the Commonwealth? The governor of the Commonwealth Bank is certain to be at least a sane, thinking person, and a business man, and he would know that, if he did anything to the detriment of this great and glorious State—in my opinion, and I have said this elsewhere, the best State in the Commonwealth—he would be doing something detrimental to the whole of Australia. (Hear, hear!)

He would also be discredited by Australia. Would he not be discrediting the Commonwealth Bank, of which he was appointed the

[Mr. Ferricks.

head by Parliament. Such a man would not be entitled to be head of such an institution, and, as a matter of fact, such a man would never be placed in such a responsible position. I am reminded by the hon. member for Toowoomba that the Governor of the Commonwealth Bank cannot discriminate between the States under the Constitution. It is altogether out of the question that such a thing would be done by anyone. To my mind, this amalgamation has been too long delayed. The principle can be extended in other directions. The tendency in Australia to-day is to avoid a duplication of the services and to make the best use of our revenue. We should make the best use of all the money we receive, and not have two separate staffs doing the same work which can be done by one staff. The point has been raised that Queensland is handing to the Commonwealth the revenue from the State Savings Bank. In my opinion, Queensland is giving the responsibility to the Commonwealth, while the State will retain the benefit from this amalgamation. The Treasurer of Queensland will still control 70 per cent. of the deposits of the combined banks, and that is much more than he gets at the present time. In addition to that, we have the statement from the Premier that there is an understanding between the governor of the bank and himself that the remaining 30 per cent. of the combined new business will be loaned out to the local authorities with the sanction of the State Treasury in the State from which those deposits originated.

Mr. FLETCHER: That has nothing to do with the Bill. We have no assurance of that in the Bill.

Mr. FERRICKS: We have an assurance of 70 per cent. of the combined deposits, at any rate, and we do not make that much out of our own deposits. While we will have the benefit from the amalgamation, the Commonwealth will take over the total responsibility. I consider that that is an excellent bargain for the State. I hope that this Government while continuing in office will endeavour to facilitate the bringing about of further amalgamations in the State and Federal services. (Hear, hear!)

Mr. VOWLES: I desire to make a few brief remarks on this question. It appears to me that the Government have entered into an agreement, and that the agreement is practically in effect at the present time, and all we are asked to do is to come here and ratify it. I don't think that we should be placed in that position at all. We have only got to come here and formally consent to something that has been done by the Government. Parliament has always stood for something higher than that. We should have been given this agreement beforehand, so that we could consider it, and we should not be asked to come here and ratify it after it has been signed. The hon. gentleman who has just resumed his seat started off by saying that it was not fair for members of the Opposition to criticise the agreement unless they could show that it was unworkable.

Mr. FERRICKS: I did not say "criticise." I said "oppose."

Mr. VOWLES: That is right, the hon. gentleman said that we should not oppose the agreement without attempting to show that it had no merits. The hon. gentleman set out to show the merits of the proposal.

but he could not do so, except to say that it was a necessary measure for the sake of economy, as it would bring about a duplication of the two services in Queensland. That is a thing that I have always advocated myself. I have advocated it more than anybody, and I have pointed out here very frequently that this Government could save thousands of pounds in the Electoral Department by combining with the Federal authorities and having the one electoral roll. I also agree that we should have one department dealing with land taxation, and one department dealing with income taxation, both State and Federal. I think we should go further and have one department to deal with the succession duties for both the State and Federal Governments. In my business, I have a good deal to do with the succession duties departments, and I have to send duplicates of returns every time. It takes a whole staff of Federal officers to do that work, when we could get the work done here by one staff. (Hear, hear!) We have to look on these things from two points of view—as Commonwealth citizens and citizens of the State of Queensland. As citizens of the Commonwealth, we consider that the Commonwealth duties should be run on the cheapest lines possible, and we have also got to realise that as State citizens we have got certain rights which require to be protected. In that case, I consider we should have one financial institution for the purpose of carrying out our lending powers for such concerns as the Agricultural Bank and workers' dwellings.

Mr. BRENNAN: Won't you have more money under this proposal?

Mr. VOWLES: The question arises whether this arrangement is going to be beneficial to us. Is it more beneficial than the former arrangement was? We should consider, what are we gaining and what are we losing? We are told that the Commonwealth Government are taking over all the business. What business are we taking over, and what profits are for us? What are we getting out of it? The Commonwealth are taking over the staff and the State Savings Bank, and for the future we will only have to pay the salaries of a proportion of the staff at present engaged in the Savings Bank. I consider that 75 per cent. of that staff will be retained in connection with the advances to settlers. Only 25 per cent. of the staff will go over to the Commonwealth. What are we getting in return? We are to get only one-half of the profits.

Mr. GLEDSON: One-half of the combined profits.

Mr. VOWLES: Are we not getting bigger profits than the Commonwealth?

Mr. GLEDSON: No.

Mr. VOWLES: We are going to get the use of 70 per cent. of the future excess deposits for public purposes. We do not know how that will pan out. Only the future can tell that. We expect Queensland to expand so far as population is concerned. It will grow in every direction, and, naturally, the Savings Bank will develop in proportion. Although our Savings Bank will develop, we must recognise that we would have the competition of the Commonwealth. The Bill proposes to do away with the present Commissioner, and put in his place the Treasurer, who is to be a corporation. We have adversely criticized

the Commissioner, not because of the Commissioner himself, but because we consider that no member of the public service should be put on a pedestal like he was, and be put beyond parliamentary criticism.

Mr. BRENNAN: You don't always argue that way.

Mr. VOWLES: I have always done that. I do not see why Mr. Fowles should not be subjected to criticism just the same as the head of any other department when the Estimates come before this House. At any rate, it is proposed to retain two of the sub-departments. The Agricultural Bank is to be administered by the Department of Agriculture and Stock. It was formerly run by the Lands Department, and that was found to be a failure, and yet, as far as I can see, we are going to perpetuate that trouble and run it by another department which will require a good deal more staff than it has got at the present time. Then, again, we have the workers' dwellings section. That is to be put under the Works Department. My great objection to this proposal is that it savours too much of putting our departments under political control, and allowing that interference which the hon. member for Oxley referred to. When I first saw the agreement, and, judging more particularly from some remarks that dropped from the Minister when he introduced the Bill, I thought that the Commonwealth was going to take over some of our securities. I know some of the securities which the bank has got, and they have advanced money on properties represented by those securities. In those cases where the improvements have been abandoned, and where the prickly-pear has got charge, I venture to say that those securities cannot be worth 5s. in the £1. I really thought that the Government had made a pretty shrewd move and palmed those things off on the Commonwealth. Not at all. We retain these securities, whether they are good or bad, and all the plums that are to be got are being got by the Commonwealth. I can only trust that it will turn out for good. To my mind it has got to this stage—that we can only oppose it on principle, the main objection being that we have not been requested to consider the terms of the agreement before they were signed.

The TREASURER: It is not binding yet.

Mr. VOWLES: I know it is not, but we are aware that there is a majority on the Government side of the House, and that this is going to be carried. We know that the schedule comprising the agreement will not be altered so far as the dotting of an "i" is concerned, and it is only a question of the Commonwealth Government's agreeing to it in their turn, and I should think they would be pretty well satisfied.

