

Queensland



Parliamentary Debates
[Hansard]

Legislative Council

FRIDAY, 19 AUGUST 1921

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LEGISLATIVE COUNCIL.

FRIDAY, 19 AUGUST, 1921.

The PRESIDENT (Hon. W. Lennon) took the chair at half-past 4 o'clock p.m.

LEAVE OF ABSENCE TO MEMBER.

HON. H. L. GROOM.

The PRESIDENT reported that he had received from His Excellency the Governor a letter dated 16th August, 1921, intimating that His Excellency had granted a request for leave of absence from the Legislative Council for two months from the 8th August to the Hon. H. L. Groom.

The PRESIDENT left the chair at twenty-two minutes to 5 o'clock p.m., resuming it at 5.30 o'clock p.m.

SUSPENSION OF STANDING RULES AND ORDERS.

The SECRETARY FOR MINES (Hon. A. J. Jones): I beg to move—

“That so much of the Standing Rules and Orders be suspended as would otherwise prevent the passing of the Metropolitan and Ipswich Water Supply and Sewerage Acts Amendment Bill through all its remaining stages in one day.”

HON. A. G. C. HAWTHORN: I thought the Minister would have given us some information as to why he wants to suspend the Standing Orders. This is a most unusual procedure in connection with an ordinary

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Bill, although a very usual one in connection with Appropriation Bills when the necessity arises for obtaining money to pay the public servants. But here is a case where we have a board, constituted under an Act, who are practically levying rates and getting a large income, and the Minister, without one word of explanation, asks us to suspend the Standing Rules and Orders to enable the Bill to go through in one day. It is a most unusual course, and one that ought to be justified by the Minister. The hon. gentleman has not said why he wants it rushed through to-day, nor has he shown any reason why it should be rushed through. This is a most autocratic way of doing business and one that does not accord with the supposed democratic ideas of hon. gentlemen on the other side. I see that they have come in their battalions to support the Minister in this matter, and I think at least he might have given us some justification for asking us to do what he proposes.

The SECRETARY FOR MINES: I was under the impression that I had given good reasons for the necessity of putting this Bill through all its stages in one day when we were discussing the matter yesterday. Hon. gentlemen are well aware that we could not proceed with the motion yesterday because we had not the numbers here to form a special quorum. I was under the impression that I gave the same reasons for the urgency of the Bill that were given in the Assembly, and the Opposition in the Assembly agreed to allow this Bill to be proceeded with while a motion of want of confidence was being discussed, and before they had come to a vote on that question. The urgency of the Bill is apparent. The Bill will give the Water Supply and Sewerage Board power to raise loans, and the negotiations already carried on have been successful. It also has some bearing on the unemployed question. I understand the board have quite a number of men already employed and others that they desire to employ when they can raise more money than they have available at the present time. Therefore, the Bill is urgent in that regard. The negotiations, however, could not be completed until the Bill is passed, but they have been so successful with the financial institutions and the Governor of the Commonwealth Bank that the board are anxious to get the Bill through, and the Government are anxious to get the Bill through, so that the work can be proceeded with.

The PRESIDENT: There being an absolute majority of members of the Council present, I now put the motion.

Question put and passed.

METROPOLITAN AND IPSWICH WATER SUPPLY AND SEWERAGE ACTS AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR MINES: I beg to move—That the Bill be now read a second time. This is a Bill to enable the Metropolitan and Ipswich Water Supply and Sewerage Board to raise loans by the sale of debentures or the issue of inscribed stock. There is really no need for me to waste the time of the Council, and incur heavy expense in printing "Hansard" by making a very lengthy speech on the second reading

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of the Bill, which is a simple measure and speaks for itself. I have already explained the urgency of the measure, which gives the Metropolitan and Ipswich Water Supply and Sewerage Board the necessary power to borrow money from sources other than the Treasury. The Bill authorises the board to raise loans by the sale of debentures or the issue of inscribed stock, and permits the board to negotiate loans through a bank or other channels; but it is provided, as in the principal Act, that the permission of the Governor in Council has to be obtained before the board can raise a loan. The Bill provides for the issue of an Order in Council setting forth the amount authorised to be borrowed, the works on which the money is to be spent, the rate of interest, the terms of the loan, and sinking fund conditions. The amount of the loans will be a first charge on the revenues of the board. Power is also given to the board, subject to the approval of the Governor in Council, to enter into an agreement with any bank for the carrying into effect of the provisions of this Bill, such, for instance, as the inscribing of stock, the keeping of a stock register, and dealing with transfers of stock, etc. The board may also make regulations for the conduct of business connected with the issue and inscription of stock. The powers to be conferred on the board by the Bill are considered desirable owing to the fact that the Government cannot, at present, finance the full requirements of the board. Hon. gentlemen already know that the amount of money that the board has raised by way of loan from the Government has been something in the vicinity of £300,000 per annum, and the board estimate that its expenditure will be about £520,000 for the current year. The Treasurer cannot make provision for more than a certain sum, and it is desirable to give the board power to raise money from sources other than the Government. The only two alternatives apart from this Bill would be to carry on under present conditions and thereby hamper the Government very seriously financially or, which would be a very bad thing, stop this work altogether. So far as sewerage work is concerned, a great deal has already been done, but nothing has been completed; and it is highly desirable, in the interests of the people of Queensland and also in the interests of the people of Brisbane, that the sewerage system should be completed as soon as possible, or some portion completed as soon as possible, so that it will become revenue-producing. That is patent to the average mind. I do not intend to speak any further on that particular point in moving the second reading, neither do I intend to make any reference to the operations of the board. As a matter of fact, I hope the discussion will not tend that way, because, expressing an individual opinion, I consider that any reference to the conduct of the board or to the inquiry that has been held will be quite irrelevant. The Bill is a Bill to give the Metropolitan and Ipswich Water Supply and Sewerage Board power to raise loans by the sale of debentures or the issue of inscribed stock, and any discussion outside that, in my opinion, will be quite irrelevant. I think I have given sufficient information to hon. members in regard to the provisions of the Bill, and also in respect of the urgency of the Bill. As a matter of fact, the Government were disappointed yesterday—particularly the Premier—because the Bill

was not passed, and I hope hon. gentlemen will assist me in having the Bill passed this evening so that we can adjourn fairly early.