The TREASURER: Their Parliament need not ratify it. And let me ask you this: What other way have we of consulting the Opposition and Government members except to bring it before the House in the shape of a Bill?

Mr. VOWLES: It is brought before Parliament when it is completed.

The TREASURER: It is not binding.

Mr. VOWLES: Simply because it has not been registered in this Chamber, but this will be done in the course of the week. We merely have the courtesy extended to us of

Mr. Vowles.]

being asked to consent to it after it has all been fixed up.

The TREASURER: In what other way could we consult you?

Mr. VOWLES: We could be consulted in this House, in the first place, on the point whether we considered it desirable to amalgamate.

The TREASURER: Would the same thing not happen?

Mr. VOWLES: No. We could discuss it in quite a different way. We could decide whether the principle was good, quite apart from the terms. Personally I am opposed to it. It is too much like a start in the direction of unification. I live in the country and I know the hardships that are inflicted on people in respect to the public departments even of Queensland, from the fact that they live 150 miles away from Brisbane. If our departments are to drift away to Melbourne and the head office is to be there, those hardships will be all the greater. I know that there are hon. members on that side of the House who were constantly urging that there should be decentralisation even in Queensland, and that this State should be cut up into three sections, because they were so far away from the seat of Government that they could not get satisfaction and justice. Now, we are starting on the tract of sending things down to Melbourne.

Mr. FERRICKS: Do you not know that the head office of the Commonwealth Bank is in Sydney?

Mr. VOWLES: It is far enough away. I simply want to enter my protest that in these matters we should have the opportunity of discussing the principle involved, and then, if we agree that it is desirable to do this sort of thing—even if the discussion is informal; this is one of the things that we could do on Thursday afternoons—then we can deal with the details of the Bill as we are doing now.

Mr. KERR (*Enoggera*): I would like to eradicate some of the foreign elements to which the hon. member for South Brisbane referred in regard to the Opposition. We are here to give our own opinions and not that of the caucus. Personally I am going to vote for this Bill. (Government laughter.) I must do so owing to the fact that I declared that the electoral rolls should not be duplicated—that one set should do for both States and Commonwealth. The same principle applies to the Savings Banks. What I object to is the doubtful honesty of purpose of the Government in coming here and camouflaging their ideas in the belief that we will support them in all good faith. I am going to tell you that there is something underneath the whole thing. I want to explain that the main thing the Government wish to do is to get their hands on more money. In 1913 the number of Queensland depositors in the Commonwealth Savings Bank was 13,481, who deposited £455,167. In March, 1920, the depositors numbered 36,895, and the amount £2,967,110. Or in other words, whereas 2.02 per cent. of the population in 1913 banked their savings in the Commonwealth Bank 10.19 per cent. of the population lodge theirs there to-day. Those figures alone at once give the impression that the customers of the bank are representatives of the people of Queensland. The people of Queensland do not believe in the stability of the Savings

Bank under the jurisdiction of the present Government.

The TREASURER: Nonsense!

Mr. KERR: I hope the Treasurer will listen to me when I say that it was proved by the number of votes polled against them at the last election.

The TREASURER: Why do so many bank with us?

Mr. KERR: I know that they have gone up; but the hon. member cannot refute the figures I have given.

The TREASURER: The proportion has increased here more than in Victoria.

Mr. KERR: I am quoting Queensland's figures. Now, I want to refer to what is called the excellent business of transferring the State Savings Bank to the Commonwealth. We find that the business on one side amounts to £15,175,759, and on the other, in Queensland, side to £3,058,434. In an ordinary business transaction the goodwill of a business is taken into consideration. Here we have a business that has been built up and built up. We have an independent Commissioner, who has nursed it since the 1st January, 1917, and built it up into a stable business. It is an excellent undertaking showing a profit; but, strange to say, it is because it is apart from the Government's jurisdiction that it is showing a profit. (Government laughter.) Now, we find that in an ordinary business goodwill is taken into consideration, but there is no prospect of any payment being made by the Commonwealth to this State for goodwill—absolutely none. We get on a bit further, and what do we find? We find that there is an undertaking given in regard to future loans of Queensland in connection with interest and the repayment of principal. In one mighty swoop—(laughter)—the present Government get rid of the loans temporarily for which otherwise preparations for renewal would have to be made. I take that as a hint that an election which rightly should come on next year, perhaps, will eventuate, and then they will not be in the happy position of stating how much provision they have not made for a Sinking Fund and the repayment of interest. I referred to this business being mothered or built up with a great deal of thought by an independent man who deals with his customers independent of Parliament. We find that his report vibrates with optimism; but there is one point that fails in that respect. The report says—

“I have recently received an intimation that an agreement has been entered into between the Government of this State and the Governor of the Commonwealth Bank, with the consent of the Federal Treasurer, for the amalgamation of the Savings Bank portion of the institution with the Commonwealth Bank by transferring to that bank, under certain conditions, the relative liabilities and assets and portion of the staff.”

The people's representatives have not been consulted. That is quite apparent from the word “intimation” contained in the report. The point that makes me vote for this Bill is that the upkeep of one Government Department will be less. This is the first step towards economy which I advocated during the elections. Going a little bit further, I find that the rights of employees are preserved. The Bill provides for that; but I would point out that there are three or

[*Mr. Vowles.*]

four clerks employed in the Savings Bank to-day who, three or four years ago, went to the war, and during the time they were at the front certain other clerks who did not go to the war gained efficiency, and to-day are senior in the service and receive a higher salary than the men who went to the front, notwithstanding the former were senior in service and salary prior to enlistment. In all seriousness I would ask the Treasurer to take this matter into consideration.

The TREASURER: You said the Commissioner was a good man, and was independent.

Mr. KERR: Quite so.

The TREASURER: Why not see him?

Mr. KERR: Under the Bill the rights of the employees are preserved, and I would point out that when these men are transferred they will have no claim on the Commonwealth Bank, and now is the time to get them put absolutely in their right positions.

Mr. BRENNAN: The hon. member who has just sat down recently announced to the House that he had a simple mind, and he has just given another instance of his simplicity of mind in the figures he quoted regarding the increase in the deposits in Queensland and in the Federal Savings Bank. I will quote now from Knibbs's statistics, 1 to 19: Queensland, number of depositors, 81,522; amount deposited, £3,188,829. Now take Victoria: Number of depositors, 104,039—

Mr. KERR: Are you saying that I made a misstatement?

The TREASURER: Your deductions are wrong.

Mr. KERR (to Mr. Brennan): I have got you! (Laughter.) You could not have done it off your own bat if the Treasurer, who has the brains of the party over there, did not come and put the figures into your hand. (Renewed laughter.)

Mr. BRENNAN: We quite understand that the Treasurer has quite sufficient to do to reply to the important remarks of hon. members opposite, and it is the duty of the Treasurer to hand particulars to private members to reply to gentlemen with a simple mind. The inference made by the hon. member for Enoggera was that the people had no trust in the Savings Bank in Queensland, and were transferring their deposits to the Commonwealth Bank.

Mr. KERR: I did not say that.

Mr. BRENNAN: That was the inference.

Mr. KERR: Mr. Chairman, the hon. member has no right to infer that.

Mr. BRENNAN: According to these figures, in every State in the Commonwealth an increase has been noted, and therefore there is nothing in the inference of the hon. member. Furthermore, the hon. member stated that we were making a profit out of the Savings Bank business. Of course, we know very well that the profits of the Savings Bank belong to the people. I am very pleased to have the opportunity of again illustrating the simple-mindedness of our friend the hon. member for Enoggera.

Mr. TAYLOR (Windsor): I am sure we all listened with considerable interest to the remarks of the Treasurer on this Bill; but to a very great extent his arguments were not nearly as convincing as we might reasonably have expected them to be. Personally, I think he should have given us more statistics than he did with regard to the number

of branches operating for Commonwealth purposes and in connection with our own State Savings Bank at the present time, because that has been one of the principal arguments as to why we should accept this proposed amalgamation scheme.

The TREASURER: The day before yesterday I laid on the table of the House a table giving those particulars, and we know that wherever there is a post office there is a Commonwealth Bank.

Mr. TAYLOR: I know that, but, at the same time, we should have been supplied with figures showing the cost of management.

The TREASURER: Yes, but your colleagues would not have been able to understand them. (Laughter.)

Mr. TAYLOR: Perhaps the hon. gentleman's colleagues would not understand them either. The question of duplication has been one of the main arguments brought forward as to why we should go in for this amalgamation, and we have had no information as to what the costs were, so that we might have been able to make comparisons and ascertain what the saving might be. What was the position with regard to the State Savings Bank prior to this agreement being entered into on the 30th June or 1st July last? We have been told that the Government are going to have a share of the profits, and we are going to have 70 per cent. of the extra business, and the other 30 per cent. is going to be invested in local authority works in the localities where the money is raised.

The TREASURER: That is being considered by the Governor of the Commonwealth Bank.

Mr. TAYLOR: When we had a State Savings Bank of our own we did not get 70 per cent. or 30 per cent.; we had the full 100 per cent.

The TREASURER: That is where you are quite wrong. We had to keep fully 30 per cent. in reserve on account of current account.

Mr. TAYLOR: I take it that reserve is being utilized.

The TREASURER: There is no need to keep it now.

Mr. TAYLOR: Without asking questions of any individual, or the governor of any particular bank, the whole of the money of the State Savings Bank was under the control of whatever Government happened to be in power at that particular time.

Mr. BRENNAN: Not the Federal Savings Bank.

Mr. TAYLOR: No; that is the point I want to make. The only gain that is going to occur is a share of the profits in the savings of the Commonwealth Savings Bank, and I think any gain the State is likely to get from that particular source will be more than counterbalanced by the fact that we shall not have the same unfettered right with regard to the State Savings Bank money in the future that we have had in the past. The hon. member for South Brisbane referred to the amount of duplication. Who is responsible for that? It is not the State of Queensland. They were in possession of the field. They were responsible for the whole of the activities so far as the savings of the people of Queensland are concerned. Along came the Commonwealth.

Mr. FERRICKS: Quite rightly, too, in my opinion.

Mr. Taylor.]

Mr. TAYLOR: The hon. member may think so. I think they were quite wrong to come in in the way they did and interfere with the State Savings Bank. They had any number of other activities to engage in in connection with the Commonwealth Bank quite apart from interfering with the State Savings Bank. I contend that the savings of the people of any State should be at the disposal of the Government of that State to carry on the activities and developmental work associated with the State. I am as much an Australian as any man in this Chamber, and I claim to take as broad a view of the affairs of Australia as any man. We hear a good deal to-day about what is called centralisation and decentralisation. Is there in this Chamber to-night any man who feels satisfied that if there had been decentralisation, and Queensland had been divided into two or three States instead of one, North Queensland would not have been in an infinitely better position than it occupies to-day? (Hear, hear!) (Centralisation strangled and kept North Queensland from developing in the way it should and would have done. Quite a number of these matters, from a theoretical point of view, are probably all right, but when you come to work them out in practice you find that the economies you expected to get by centralisation do not materialise. With regard to taking over these particular banks, our employees are provided for in the Bill, but what is going to happen to all the employees in the Commonwealth division? Where is the saving going to come about if the same number of employees are going to be retained in the two services as is the case to-day? If it means sacking some of those men, is the hon. member in favour of that, and does he wish to see it? As a matter of fact, it will not happen, because it will be found that immediately the amalgamation takes place the men at present engaged in those two Savings Banks will still be required to carry on their activities.

Mr. FERRICKS: They can be put on to do other work.

Mr. TAYLOR: They are doing a certain class of work at the present time, and I do not know what other work the hon. member refers to.

The TREASURER: If we accepted your dictum, we would never economise or never do without people. On the other hand, a big institution like the Commonwealth Bank, expanding all the time, absorbs a large number of new employees each year. Obviously the amalgamation will not be settled for a year or two years, and those employees will be gradually absorbed.

The SPEAKER: Order!

Mr. TAYLOR: Exactly. That is what I say. Where are your economies coming in that you have been telling us we are going to gain? We have been told that by this amalgamation we are going to save money, and yet we are not going to discharge men.

The TREASURER: Cannot you see there is something more than mere labour in economy? Take two banks in the one city. One will close down after a while. They will not run the two in each little hamlet year in and year out.

The SPEAKER: Order! Order!

[Mr. Taylor.

Mr. TAYLOR: I am still unconvinced as to where the great economies are going to be effected, and I have failed to gain the information I should like to have received as to the great gain that is going to come to the State by this Bill.

Mr. FERRICKS: Many officers in post offices are doing Savings Bank work. If one staff is employed those men will be put on to do post office work.

Mr. TAYLOR: You are simply going to duplicate men.

Mr. BRENNAN: Your argument is stagnation. They are moving.

Mr. TAYLOR: No, it is not stagnation. There is one thing I was pleased to hear from the Treasurer this afternoon, and that is that before this agreement was entered into experts were consulted. That is a perfectly right thing to do. Personally I should like to know who the experts were. I take it the Government consulted experts in whom they had every confidence and they are acting on the testimony of those experts. While there may be something in what the hon. member for South Brisbane said—that the testimony one would be likely to get would probably not be in favour of the proposed transfer—still, even supposing their testimony was opposed to the transfer, it would be valuable evidence to guide the Government to a decision.

The TREASURER: We had full expert opinion.

Mr. TAYLOR: While I believe in advancing the interests of Queensland, I have not learned that that is going to be done by this proposed amalgamation. The Treasurer tells us that he, as Treasurer, and the people of Queensland are going to make certain gains. Surely when the Governor of the Commonwealth Bank made this agreement he was out to make certain gains. From whom was he going to make them?

The TREASURER: To whom does this profit go? To the people.