HON. A. G. C. HAWTHORN: I must say that I do not like the Bill; but it seems to me that there is no alternative but to allow it to go through. (Hear, hear!) There is no doubt that the Water and Sewerage Board want the money. They will have to get the money somewhere, but I say most distinctly that the general feeling amongst the public is that the board is not carrying out its duties in the most efficient way. We had an inquiry recently into the operations of the board, and, to my mind, that inquiry did not get us very much further. There were very serious allegations made by Mr. Ross, one of the audit inspectors, as to the way in which the works were carried out, as to the immense losses, and as to the excessive amount of the cost as compared with the estimate. All these items were not satisfactorily explained, and I consider they are all items which should be provided for by the Government before they allow the board in future to carry out any very great expenditure.

THE SECRETARY FOR MINES: When was that estimate made?

HON. A. G. C. HAWTHORN: It was made in 1912.

HON. A. SKIRVING: You will have an opportunity to discuss that when the amending Bill is brought forward.

HON. A. G. C. HAWTHORN: I prefer to discuss it now, and I think I am in order in doing so. We ought to have a full and frank and free statement of the position of the board and what it is going to do before we grant them any further extended powers. The Government, under this Bill, are allowing the board to borrow £1,000,000, and we should see before this money is borrowed that things are on a proper footing.

THE SECRETARY FOR MINES: This is not the time to criticise the board nor for us to enter on a defence of the board.

HON. A. G. C. HAWTHORN: Why not? You are asking the Council to allow the board to borrow £1,000,000. That money has got to be provided by the ratepayers of Brisbane, and it will look as if the ratepayers of Brisbane will have a tremendous load to carry so far as the Water and Sewerage Board are concerned, because we know they have had a big load during the last five or six years.

THE SECRETARY FOR MINES: The original estimate of £1,840,000 was made in 1912. That was before the war. All the operations of the board were carried out during the war, and no person could possibly make an estimate of what it was going to cost during the war.

HON. A. G. C. HAWTHORN: There is no justification for the loss that was sustained in the operations of the board and for the work that was abandoned costing £58,000. That money was absolutely thrown away.

THE SECRETARY FOR MINES: Where does it say that that work was abandoned?

HON. A. G. C. HAWTHORN: You will see it in Mr. Ross's report, where it says—

“Therefore it would appear the board decided to abandon the greater part of the work already done in the deep-level

sewer, which in cost is about £58,000, including approximately 1,531 feet of concrete cylinders which had been constructed and sunk out of 2,294 feet.”

THE SECRETARY FOR MINES: You must admit that the geological conditions are very bad.

HON. A. G. C. HAWTHORN: That was all pointed out by Mr. Frew in 1914. Mr. Frew told them that the sewer should be built on the high-level principle. Instead of that, they adopted a low-level sewer, and Mr. Frew left the board. He put up again, but he was defeated. The board decided to go on with the low-level sewer, but eventually they went back to the high-level system, as formerly recommended by Mr. Frew.

HON. E. W. H. FOWLES: Thousands of pounds were wasted in the meantime.

HON. A. G. C. HAWTHORN: I object most strongly to the way in which that inquiry was held. The Commissioner states in his report that he courted all sorts of evidence from people who could give evidence, but when the Taxpayers' Association, who represent the people who have got to find the money, wished to be represented by counsel at that inquiry, Mr. Oliver declined to allow them to be represented. The result was that the inquiry was carried out *ex parte*. Evidence was only given on one side, and the Commissioner did not give the general public an opportunity of putting the facts of the case before him. To my mind, that inquiry was absolutely useless.

HON. A. SKIRVING: You will admit that that was not the fault of the board. We were anxious to have the fullest inquiry.

HON. T. J. O'SHEA: You were not too anxious that the other side should be represented.

HON. A. SKIRVING: Yes, we were.

HON. A. G. C. HAWTHORN: I do not believe it. The proper way would have been to allow counsel to appear before that inquiry and represent every interest.

HON. A. SKIRVING: The board were quite willing for that to be done. As a matter of fact, a letter was written to the Premier to that effect.

HON. A. G. C. HAWTHORN: Mr. Oliver says in his report that he declined to allow counsel to be present, so that the evidence was entirely *ex parte*.

HON. A. SKIRVING: That was not the fault of the board.

HON. T. J. O'SHEA: It was the fault of the Government.

HON. A. G. C. HAWTHORN: Mr. Oliver was the nominee of the Government.

HON. T. J. O'SHEA: And he was prepared to do what he was told.

HON. A. SKIRVING: That is absolutely unfair to an honourable man.

HON. A. G. C. HAWTHORN: He did not get an opportunity of having counsel present. Even right through the report as it stands we can see that the board were very much to blame. Mr. Oliver referred to it right through his report. He says, for instance, that the site of the outfall was fixed in 1913, four years after the board was formed. All that time had been wasted. He mentions that Mr. Frew resigned his seat because he recommended a high-level sewer, and it was not adopted. Mr. Ross points out in his

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report that on the 31st December, 1920, the expenditure amounted to £544,000 over the estimate. On page 15 of the report Mr. Oliver points out that the Meeandah deviation on the 31st December, 1920, cost £80,000 over the estimate. He also points out that there were discrepancies in the levels, and no check was taken of the levels. That shows that there was a tremendous amount of mismanagement, and the money spent there was absolutely wasted. I would like to quote pretty extensively from this report, but I will not have time this evening.