Mr. TAYLOR: Exactly, to the people. The unfortunate position we are in is that the losses, too, of this Government are going to the people. However, as far as I can see it is not a good bargain for Queensland. We are putting in £14,000,000; they are putting in £3,000,000.

The TREASURER: We have expended the £14,000,000.

Mr. TAYLOR: We have assets for that £14,000,000. If those assets were worth £14,000,000 at the particular time those book values were taken—probably a few years ago—they are worth perhaps £20,000,000 to-day.

The TREASURER: I will give you an idea. Some of the debentures he has taken at our book value of £97 are worth on the market only £53.

Mr. TAYLOR: That may be so.

The TREASURER: Our 3 per cent. debentures, due in 1950

Mr. TAYLOR: I do not think he is going to take debentures worth £53 as part of the security in connection with this matter. He knows pretty well that those debentures are worth their face value or he would not take them.

The TREASURER: In 1950.

Mr. TAYLOR: At all events, we have handed over assets worth more than £14,000,000—that is the point I wish to make—because in connection with these workers' dwellings and a number of the other assets which it is proposed to hand over I take it, on account of the high costs which have come along during the last few years, those assets have considerably appreciated in value.

The TREASURER: On that point, we are keeping all these workers' dwellings securities, and giving him debentures at 4 per cent. on the original cost price.

Mr. TAYLOR: I am quite satisfied if you are keeping them. I hope you will. I have nothing more to say in connection with this particular matter. I think it is a Bill that should have the thoughtful consideration of every member in this Chamber. I would not like to think the Treasurer, or the Government, would willingly enter into a bargain which would be to the detriment of this State. While I am willing to concede that, it is quite possible that an error of judgment or a mistake might be made; and in entering into an agreement of such magnitude, extending as it does over a long period of time, a lot of consideration should be given to it before it is actually completed.

[8.30 p.m.]

Mr. G. P. BARNES: I was very much interested in the remarks made by the Treasurer this afternoon. I was rather sorry that he did not extend his arguments in regard to the good work the bank has done and the fine position it is in.

The TREASURER: I think that is apparent.

Mr. G. P. BARNES: It was interesting to note that one in three of the population—

The TREASURER: One in 2.6.

Mr. G. P. BARNES: That is pretty near one in three—have an account with the Government Savings Bank of Queensland. I was also glad to hear—what we already know—that very fine work has been done by the bank in connection with workers' dwellings, and also with regard to advances made to settlers. What I want to know is, whether the depositors, who number some 275,426 persons, have been consulted about this business. Are they being sold, body and soul, without the slightest reference? Are they being bartered away on account of some spasms that may have seized the Government of the day? Is their birthright being sold? It looks to me as if it were. The whole thing has come so suddenly upon the people that they have had no time to fully consider as to the wisdom or otherwise of accepting the proposals of the Government.

The TREASURER: It was announced before the Premier went to England.

Mr. G. P. BARNES: The Treasurer has entirely failed to give any convincing arguments as to the wisdom attaching to the transfer of this great business of the Government Savings Bank. We frequently hear of the greater swallowing the lesser, but it is extraordinary when you find the little thing gobbling up the bigger one, as it is in this case. It is extremely flattering to the State of Queensland when we remember that it has succeeded in retaining its business as against the inducements offered by the Commonwealth. As the Treasurer said a moment ago, we know that wherever there is a post

office in Queensland there is a Commonwealth Savings Bank, and yet, with all those conveniences for the people to deposit money, the total deposits of the Commonwealth Bank in Queensland merely amount to £3,000,000.

The TREASURER: Don't you know that the Commonwealth only give 3 per cent. interest up to £500, and we give 3½ per cent. interest up to £1,000.

Mr. G. P. BARNES: In our own institution the deposits up to date total £15,000,000. That is where we are going to come off second best in the matter of interest.

The PREMIER: How is that?

Mr. G. P. BARNES: Does the agreement not provide that by and bye, when you provide money—the new money, so to speak—you are paid 1 per cent. over and above?

The PREMIER: Not more than 1 per cent. That is fair.

Mr. G. P. BARNES: It may be fair, but it shows that you are not going to be on as good a footing as you have been. One member on this side referred to the way the money is being used, and the Treasurer said that we are using this £14,000,000. It is quite true the Government are using it, and the pertinent thing about this business may be that, having used the money as they have—or having appropriated it in their balances if they have not entirely used it—the Treasurer did his own side an injustice when he told them he had really used the money; but, having appropriated it, it may be the best business to make arrangements with the Commonwealth Bank, in order that it may be made a permanent deposit, or a deposit at call.

The TREASURER: The £14,000,000, or whatever amount it is, is invested in the Agricultural Bank and in workers' dwellings, which brings back the interest to the depositors.

Mr. G. P. BARNES: What is the use of the Treasurer saying that that amount of £14,000,000 is invested in that way? It would be a good thing for Queensland if it were so invested, but only a mere moiety of it is so invested. I notice in connection with the public balances at 30th September, 1920, that the whole of the Government Savings Bank money is included in the Government balances. I have two sums before me mentioned as £2,325,000 odd, and Government Savings Bank inscribed stock £288,065 4s. 6d. What I want to know is whether we are paying interest on these amounts? Are we getting that for "nix," as it were, or are we paying so much interest for it? It seems to me—and I hope the Treasurer will contradict me if I am wrong—that we pay no interest for that amount. I would ask the Treasurer if that amount is carrying interest.

The TREASURER: No.

Mr. G. P. BARNES: The work done in connection with advances to settlers and the Workers' Dwellings Act has been splendid. (Hear, hear!) The Commissioner, on pages 9 and 10 of his report, makes reference to what has been done in that connection. It will be remembered that a very large sum of money is going out in this direction every year. There was something like £478,167 advanced to settlers in 1920, and £293,870 for workers' dwellings. It would be interesting to know from the Treasurer whether he anticipates that he will be able to repeat

Mr. G. P. Barnes.]

that kind of advance in the interests of the country by and by. I understood the Treasurer, when making his speech, to say that an amount would be reserved for expenditure in that connection every year, and that when the year opened there would be an indication as to what the amount would be. I want hon. members to understand that we are going to be faced with greater limitations in this direction than we have ever been faced with previously.

The TREASURER: It is very possible.

Mr. G. P. BARNES: It is, and if under the proposed transfer there are to be greater limitations imposed upon the Government in that direction, I do not think the transfer will be in the interest of the State. We are turning down far too many people who are applying for advances. The Commissioner reports that—

“The number of applications for advances received during the year was 1914; to these must be added 145 applications brought forward from the previous year; which makes a total of 2,059 applications dealt with during 1919-20.

“The total amount applied for was £333,527, including £73,037 in respect of applications in abeyance at 30th June, 1919, of which loans for £478,167 were granted to 1,502 applicants; 394 applications were declined or withdrawn; and 163, representing an amount of £79,274, remained in abeyance at the close of the year awaiting receipt of inspectors' reports, etc.”