THE SECRETARY FOR MINES: We will finish at 6 o'clock.

HON. A. G. C. HAWTHORN: I know the hon. gentleman would like to burke discussion, but we want to discuss this matter. We are assisted in arriving at something like the true position of affairs when we look at the pamphlet issued by Mr. Chuter, of the Home Secretary's Department. Mr. Chuter sets out the whole thing at very great length, and he states that all these estimates are underestimated. Mr. Chuter gives us a tremendous lot of information, which I think the public should know.

HON. E. W. H. FOWLES: His arguments have not been answered yet.

HON. A. G. C. HAWTHORN: No; and so far as I can see they are not likely to be answered. Further on in his report the Commissioner, although he was practically whitewashing the board, or attempting to do so—

HON. A. SKIRVING: That is not fair.

HON. A. G. C. HAWTHORN: The Commissioner points out on page 16—

"The board allowed Mr. Graham to proceed with the work against the advice of the engineer."

Then, on page 17, he says—

"The greater part of the work done was abandoned between 33a and the treatment works, at a cost of £58,000."

Had the high-level sewer been adopted in the first place this would have been avoided. Then, on page 18, he points out that there was friction between the board and the engineer. Further on, on the same page, Mr. Oliver points out that there should be a competent staff. Then, on page 19, he points out that there must be more co-operation if the board wished to achieve the object it had in view. He also stated that there was too much overlapping. The Commissioner also pointed out that men were put on to provide employment, and he says that this should not have been done if the work is going to be of a remunerative nature.

THE SECRETARY FOR MINES: Someone in the Assembly the other night said that there was too much supervision.

HON. A. G. C. HAWTHORN: Mr. Oliver also points out, on page 20, that the workers got three times the pre-war wages, with less hours, and the output was one-third less. Then, on page 21, he says that the contract system is much cheaper than day labour.

HON. A. SKIRVING: The board did not find that so. Contracts were abandoned which cost the board thousands of pounds.

HON. A. G. C. HAWTHORN: The president, Mr. Manchester, stated that the probable cost of the scheme to be carried out would be another £500,000. Later on, in the Government organ, the "Daily Standard" of the 21st July, Mr. Manchester states that

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another £400,000 was necessary to enable the works to be connected up. What the total cost will be nobody knows. Now we are asked to go on the blind, and the Government are prepared to give the board this authority to borrow £1,000,000. It must be borrowed at a high rate of interest, which will have to be borne by the unfortunate taxpayers in Brisbane. We know that the taxpayers have to bear a big enough burden already. In fact, we have to pay more for the Brisbane water scheme than the taxpayers of Melbourne and Sydney have to pay for both water and sewerage combined.

THE SECRETARY FOR MINES: What is the cost of the Melbourne scheme?

HON. A. G. C. HAWTHORN: Up to 1919-20 the Melbourne scheme cost £6,850,000 for 163 miles of main sewers and 24 miles of rising mains. In Brisbane the scheme only provides for 28 miles, including the main sewers in reticulation.

THE SECRETARY FOR MINES: The Melbourne scheme has cost £13,000,000 so far.

HON. A. G. C. HAWTHORN: But they have got 730,000 people in Melbourne, while we propose to benefit only 113,000 or probably up to 130,000 in Brisbane. The works in Melbourne cost £14,000 per mile, while the Brisbane scheme so far has cost £68,000 per mile.

THE SECRETARY FOR MINES: Are you opposed to this Bill?

HON. A. G. C. HAWTHORN: The board should give us an outline of what they propose to do.

HON. A. SKIRVING: You will get an opportunity of discussing all that when the amending Bill is introduced.

HON. E. W. H. FOWLES: You want us to give you a blank cheque.

HON. A. G. C. HAWTHORN: We do not know if we will ever get that Bill, because this Government may go out of office, and I want to have a few words to say about the present system.

HON. R. SUMNER: You were a party to establishing the present Water Board.

HON. A. G. C. HAWTHORN: I know I was, but it is not what we thought it would be. There ought to be a proper board constituted, consisting of three consulting engineers—men who know what they are doing, and how to spend money on such work.

HON. A. SKIRVING: If the Hon. Mr. Hawthorn had the archangel Gabriel, and someone else to help him, they would do no better than we are doing.

HON. A. G. C. HAWTHORN: Personally, I do not think that the present board is so very much above reproach as that. We will give the board credit for doing their best, but we have a right to know where the board are going before we give them power to borrow this money. The Government should have particulars of every item before the money is granted.

HON. A. SKIRVING: There is not one penny spent by the board without letting the Government know what it is to be spent on and before approval is obtained from the Government.

HON. A. G. C. HAWTHORN: I know the hon. gentleman is in a difficult position, and he has to justify himself. The expenditure is very great compared with other cities

where they have sewerage schemes in operation. We have no information as to what is going to be done in the future.

[7 p.m.]

On page 12 of his report the Commissioner says—

“On 8th December, 1913, Mr. Thom reported that the deep-sewer scheme could be carried out for £155,975 as against £175,457 for a high-level scheme. About this time Mr. R. D. Frew, a member of the board and a strong advocate of the high-level sewer, resigned his seat because the board persisted on the low-level sewer. In the following February (1914) Mr. Frew again offered his services to the ratepayers and was defeated, and this was accepted as a vote of confidence in the board and its low-level sewer proposal. But Mr. Frew was right, as later events proved, and the board have since abandoned the low-level proposal and are now constructing a high-level sewer as Mr. Frew suggested over seven years ago.”

On page 18 of the report we find at the bottom—

“There should be a competent staff both for designing and outdoor work, and they should pull together; while the engineer should have had full charge of all operations once the policy was decided by the board. Unfortunately, this has not been the case in the past. The engineer was made responsible for the construction of the sewers in an efficient manner, and rightly so, but all effective control was taken out of his hands when he had to send all recommendations to the board for approval or otherwise.”