I am anxious to know something about those applications which remained in abeyance. Every man who has business to do with the bank is aware that he has to prod along officials in order to hurry on decisions with regard to Savings Bank advances. Here the Commissioner tells us that 163 applications remained in abeyance or were carried forward. The Treasurer admitted a moment or two ago that we may anticipate that there will be a more limited supply of money in the future than we have had in the past, and I want to know if members on this side of the House, or members on the other side of the House, are going to look favourably on a prospect of that kind? We know that we cannot get all we want in a growing State, but if we are going to find that development is to be retarded simply because advances cannot be secured, it seems to me that this Bill is not in the interest of the people.

The TREASURER: We will do much better under this arrangement with regard to the Agricultural Bank and workers' dwellings if the banks are combined than we could do with the banks operating separately.

Mr. G. P. BARNES: I do not know that you will. But, supposing that the amount which will be available in the future will be in proportion to what is already available now when the two banks are in existence—our own bank has £15,000,000, and the Commonwealth Bank £3,000,000 of money—supposing we will receive our proportion of the amount, what will be the result? A moment ago the Treasurer said he was utilising the whole of the State Savings Bank money. The whole amounts to £15,000,000, and if we get only 70 per cent. of that, the amount will be £12,600,000. I do not say that those figures are accurate, but they represent a rough estimate of the position.

[Mr. G. P. Barnes.]

The TREASURER: Remember, our Savings Bank was founded in 1860, and between 1860 and this year is sixty years. The Commonwealth Bank has been in operation only seven years. How, then, can you compare the balances of the two banks?

Mr. G. P. BARNES: I am comparing the proportions, and I say that if the Government will hold on to their proportion under the existing system, that will be greater than the amount they will get as their proportion after amalgamation with the Commonwealth. The amount deposited in the Government Savings Bank in 1915-1916 was £6,895,679. By 1919-1920 that amount had increased to £15,241,007—an increase of £8,345,328. The whole of the business with the Commonwealth Bank up to the present time amounts only to £3,600,000. However, I am not going to delay the House too long in discussing this point. I wish to stress the particular point I made the other evening.

The TREASURER: A very good point, too.

Mr. G. P. BARNES: In going round the country during the elections I stated that if returned I would advocate with all my might that a moiety of the deposits going into any one bank should be devoted to local developmental work.

The TREASURER: A very good idea, but it is not original.

Mr. G. P. BARNES: I do not remember from whom I got the idea, but I advocated that a moiety of the amount deposited in a particular bank should be devoted to the development of the district from which those deposits came. The Treasurer was good enough to come over and tell me that Sir Denison Miller's sympathies were in that direction. Some members on the other side have stated that 30 per cent. of such deposits is to be devoted to local purposes. I only hope that 30 per cent. will be available for that purpose. I have been looking over the deposits made in connection with the central office and the branch agencies, and in the Commissioner's report I find some information on that point which should be of interest to the House. The deposits at central offices amounted in 1919-1920 to £9,257,222; the withdrawals from central offices totalled in the same period £10,930,200, so that, so far as central offices were concerned, we went considerably to the bad. In connection with agencies, the deposits for the same period were £3,933,785, and the withdrawals only £2,258,940, thereby showing that the growth of the Savings Bank of Queensland was due to the savings of the people deposited in the branch agencies. Warwick as a centre has twenty-two agencies. If one-fourteenth of the amount of the deposits in those branch agencies, in addition to the proportion of Warwick deposits, were made available for developmental work in the district, what a splendid thing it would be for that district.

The TREASURER: You could build the via recta with that money.

Mr. G. P. BARNES: The hon. gentleman has just anticipated what I was going to say. The amount that would thus be made available would pretty well build the connecting link between Maryvale and Mount Edwards. And why should it not? The other evening I was glad to hear the Treasurer state that local moneys might be made available in this direction. Look at the mighty scheme of irrigation and water conservation that might

be established on the Condamine if the money of the people in the Warwick district were put to the right use. That money would be sufficient to establish a magnificent scheme of water conservation and irrigation. I find that during all the years from 1902 to 1920, the total amount advanced to Warwick in connection with workers' dwellings and advances to settlers only amounted to £110,000. I suppose the amount spent in Warwick has not been more than £50,000—probably not much more than half that. If Warwick were to get the three-tenths that the hon. gentleman said would be expended locally, we would probably have the best part of £300,000 to expend on developmental works in and around that centre. And what applies to Warwick—and hon. gentlemen had better note this—applies equally to every other centre in the land. We should see that the moneys saved in a community are expended in that community in helping to develop its resources.

The TREASURER: What were you doing to accomplish that during the fifteen years between 1900 and 1915, while your Government were in power?

Mr. G. P. BARNES: If we had accomplished all our purposes in life, we would not be here. (Laughter.) We have not done all that we might have done, but I imagine that, when the Treasurer comes along next year, he will find new work to do. There is an immense opportunity, and I hope it is going to be seized. I am heart and soul with the Treasurer. (Government laughter.) I am afraid the Treasurer is not big enough for this, but I am heart and soul with the Premier in his conception of what should be done to develop the resources of Queensland. A great deal has been said about the reduction of expenditure and in favour of centralising the business. I am opposed to centralisation; I believe in decentralisation; but the Treasurer said just now that an immense saving was going to be effected as a result of the combination of the two banks. I would ask the hon. gentleman how he is going to effect this saving. Take, for instance, the men employed in connection with the workers' dwellings branch. They must be kept in employment, because that branch of the work will still be continued. The same holds good with regard to other kinds of advances. Is it not extraordinary for the Government to say with one breath that they are bringing in a Bill to transfer the great banking institution, which provides them with ready money to carry on many things, and in the next breath to tell us that one of their planks is the establishment of rural banks?

The TREASURER: What is wrong with that?

Mr. G. P. BARNES: What is wrong with it is that the Government are giving away the savings banks in the various centres, which are the very institutions which would enable them to carry out their rural banking policy. On that ground alone, I think they are making a huge blunder in transferring the Savings Bank of Queensland to the Commonwealth.

The PREMIER: I just want to say a word or two on this subject, as hon. members opposite seem to be labouring under much misapprehension with regard both to the intentions of the Government and what is included in the Bill, and as to what will be the outcome of the amalgamation. The hon.

member who has just resumed his seat seems to think that the Government will lose control of considerable sums, whereas, as was stated by the Treasurer, we shall get control—and a more extended control—of a larger amount of money from the savings of the people for the purpose of developing the State under the new scheme than we could get under our present system. The hon. member points out that we will only get 70 per cent. of the excess deposits under the new scheme, and he tried to make out that we would get more than 70 per cent. of the combined excess deposits in Queensland if we continued the State bank as a separate entity. As a matter of fact, the position is not as he explained it. If the Commonwealth Bank were to continue running on parallel lines, as it does now, the Commonwealth excess deposits are likely to be greater than the deposits in the State bank; and, if we get 70 per cent. of the total deposits of the two banks, we shall certainly get more money than we have control of now. The hon. member stated that we have accumulated £15,000,000 of deposits in the State bank. But those £15,000,000 took sixty years to accumulate. The hon. member said that during a certain period quoted by him the deposits in our bank had increased by nearly £6,000,000; but that increase was due to the fact that we increased the maximum amount of deposit bearing interest, and also to the fact that we raised the rate of interest, whereas the Commonwealth declined to

increase their interest rate beyond [9 p.m.] 3 per cent. They declined to enter into cut-throat competition with the other States, by increasing the interest, and rightly so, too, and they also made the maximum amount of interest-bearing deposits £300, as against a maximum of £1,000 in the State Savings Bank. As hon. members know, the State Savings Bank pays interest at the rate of 3½ per cent. on deposits up to £1,000. Under this new arrangement, we will have control over far greater funds than we have had in the past from our own bank. That is one particular advantage that the State will get. As stated by the Treasurer, we will also get 30 per cent., representing the excess deposits in the hands of the Commonwealth Bank, and that money will be used—we have been assured by the Governor of the Commonwealth Bank—for the purpose of loans to local authorities and for other local uses in Queensland. I make that statement on the assurance given to the Government by the Governor of the Commonwealth Bank during the negotiations which took place in connection with the proposed amalgamation. There is nothing in the agreement about the 30 per cent. of excess deposits, but the governor of the bank assures us that that is what he proposes to do.

Mr. G. P. BARNES: Will those deposits be loaned out in the districts where they were deposited?

The PREMIER: From what the Governor of the Commonwealth Bank said, he will make those deposits available to the districts from which they were received, for developing various schemes. I think that is a good scheme.

Mr. G. P. BARNES: It is a good scheme.

The PREMIER: Well, that scheme is made practicable by means of this agreement. The hon. member seems to be very much concerned about the State rights question,

Hon. E. G. Theodore.]

which seems to be involved in this. Both the hon. member for Warwick and the hon. member for Bulimba seem to be alarmed about the tendency to increase the powers of the Commonwealth. I do not know what their ideas are in regard to that, but the inevitable tendency in Australia is to increase the powers of the Commonwealth. It is inescapable. I do not say that we should have—nor do I admit that the Labour party stands for—unification. I do not say we should have unification.

Mr. G. P. BARNES: You admit it in this agreement.

The PREMIER: No. It is recognised everywhere that the Commonwealth must have greater powers than it has at present, and there is bound to be a reconstruction of the Constitution before long. Even the Nationalist party in the Commonwealth Parliament are taking the necessary steps to constitute a convention for the purpose of reconstructing the Commonwealth Constitution. We know what will be the outcome of this convention. It will mean that additional powers will be given to the Commonwealth. Everyone must know that it will all tend in the direction of giving greater powers to the Commonwealth. The Commonwealth have established a national bank. The Commonwealth Bank did immeasurable service to the whole community during the war, and it will do immeasurable service for Australia in the future. We will be able to get money from that bank for the marketing of the products of Australia and in other directions. The Commonwealth is in a better position to do that than any State, or any group of States, which wish to develop their governmental activities.

At five minutes past 9 p.m.,

The CHAIRMAN OF COMMITTEES relieved the Speaker in the chair.

The PREMIER, continuing: This agreement shows that the Commonwealth Bank is willing to enter into a reasonable arrangement with the States to eliminate unnecessary competition, and to do away with duplication, and at the same time give to the States certain advantages over the present banking system. Why should we stand in the way of something being accomplished on behalf of the community? Under this agreement the State Government will have more funds at their disposal than they had in the past. The Commonwealth have entered into an arrangement with the Treasurer, acting for the State Government, and the Governor of the Bank, under which the maximum rate of interest will be increased, the maximum amount of deposit will be increased, and the State will be able to get the use of the surplus funds. The Treasurer will have a direct say also in the disposal of the 30 per cent. of remaining funds. The hon. member for Bulimba this afternoon tried to oppose this agreement and the Bill on the grounds that he originally opposed the scheme issued by the Fisher Government. That is no reason why he should oppose this scheme at all. The two schemes are quite dissimilar. The old scheme could be opposed by all members of State Governments on sound grounds, because it did not represent a good bargain to any of the States. But this is a different thing altogether. This agreement is a better bargain for the State of Queensland. The hon. member for

Bulimba stated that this scheme had its origin in the financial difficulties of the Government, and that we were hastening on the amalgamation to get out of certain financial embarrassments. As a matter of fact the negotiations in connection with this scheme originated with the Commonwealth Government, and they were brought forward at the Premiers' conference in the beginning of 1919—nearly two years ago. On that occasion Mr. Watt was the Federal Treasurer, and occupied the chair, and I would like to quote his remarks to show that, although he had been for some years connected with the State administration, he recognised now that the States had nothing to fear in the matter of the amalgamation of the State and Federal Savings Banks. This is what he said at that conference—

"I have never modified any of the arguments I used as a member of a State administration in opposition to the campaign of competition, but I am trying to view the matter as it now is, apart from its history, and apart from the question of responsibility and blame for the origination of the trouble. It is our duty, I take it, to do that. I am astounded that the liberal arrangement suggested has not been unanimously accepted by the States. There is no danger to them. On the contrary, the arrangement suggested offers to them every advantage. All the objections I raised in the early days have been modified in the proposition I have made."

The agreement we are putting forward to-night removes a lot of the objection raised by the State seven or eight years ago, and I may say that in our negotiations with the Governor of the Commonwealth Bank we obtained still more modifications of Mr. Watt's scheme. We have now got a liberal scheme, and I am satisfied that every member of a State Parliament, or a State Government, can agree with this scheme. No State member can take any logical objection to the agreement we have entered into. It has been suggested that the agreement is a tendency towards centralisation, but I do not see it. We are getting more funds at our disposal than we had before. In addition, the Government will be directly represented on a board which controls its funds. What more power do you want than that? The credit of the State will still remain. We are retaining the department for advancing money to settlers and for the erection of workers' dwellings, and we can expand our operations in those directions. We will also have the use of the remaining 30 per cent., so far as the development of such schemes as water supply and irrigation are concerned.

Mr. G. P. BARNES: Will it be loaned to local authorities?

The PREMIER: We shall get more funds for that purpose than we had in the past. Under the agreement we are getting 75 per cent. of the deposits. It is not merely money at call. At the present time we have the use of the moneys in the Savings Bank which are in the current account. In the past State Treasurers have used this money for carrying on useful purposes. But under this agreement we will get 70 per cent. of the deposits as a straight-out loan invested for a long term. Local authorities will be able

[Hon. E. G. Theodore.]

to borrow from the other 50 per cent. on exceptional terms, extending from ten to thirty years. So that we will get the full use of 100 per cent. of the excess deposits in every year. That is greater than what we get at the present time. We cannot use the whole of the funds in the bank at the present time for the purpose of making loans to local authorities and others, but, under this arrangement, the full 100 per cent. will be available for the activities of the State on exceptional terms. It needs to be recognised by hon. members—the point does not seem to have been noticed by them—that in making the transfer we retain whatever profits have been accumulated in the institution, and they amount to a very considerable sum. We also retain the accumulated reserve fund, which has been created out of profits. In the arrangement suggested originally, which the Denham Government turned down, it was not proposed that those profits or reserve funds should remain with the State, but should go over with the institution. Another weakness of that proposed agreement was that the whole of the funds which were in the current account of the Savings Bank had to be transferred. In this case they remain with the State on what is called deposit at call, but it is really more than deposit at call, because they cannot be called up unless there is an excess of withdrawals over deposits in any year or in any quarter, and that is not likely to happen while Queensland makes progress, and we hope that she will continue to make progress for many years to come.