HON. J. S. COLLINGS: We should not pass this Bill or take this money, then?

HON. A. G. C. HAWTHORN: Quoting further from the report—

“Mr. D. McGrath also deserves well of the board, for his past work on the Albert and Alice street sewer and in charge of the reticulation operations. He made one mistake in putting an airlock door in position in the reverse way. He also gave offence by putting men off work and was called on by the board to reinstate them.”

AN HONOURABLE MEMBER: What has this to do with the Bill?

HON. A. G. C. HAWTHORN: It shows that the board from time to time took the authority away from the proper officers and tried to run the show. On page 28 it goes on to talk about Mr. Thom, who was the engineer, and it says—

“The fact remains that Mr. Thom was harried and worried by the board almost to breaking point.”

These are two items which show that the board has certainly been interfering. I want to make comparisons as shown by Mr. Chuter's book, which shows the difference between the rates paid at Brisbane, Sydney, Melbourne, and Adelaide. On page 47 of his book it shows that the Brisbane water rates, rates and land tax on a property valued at £100 approximately are 10½d., and the total tax 1s. 9 7/12d.; and at Wellington, New Zealand, a city about the same size, they only run to 3½d. as against our 1s. 9d. On a property valued at £500 in Brisbane, the

water rates are 1s. 0 7/10d., and the total rate of 1s. 0 9/10d. as against Wellington's 3½d.

THE SECRETARY FOR MINES: That is why we want to complete the work.

HON. A. G. C. HAWTHORN: In Sydney on the same property valued at £500 the water and sewerage rate combined is only 2 3/10d., and the total rates 3 1/10d. At Melbourne they are 2 3/5d. water and sewerage rate, and adding the land tax, 4½d. At Adelaide 2d. for water and sewerage and 5d. for all rates and land tax. At Brisbane, water alone, 5 1/5d., total 1s. 0 9/10d., and with sewerage rates being added, probably another 9d.

HON. E. W. H. FOWLES: Ninepence? 9s.!

HON. A. G. C. HAWTHORN: On page 62 of Mr. Chuter's report we find that as to “a property off Logan road, in a side street, which was purchased for £320 in 1910”——

THE PRESIDENT: Order! I have allowed the Hon. Mr. Hawthorn considerable latitude in quoting from the report of Mr. Oliver, and also the remarks of Mr. Ross, the auditor, and now he is quoting at very great length from a book published by Mr. Chuter. If I allowed every hon. member present to quote from any person who has had anything to say on the sewerage works there would be no end to the debate. I hope he will not continue to quote copiously from Mr. Chuter or from any other report, but that he will deal with the Bill. If he looks at the headings he will find there is an analysis, and I would ask him to confine himself to the Bill, and not to deal with the Water and Sewerage Board itself.

HON. A. G. C. HAWTHORN: I will get away from Mr. Chuter, as he seems to irritate the hon. gentlemen opposite. They evidently do not like facts. We will take the Water and Sewerage Board's own report for 1920-21, which has been filed in this House and presented to Parliament. I want to show where I think the board have gone wrong in the administration of their funds.

THE SECRETARY FOR MINES: You are not in order in discussing the administration of the board.

HON. E. W. H. FOWLES: He is giving the reasons why they should not get any more money.

HON. A. G. C. HAWTHORN: I am giving the reasons why I think their administration should be thoroughly inquired into, and why they should do better than I think they are doing at present.

THE SECRETARY FOR MINES: I contend that this is not the time; that ample opportunity will be afforded to criticise the board later.

HON. A. G. C. HAWTHORN: The general taxpayers have to pay the amount to be borrowed from the Commonwealth Bank. You are bringing in a Bill which will practically authorise the Water and Sewerage Board to borrow unlimited money at unlimited rates of interest, all of which have to be paid by the taxpayer, and I say I am entirely in order in saying that the liability imposed upon him is going to be far heavier than he should be asked to carry. For instance, at the present time there is absolutely no sewerage in vogue.

HON. J. S. COLLINGS: You want to hang on to Henry Carr and typhoid.

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HON. A. G. C. HAWTHORN: I think the Water and Sewerage Board's sewerage scheme will not come into operation for years yet.

HON. A. SKIRVING: It would not if you had your will.

HON. A. G. C. HAWTHORN: Oh, yes; it would. The sewerage scheme would be carried out on a different style altogether if I had my way. We have had experience of the board, the members of which, however well-intentioned they may be, I think even the Hon. Mr. Skirving will admit, are not experts themselves, but are guided largely by the advice of other men, who, apparently, are having a dispute amongst themselves. Therefore, I think we ought to have a board composed of three competent engineers.

HON. R. J. CARROLL: Was this board put in by this Government?

HON. E. W. H. FOWLES: This Government continues it.

HON. A. G. C. HAWTHORN: The board was set up as an experiment. Everything was in the experimental stage. You have had years of experience, and the time has come when, to my mind, the constitution of the board ought to be altered.

HON. R. J. CARROLL: You were satisfied when your friends were on the board.

HON. A. G. C. HAWTHORN: The money was well spent then. The board should be prepared to take the opinions of their experts. I have quoted to show that the board interfered with the experts, and that caused a very large increase in expenditure. Section 66 of the Water and Sewerage Act says—

“The board shall from time to time, after a sewer has been laid in any land or road or part of a road, cause a general notice to be given as hereinafter mentioned, that the board has made provision for carrying off the sewage of each premises which, or any part of which, is comprised in or is adjacent to such land or abuts on such road or part of a road, and is situated within three hundred feet of such sewer.

“After such time as shall be fixed by the board, each and every premises which, or any part of which, is comprised in or is adjacent to such land or abuts on such road or part of a road, and is situated within three hundred feet of such sewer, shall be deemed to be seweraged premises within the meaning of this Act.”

Then section 89 reads—

“Sewerage rates may be made and levied in respect of all lands, whether actually occupied or not, which are seweraged premises within the meaning of this Act, although the lands are not actually connected with a sewer.”

I contend that there is not a single piece of seweraged land or seweraged premises at the present time within the Water Board area. But we find they got last year some £200,000 in water rates, and, according to their report, they applied some of that money in this way—

“The sum of £20,000 has been invested in Queensland Government 6 per cent. Treasury debentures which mature on 1st July, 1924. This is the first amount to be set aside to provide the very large

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amount required in 1924 for the payment of interest and redemption on loans for sewerage works.”

They are taking from water rates, before any seweraged premises have been declared, money to provide interest and redemption for sewerage works. The report goes on to say—

“The profit and loss account shows a profit of £11,012 12s. 10d. on the year's transactions. £15,000 has been transferred to reserve for depreciation, and £27,500 to a reserve for interest and redemption on sewerage loans.”

Further on, the report says—

“The interest and redemption paid during 1920 on the amount accrued in 1919 was £4,909 15s. 2d.”

So that they have taken from the water rates £52,409 last year towards sewerage that has not been declared. This year there will be another £7,000 or £8,000, and the next year another £10,000, so that by 1923 there will be £80,000 taken probably from water rates towards sewerage loan reduction before one bit of sewerage has been completed.

HON. A. SKIRVING: How would you do it otherwise?

HON. A. G. C. HAWTHORN: Are they doing it legally? The Act says certain processes have to be gone through—they must declare seweraged premises before they can call for rates in connection with sewerage.

HON. A. SKIRVING: What does the Auditor-General say in regard to it?

HON. A. G. C. HAWTHORN: I have not seen his report. Another matter that might be commented on is the length of the loan that is going to be obtained.

THE SECRETARY FOR MINES: You have not said yet whether you are opposed to the Bill.

HON. A. G. C. HAWTHORN: I am not opposed to the Bill. What I am emphasising is this—that it is the duty of the Government to see that the money is properly allocated. They should know exactly what it is going to be spent on, and there should be an estimate made by a competent engineer. In the past that has not been done, and it is quite time for the Government to see that it is done in the future before they get any money. I notice there has been a good deal of differentiation in the way in which the Commonwealth Bank have lent money. For instance, to the town of Hamilton, for electric light, they loaned £10,000 at 5½ per cent. for ten years; Stephens, for electric light, £10,000 for ten years; but to a New South Wales county council they loaned £100,000 at 5½ per cent. for thirty years. To the city of South Brisbane, for concrete roads, they loaned £190,000 at 5½ per cent. for fifteen years. The longer the term we can get the money for the better, and I think we should be put on a similar footing to that New South Wales city that got their loan for thirty years. I hope the Government will see that is carried out, so that the cost of the loan will be spread over as long a number of years as possible, and thereby make the burden as light as possible for the taxpayers of Brisbane. There is not the slightest doubt that if we go on as we have been doing, the cost of sewerage construction is going to be enormous.

THE SECRETARY FOR MINES: You are taking advantage of this Bill to make an attack on the board.

HON. A. G. C. HAWTHORN: I am showing what apparently the Government have not realised. They had a Commission, and that Commission really has not got us much further except to show where there have been faults, and I hope the Government will take advantage of their report and in future see that matters are put on a proper footing. The taxpayers of Brisbane are entitled to know exactly what the scheme is going to cost them. The money has been largely squandered in the past, and I am hoping that in the future the Government will see that any millions they do get—it will take millions to complete that scheme—will be spent properly.

THE SECRETARY FOR MINES: To quote an estimate made in 1912 is hardly a fair thing. We did not know there would be a war in 1912.

HON. A. G. C. HAWTHORN: There is no estimate. Mr. Manchester, first of all, said that the scheme, to complete, would cost about £500,000, and the work could be done in eighteen months. Then, later on, as I read in the Government organ of 21st July, he said that nobody knows what it is going to cost. The Government should try and bind the board down as near as can be done under present circumstances to what they consider it will cost.

HON. R. SUMNER: We are doing that.

HON. A. G. C. HAWTHORN: Then how much is it going to cost? I have asked the Minister for that information and he cannot tell me.

HON. J. S. COLLINGS: You cannot make up that estimate like you can a bill of costs.

HON. A. G. C. HAWTHORN: We have to pass the Bill because the money is wanted, but I wish to emphasise on the Government the necessity of seeing that proper supervision is carried out in regard to this scheme.

HON. E. W. H. FOWLES: If this Bill were put before the people of Brisbane on a referendum, it would easily be defeated for very many reasons, and I would suggest to the Government that they take a poll of the ratepayers in the water area to see whether the Bill will be agreed to.

THE SECRETARY FOR MINES: It would be a good thing to abolish this Council, but the electors turned it down.

HON. E. W. H. FOWLES: The people who pay water rates in Brisbane at the present time ought to be the people to decide on this Bill, and not Parliament. The sections in the Metropolitan and Ipswich Water Supply and Sewerage Act dealing with loans are 81, 82, 83, 84, and 85, and this Bill purports to add a very long subclause to section 85. In fact, the whole Bill, except for the first clause, consists of one section only. Under the original Act the Treasurer may, from time to time, advance money to the board. Now, what is this Bill? If we come to look into it, it means that the Treasurer has no more money to advance to the board; that he cannot take advantage of section 82, and that the board themselves have come to the end of their tether financially, and there is nothing but a crisis in front of the Metropolitan Water and Sewerage Board unless they get money from somewhere.

HON. A. SKIRVING: That is absolutely wrong.

HON. E. W. H. FOWLES: Where is it wrong? We find in the third clause of this Bill that the Treasurer cannot advance any more sums to the board owing to the lack of funds.

HON. J. S. COLLINGS: Money will be available if you pass this Bill.