Mr. G. P. BARNES: Look at the excess of withdrawals in certain centres.

The PREMIER: That does not matter. It is only the aggregate result that counts. There may be heavy withdrawals in some districts and heavy deposits in others. There is no period in our history where there has been an excess of withdrawals over deposits. In every case there has been a greater or less accumulation of aggregate deposits. Therefore, we are not likely to have from the Commonwealth any call on the £5,000,000 odd which will be deposited at call.

It is true, as the hon. member for Oxley pointed out, that this agreement pledges the Government to place their banking business with the Commonwealth Bank so soon as they are free from the agreement with the Queensland National Bank and the Bank of England, and at the same time to permit the Commonwealth Bank to manage our loan issue. I say that no reasonable contention can be urged against that. If any bank should manage the loan business of Queensland it should be the Commonwealth Bank, the bank which is national not only in spirit and in aim, but is the people's bank in every sense of the term. There is no reason why that business should be handled by the Queensland National Bank or any other private institution if the Commonwealth Bank is able to take it. There was no hesitation on the part of the Government in agreeing to that course, but at the same time I want to admit that during recent years—in the experience of the present Government, at any rate—we had no complaint whatever against the Queensland National Bank in respect to the way in which they have managed the business or met our requirements from time to time. It is, however, only natural that when the agreement expires the Commonwealth Bank should take over the business, and without

any bargaining about the transfer of the Savings Bank it is likely that the transfer of the Government accounts to the Commonwealth Bank would have been made. The agreement with the Bank of England has a long time to run, I think more than ten years, so that nothing can be done for some time; but when the agreement does expire there is no reason why the Commonwealth Bank—which is firmly established in London—should not manage our business also at that end. The hon. member for Oxley casts some doubt on the ability of the Commonwealth Bank successfully to manage our loans. I am sure he is labouring under a misunderstanding. The Bank of England has done our business in regard to the management of the loans, but it does not manage the loan issues. The only business it does is to receive and to keep accounts. The work of advertising the loans, underwriting them, and placing them on the market is all done by brokers. The Bank of England employs the usual brokers in the same way as the Commonwealth Bank would do, and whether the business was handled by the Bank of England or the Commonwealth Bank would, in my opinion, make not a tittle of difference in the success of the proposed loan.

So far as Queensland herself was concerned, the hon. member suggested that we were proceeding along wrong lines and losing an opportunity to establish a State trading bank. I do not take much notice of that, emanating from the source from which it comes, from a prominent member of the Nationalist party that stands against everything national, that stands against every kind of Government enterprise or activity.

Mr. BEBBINGTON: Draw it mild.

The PREMIER: I am not speaking of the hon. member's party, but of that of the hon. member for Oxley.

Mr. FRY: No, that is wrong.

The PREMIER: I am speaking of the remarks of the hon. member for Oxley, who condemns the agreement on the ground that it is throwing away a golden opportunity to establish a strong, healthy national bank—a trading concern that could launch out in all directions and capture for the Government millions of money. Such an institution could only do that at the expense of private banks and private enterprise and energy. It would have to shatter the most essential planks of the Nationalist party's platform. I take no notice of such criticism, because I recognise that it is insincere; it is only carping criticism. It does not emanate from the hon. member in a desire to see the result brought about; his only desire is to hear himself talk. In my opinion, the Commonwealth Bank supplies the need in the only way that is necessary. It can expand to every corner of the community, to every city and town and village throughout Australia if necessary. There is no necessity for the States to start banks in competition with it. The Commonwealth Bank can perform the functions of a State and Commonwealth banking business, and by a wise co-operation can make its machinery and its funds available for the purposes of the State Governments as well as for the purposes of the Commonwealth Government. We, in this agreement, have signified our intention and expressed our desire to utilise the machinery already established, and to

Hon. E. G. Theodore.]

co-operate with the Commonwealth Bank for the purpose of making use of the funds they themselves accumulate. (Hear, hear!)

Mr. FRY (*Kurilpa*): The discussion to-night has centered around the advisability of going on with this transaction from the point of view of success. The whole of the speeches I have heard have been in the direction that the Savings Bank accounts are going to be increased. I hope before I sit down to show you that, according to the official figures of Knibbs, the tendency is for the savings bank accounts to be decreased. Before I go on with that argument I would like to say that we have not been supplied with particulars as to how many accounts there are in the Queensland Government Savings Bank over £1,300. We have been informed that interest is paid by the Queensland Government Savings Bank on sums up to £1,000, and that the Commonwealth Government intends to pay interest up to £1,300. The point I wish to raise is—what is going to happen to those accounts exceeding £1,300? It means that if they are driven into the general banking account of the Commonwealth Bank they will be withdrawn from the deposits, they will represent withdrawals, thereby helping to decrease the excess of deposits over withdrawals.

The PREMIER: There is no account of more than £1,300 in the State Savings Bank drawing interest.

Mr. FRY: I am not saying they are drawing interest, but at the same time they may be withdrawn.

The PREMIER: There is no individual deposit of over £1,000 at present, and, therefore, none can be withdrawn.

Mr. FRY: We are glad to have the assurance of the Premier to that effect. I understand that there are several. This point was not raised during the discussion, and, consequently, I have raised it now. Then, again, I want to point out that Knibbs's figures show us that there has been a decline in Savings Bank business this year as compared with last year. Take New South Wales. The average amount per depositor on 30th June, 1919, was £47 15s. 9d., whereas on 31st March, 1920, it was £46 1s. 5d., being a decrease of £1 14s. 4d. If we take Victoria we find that the average amount per depositor on 30th June, 1919, was £40 2s. 3d., and on 31st March, 1920, it was £39 15s. 9d., a decrease of 5s. 6d. Then, if we take Queensland, we find that the average per depositor on 30th June, 1919, was £50 19s. 8d., and on 31st March, 1920, it was £48 4s. 5d., showing a decrease of £2 15s. 4d. Then we come to South Australia and we find that the average per depositor on 30th June, 1919, was £41 8s. 7d., and on 31st March, 1920, it was £39 13s., showing a decrease of £1 15s. 7d. Then take Western Australia: the average per depositor on 30th June, 1919, was £36 8s. 2d., and on 31st March, 1920, the average per depositor was £33 18s. 8d., showing a decrease of £2 9s. 6d. The only State within the Commonwealth showing an increase is Tasmania, where the average on 30th June, 1919, was £32 19s. 11d., whereas on 31st March, 1920, the amount was £33 7s. 1d., showing an increase of 7s. 2d. Now, take the total deposits. In Queensland, on 30th June, 1919, the total deposits was £17,511, whereas in 1920 it was £17,337, so that we see there is a decrease in the total deposits.

[Hon. E. G. Theodore.]

The PREMIER: The report of the Commissioner of the Savings Bank shows that those figures are not up to date.