HON. E. W. H. FOWLES: The Treasurer at the present time has no money to loan to the Water and Sewerage Board. That is why this Bill is brought in. They have to fall back on the taxpayers in the water area round Brisbane, and if the truth were known to the taxpayers—and it is gradually filtering through to them—they would refuse the Water Board any further money to squander in the way in which the £3,250,000 has been squandered in the city of Brisbane. Look at Tarragindi, £35,000 odd lying there. Would the Water Board have done that if it was their own money?

HON. A. SKIRVING: You know when that was started the Government expected to get money from England, and, owing to your people sending men home, they were unable to get it.

HON. E. W. H. FOWLES: No one wishes to criticise, personally, any member of the board, but everybody here knows that they were new men to it; that they did not pretend to be experts; that they were up against the war and could not get material; there were strikes and awards against them springing up on every possible opportunity; and that there was divided control—in fact, that they had hosts of difficulties to surmount. We admit all that.

HON. R. J. CARROLL: We do not admit that there are not experts on the board.

HON. E. W. H. FOWLES: I suppose there is not a water and sewerage expert in Queensland. This is a new job to Queensland.

HON. A. SKIRVING: Both the president and engineer are experts.

HON. E. W. H. FOWLES: Did you take the engineer's advice? Did you take Mr. Frew's advice?

HON. A. SKIRVING: He was a member of the board and only expressed his opinion.

HON. E. W. H. FOWLES: Which was promptly turned down by the board, and years afterwards, when they had spent millions, they adopted his views. However, we are not attacking personally the members of the board. All Brisbane knows it has been a failure; that the estimates have been widely out; that the city of Brisbane has been almost wrecked; and yet in Melbourne, which is simply a flat swamp with about the worst grade in the world on account of there being no fall there at all, their scheme has been a success.

HON. R. J. CARROLL: There is nothing new in estimates being out. You have only to consider big works like the Panama Canal.

HON. E. W. H. FOWLES: When a man is out 20 per cent. or 30 per cent. in his estimate you say probably the man made a mistake, but when he gets out 100 per cent. in his estimates, you think the mistake is with the man and not with the estimate.

[7.30 p.m.]

On several HONOURABLE MEMBERS interjecting,

THE PRESIDENT: Order! I hope hon. members will allow the Hon. Mr. Fowles to continue his speech without interruption.

Hon. A. G. C. Hawthorn.]

HON. E. W. H. FOWLES: The first estimate of the cost of completing the sewerage scheme for Brisbane was about £1,800,000. The whole scheme was supposed to cost about £2,000,000 altogether, but now the board has spent £3,250,000, and they do not know whether they are half-way home yet.

HON. E. J. HANSON: What about the contractors' estimates?

HON. E. W. H. FOWLES: This sewerage business is evidently a life job, and nobody knows what it will cost and when it will be finished.

HON. A. SKIRVING: What about the contractors' estimates? They took on the contracts on the estimates which were submitted, but they threw up their contracts and left them to the board to complete. The board had to pay the expenses of lawyers like yourself.

HON. E. W. H. FOWLES: I understand that £3,000 was spent in law costs. Anyhow, everybody knows that the scheme has cost 400 per cent. more than it was originally estimated to cost, and we do not know where the end of it will be. No one knows when the scheme will be carried out, unless we have expert supervision over the work. If I wanted my leg sawn off, I would go to an expert to do it, and it is the same with everything else. You ought to get experts to look after all these things.

HON. R. J. CARROLL: It was your party that set the board up in the first place.

HON. E. W. H. FOWLES: Yes, and it was supposed to be successful.

HON. R. J. CARROLL: It was all right until a Labour Government came in, and now it is no good.

HON. E. W. H. FOWLES: The board has been carried on for six years under a Labour Government. There are 11,000 water rate-payers in Brisbane, and I will show you how the rates have increased in the last seven years. In 1914, an ordinary suburban home paid £4 18s. 4d. in water rates, and in 1921 that same home paid just 1s. short of £12. And what have they got for it in return?

HON. A. SKIRVING: A good service.

HON. J. S. COLLINGS: We have got water we can drink at last.

HON. E. W. H. FOWLES: The water rates have gone up 113 per cent.

HON. A. SKIRVING: The cleansing rate of Brisbane has also gone up over 100 per cent.

HON. E. W. H. FOWLES: The cleansing rate has only gone up about £1 2s., and the ordinary suburban resident will not mind that, but it is a different thing when he has to pay £12 for water rates. It makes a man feel that it is time he took to something else than water. I believe the board are in league with the publicans in this business.

HON. R. J. CARROLL: A man must be a capitalist if he has to pay £12 water rates on his home.

HON. E. W. H. FOWLES: No. It is an ordinary suburban home.

HON. J. S. COLLINGS: I do not pay one-third that amount.

HON. E. W. H. FOWLES: In some cases the water rates are more than the council rates. The board are certainly giving a little better quality water. We are certainly getting filtered water. In my place it is

[*Hon. E. W. H. Fowles.*]

just as bad as ever, but in other places I know it is good. At any rate, in many places round Brisbane they get the same amount of water for the increased rates, and they want to know what they are getting for their money. The objections to this Bill are on the face of it. First of all, it is a blank cheque. We do not know how much is going to be raised under this Bill. Parliament is not going to lend itself to government by Executive minute.

The SECRETARY FOR MINES: It must be borrowed.

HON. E. W. H. FOWLES: How much is to be raised?

The SECRETARY FOR MINES: They have to get the authority of the Governor in Council.

HON. E. W. H. FOWLES: I know the Government have no money, and they propose to go to the Commonwealth Bank to get the money.

The SECRETARY FOR MINES: The Bill only seeks to give power to the board to borrow. It must be given with the approval of the Governor in Council.

HON. E. W. H. FOWLES: They can get that on the back of an envelope.

HON. A. SKIRVING: Don't you recognise that if the board had the money they would have had this job completed?

HON. E. W. H. FOWLES: No. They will never have the job completed. This sewerage scheme is like Tennyson's brook, it will go on for ever. The next objection to this Bill is, there are no terms and conditions whatever.

The SECRETARY FOR MINES: You must admit that you are wrong when you state the amount required should be set out in the Bill.

HON. E. W. H. FOWLES: There should be some limit in the Bill. Under the Act the loans are for forty years. That is provided for in section 82. Under this Bill we propose to give unlimited power for further borrowing. Neither Parliament nor the country is to know anything about the terms on which the money is to be obtained. This is not parliamentary rule. It is government by Order in Council, probably by three Cabinet Ministers meeting after lunch, picking their teeth, and issuing an Order in Council.

HON. T. J. O'SHEA: It might be a "flying minute." They might not meet at all.

HON. E. W. H. FOWLES: It might be passed by one or two Ministers while the others are jaunting in Europe. It is only fair to the water rate payers in Brisbane to know at what rate they are going to borrow the money. The ratepayers want to know what rate they have to pay. If we pass the Bill, the ratepayers will never know anything about what the money is going to cost.

HON. R. J. CARROLL: It will be the current rate of interest.

HON. E. W. H. FOWLES: The interest will be fixed when the loan is obtained. Another objection to the Bill is that the money can be borrowed by the board ostensibly for a certain purpose, but actually used to pay the capitalised interest which is owing to the Government at the present time. It is a double-barrelled Bill.

The SECRETARY FOR MINES: Is there any limit in the principal Act?

HON. E. W. H. FOWLES: No. The Treasurer may advance money from time to time. The only limit is whether the Treasurer has got the money to advance. Another objection to the Bill is that it does not say where the money is coming from. Why not tell the ratepayers that it is to come from the Commonwealth Bank?

THE SECRETARY FOR MINES: Is not the Commonwealth Bank a good lending authority?

HON. E. W. H. FOWLES: Yes, so long as they have got the money. I hope you will be able to get it for 5½ per cent., but at all events, you will probably get it for 5¼ per cent. It is only fair to the taxpayers of Brisbane that they should know what they have to pay and the length of the loan. Why not tell the ratepayers that it will cost another £4,000,000 to complete the sewerage scheme in Brisbane. If you tell the people of Brisbane that, they will say, "Right. Up with the shutters."

HON. R. J. CARROLL: You want to hand it over to private enterprise?

HON. E. W. H. FOWLES: The Government had to hand the "Douglas Mawson" over to private enterprise.

THE PRESIDENT: I must ask hon. gentlemen to refrain from these continual interjections. I also appeal to the Hon. Mr. Fowles to disregard interjections. He knows very well that interjections are at all times disorderly, and it is equally disorderly to take notice of interjections. I beseech members on both sides to restrain themselves, and to allow us to get on with business. The Hon. Mr. Fowles has been attempting to speak for half an hour, and hon. gentlemen should allow him to continue without interruption.

HON. E. W. H. FOWLES: I would like, before I sit down, to draw attention very briefly to just three or four items in the report of the board with reference to this question of borrowing. It is just as well to let the people of Brisbane know that the cost of construction—they don't know where to go for this information, except they get it from the public Press—up till the 31st December, 1920, of the sewerage scheme, originally estimated to cost £1,500,000, was £3,651,500. Another fact which was mentioned cursorily by Mr. Hawthorn is that the Water and Sewerage Board already are levying a rate upon water consumers to pay for sewerage before the sewerage is put in.

AN HONOURABLE MEMBER: Good business.

HON. E. W. H. FOWLES: I do not call that business. At least, it is business of a kind. I hardly call it honest. If the hon. gentleman had to pay for a horse which he was going to buy next year, or the year after, or the year after that again, would he be willing to do that. I would like to draw the attention of the board itself to the statements on pages 4 and 5 of their report, and ask them how many parts of the water and sewerage scheme and the reticulation scheme have been arrested and still are arrested for lack of funds, and if they could, at their next meeting, present a statement of the aggregate of money which is now lying absolutely dead, returning not a penny.

HON. A. SKIRVING: If you pass this, it will become alive.

HON. E. W. H. FOWLES: I would ask them to make out that statement, and think it would assist them. There must be some business men amongst them. Page 12 of the report indicates that the present cost of administration and office expenses—that is what this money, if they get it, will be spent on largely—went up by 11 per cent. in 1918.

HON. J. S. COLLINGS: Isn't that an all-round experience.

HON. E. W. H. FOWLES: No. The previous year it was a matter of only 3 per cent.

HON. A. SKIRVING: No; for wages.

HON. E. W. H. FOWLES: No; overhead expenses. In 1919 it goes up another 5 per cent., and in 1920 another 16½ per cent. on top of that. Here are the percentage increases in working expenses. These are a great indictment against the business capacity of that board. And yet the public of Brisbane are asked to subscribe more money to be spent in this way! That is the reason why, if the public were asked to vote "Yes" or "No," they would toss this Bill out through the backdoor.

HON. R. J. CARROLL: Do you suggest that private enterprises expenses have not been increasing?

HON. E. W. H. FOWLES: In a number of cases they have been decreasing. As a matter of fact, I am only speaking of administration expenses; that is all this section deals with. "Including repairs and renewals, 1917, increased cost over the previous year was 14 per cent., and in 1918 there was another 10 per cent."

HON. A. SKIRVING: That was for material.

HON. E. W. H. FOWLES: No; it was only working expenses. In 1919 it had gone up 30 per cent. This is a document which has to be laid on the table of the House in February or August of each year or we would never see it, and these facts have to be entered up. In 1919 the percentage cost of working expenses shot up to 13½ per cent.; in 1920, 18 per cent., and nearly 19 per cent.; and heaven knows how the present year will end. I am told that certain connections and disconnections of pipes cost nearly £3 and that an offer was given by a firm in this city to do it for £2 10s.