Mr. FRY: The Premier may say that they are not up to date; they are, however, the official figures of the Commonwealth Statistician, an authority frequently quoted by the Premier and his Ministers. The point I want to draw attention to is that the tendency in Savings Bank business is to decrease, and no man can argue against that with the figures available, because they are applicable to all the States, and this is owing to the present condition of affairs. We all realise how hard it is for people to pay their way, and this circumstance has a tendency to decrease the deposits. The position is this: That when you hand over the Savings Bank to the Commonwealth Bank you are responsible for the difference between the deposits and the withdrawals. Supposing, for some reason or other, within the period stated there is a run upon the Queensland Savings Bank, then they must fall back on what we term the undisturbed deposits. While every member who has spoken has directed his attention to the glowing prosperity and the increase in the number of accounts and in the amounts deposited, the whole tendency at the present time is in the opposite direction, and whilst I would have expected the Treasurer to have put forward that point so as to assure this Chamber there was nothing to fear in that direction, he studiously kept right away from it. I am raising that point so that the House will not be able to say the point was not raised, and I think it is a right point to raise. I am not going to pass any further remarks by way of criticism, but I think the House should have been informed of those figures. We have members on the Government side talking about the high cost of living, and yet they cannot see that the high cost of living is going to affect the Savings Bank deposits. As a matter of fact, if you ask the working man to-day if he has as much money in the bank now as he had twelve months ago, he will look at you and think you are a fool. That is the only thing he can think, because the deposits must go down. They have gone down, and they will continue to go down until a change takes place. These fixed undisturbed deposits are going to be affected in that way, so that the arguments put forward have lost some of their force, and the bargain as a bargain is going to lose a certain amount of its value.

Mr. GREEN (*Townsville*): I consider that this ratification Bill is one that should be looked at absolutely devoid of party politics, and it is a great pity that there has been so much party window-dressing in connection with the discussion that has taken place in this Chamber. After all, it is only a business arrangement—a business agreement entered into by the people of this State, as represented by this Parliament, and the people of the Commonwealth, as represented by the Commonwealth Parliament through their officials—the Treasurer and the Governor of the Commonwealth Bank. Such an agreement as this surely can be considered by both sides of the House without bringing in party politics in any way whatever. Looking at it from every standpoint, and having listened carefully to the arguments put forward, especially the arguments advanced in the speech the Premier has just made, I consider it is a splendid agreement so far as the people of Queensland are concerned, and that it will tend to the good of the whole

community. Being a business agreement entered into by the Government, I think it was unfortunate that they did not take into consultation the Commissioner of the Queensland Savings Bank. No person running a business, and having a managing director, would dream of taking any action in connection with that business without consulting the one most closely in touch with it, and I certainly think the Treasurer has been at fault in that respect. It would have been much better for this House if we had had, in addition to information from those occupying the Treasury benches, information also from the responsible officers as to the effect this ratification Bill is likely to have on those important factors that are brought within its scope. However, we have not got it.

[9.50 p.m.]

The TREASURER: We have had expert opinion about it.

Mr. GREEN: I think it was certainly not showing much courtesy to the person who has been placed in a responsible position, and also not showing consideration to the House that placed him in that position.

The TREASURER: All the Treasury officials recommended it very strongly.

Mr. GREEN: This agreement is subject to ratification by the Parliament of Queensland, so it is not actually an agreement until it is ratified in the proper manner by this Parliament. We are here to discuss that ratification from every standpoint. I hope when we get into Committee, if there are any important amendments which will improve the conditions and safeguard the privileges of the people, the Government will listen to anything which may be put forward from this side of the House so as to make it a safe and a just measure. The people chiefly concerned in connection with this Bill are, first of all, the depositors. I think no depositor in the State Savings Bank can cavil at any clause which will be likely to affect him. They are safeguarded in the matter of interest which they are going to receive. The interest is too small, particularly at a time when everybody has to pay high interest for the money which they borrow. They are safeguarded in respect of the amount on which they can draw. It is a larger amount than has ever previously been allowed by the Commonwealth Bank. If other States come into the agreement, and the conditions are made better, this State will share in those additional benefits. We are told that the officials have been safeguarded in their positions. We are certainly giving from £14,000,000 to £15,000,000 worth of assets, but what will they consist of—debentures. Most of the money, as the Treasurer interjected, has been spent by the Government, which has been a little spendthrift during the last five years. Only debentures are being handed over to the Commonwealth Bank, together with other securities, such as property. We find the only amount of cash transferred is the sum of £137,431. We are going to be absolved from all responsibility in connection with the controlling of the bank; we are going to get 70 per cent. of the excess deposits in both banks for the Government to use in developing the State. I was pleased to hear the Premier, in his first statement at the opening of this Parliament, give the assurance that 30 per cent. would be handed over to the local authorities for their use in developmental work. It appears that, while

it is not in the Bill, the assurance has been given by the Governor of the Commonwealth Bank, and that amount will be given to the local authorities in proportion to the sum which has been deposited in the various localities. If that is done, I feel it is a decentralising arrangement as far as that three-tenths of the deposits are concerned. There is no more ardent advocate of decentralisation in this House than I am. No one realises more than I do that North and Central Queensland would have been great States with great populations, developed as their resources should have been developed, if they had been given separation twenty-five years ago. But I do not think in this Bill there is any question of centralisation. Anyone who has had anything to do with the Commonwealth Bank knows they can get fair and just treatment. I, as mayor of the city of Townsville, have had dealings with the Commonwealth Bank, and I have no hesitation in saying I could get far more satisfaction in quicker time from that institution than I could get—though I was not badly treated—from the Treasurer of Queensland. The Commonwealth Bank advanced the money at the low rate of 5 per cent.

The TREASURER: You know very well you could not have got anything from the Commonwealth Bank unless the Treasurer had consented.

Mr. GREEN: I admit that. No Treasurer, if he had the interests of the State at heart, would deny any local authority the privilege of borrowing from a bank when that local authority was solvent and could get the money at 5 per cent. at the same time as this Government were asking at least 6½ per cent. Looking at this proposal from the question of economy, I venture to say this Parliament should stand for economy, and not for wastefulness. The carrying on of these two banks is a duplication of expense, an expense that no man in private business would tolerate for one moment. That being so, why should we tolerate it in administering the affairs of the people? If for no other reason than that, I would feel compelled to support this measure. It is going to do away with the multiplicity of offices and officials, and a certain amount of competition. In all respects I feel we are safeguarding the interests of the whole of the people by ratifying the agreement which has been placed before us.

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

COMMITTEE.

(Mr. Kirwan, Brisbane, in the chair.)

The whole of the clauses of the Bill and schedules were put and passed without discussion or amendment.

The House resumed. The TEMPORARY CHAIRMAN reported the Bill without amendment.

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

ADJOURNMENT.

The PREMIER: I beg to move—That the House do now adjourn. The first business to-morrow will be the consideration of the Bill relating to the appointment of an extra Minister.

Question put and passed.

The House adjourned at fourteen minutes to 10 o'clock p.m.