HON. A. SKIRVING: To whom was it made?

HON. E. W. H. FOWLES: I am told that even then there would be a profit of a little over £1 on the £2 10s. Yet it cost the board just on £2 10s. to do the work that should be done for £1 10s.

HON. A. SKIRVING: Will you pass the information over?

HON. E. W. H. FOWLES: You will probably get a quote for it. The offer was made to two members of the board, and was promptly turned down. They said, "We will do it at a certain figure," but it was turned down simply because it was contract. One other piece of interesting information here is—and this is the crux of the whole matter—the percentage of the administration and office expenses in proportion to rates is 13 per cent. I understand that about 10 per cent. or 12 per cent. is the usual thing for water boards; and this is a point that invites criticism, that interest on Government loans

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and other charges for interest annually is 32 per cent. of the rates. That means that of every 1s. a man pays in rates, 4d. goes in interest. Let the people of Brisbane get that knowledge into their heads, and I think the board will have to take a trip round the world. It would be interesting to know what they pay for renewals. There is practically 6d. out of every 1s. going in office expenses and interest, and not a pennyworth towards the paying off the original capital. When they pay for water rates, 6s. 8d. out of every £1 will be absorbed by interest.

THE SECRETARY FOR MINES: That is one reason why you should support the Bill.

HON. E. W. H. FOWLES: So as to increase the interest?

THE SECRETARY FOR MINES: No; so that it would become revenue-producing.

HON. E. W. H. FOWLES: Will the hon. gentleman tell us when, in his estimation, the Water and Sewerage Board will reach the point of being revenue-producing? However, the point I mention is one which will make the water consumers hesitate before they say "Yes" to this Bill. If they knew that 32 per cent. of their water rates went in the payment of interest, they would say, "No, we won't allow it. We don't believe in paying interest without getting something for it." These are the facts disclosed by the board's report which has been laid upon the table of the House. No doubt there is a big, growing feeling of indignation in the City of Brisbane against the exorbitant rate charged, without giving anything in return for it, and worse than that, there is a feeling right throughout Brisbane that they don't know when the sewerage scheme is going to be finished. If there was something definite, and the board could say it would cost £3,000,000 more and would take four years more, well, I suppose the rate-payers would say, "All right, we are in the soup, let us go through to the other side. If it costs £3,000,000 more, or even £4,000,000, we will go on and take it in good heart." But we do not know whether it will be £30,000,000 more or whether it will take fourteen years. We don't know if it will be completed even in fifty years, but if so, no doubt the board will go on for another fifty years. If it were only as a protest against the misspending of more money by the board, I should feel inclined to vote against the Bill.

HON. A. SKIRVING: I do not intend dealing with the criticisms of the Hon. Mr. Hawthorn or the Hon. Mr. Fowles, because, in my opinion, there is another Bill which will come before this House where the whole of the criticism from either this or the other side will be welcomed and replied to. All I wish to do to-night in connection with this matter is to refer to one subject mentioned by both these hon. gentlemen who have spoken in connection with the charging of money or putting a sinking fund in connection with the Water and Sewerage Board.

HON. E. W. H. FOWLES: That is only a drop in the bucket.

HON. A. SKIRVING: As far back as 21st December, 1910, the board made application to the then Government to capitalise the interest on loans until the sewerage

would be revenue-producing. Surely both the Hon. Mr. Hawthorn and the Hon. Mr. Fowles know that there must be some way of paying the money, and the only possible way at the present time open to the board is by having a sinking fund.

HON. E. W. H. FOWLES: They have £20,000 with which to repay £3,000,000.

HON. A. SKIRVING: That is so. In December, 1910, Mr. Johnston, the secretary of the board, wrote to the Secretary for Public Works in this strain—

"Sir,—As the board is of opinion that the interest which is payable during the construction of any work for which a loan may be granted by the Government to the board is not a charge which should be met by revenue derivable from other works previously constructed, I have the honour, by direction of the board, to request that you will be good enough to authorise it to charge to the capital cost of the work all interest which may be payable during the construction of any work for which a loan has been or may be granted to the board, and that such interest be not payable from revenue until the work for which the loan may have been granted is completed."

That is a letter to the Government that brought them into being. You would naturally think, seeing that the Government they were writing to were the Government that brought them into being,

[8 p.m.] they would have cheerfully said "Yes." The Government brought

this board into existence to do work that should have been done by municipal councils twenty or thirty years ago, when they could have had the work completed at a much cheaper rate than at the present time. Material and everything was cheaper when the Melbourne sewer was constructed. Material and everything else was well under 100 per cent. less than it is now. In reply to that letter the Government said—

"Sir,—With reference to your letter of the 21st instant to the Honourable the Secretary for Public Works, asking that your board may be authorised to charge to the capital cost of any work for which a loan has been, or may be, granted to the board all interest which may be payable on advances made on account of such loan during the period of the construction of the work, I have the honour, by direction, to inform you that the Treasurer is unable to comply with your board's request."

If the Government had continued in that way instead of doing what the Hon. Mr. Fowles said to-night, these friends of his in an ordinary cottage who were paying £11 would have been paying double £11. The board repeated the request in November, 1911, and received a similar reply. Then in May, 1916, shortly after the present Government came into power, the board sent another letter to the Government, and this is the reply from the Treasurer—

"Sir,—With reference to my letter of the 14th March, relative to the application by the Metropolitan Water Supply and Sewerage Board for the capitalisation of interest accruing during the construction of works on loans granted for the board's sewerage scheme, I have the honour, by direction, to inform you that the Treasurer has approved of interest

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for a term of three (3) years on such loans being capitalised, as follows:—

1. In regard to loans on which no advances have yet been made, the term to commence from the date of the first advance; and

2. In regard to loans on which advances have already been made, the term to commence from the 1st January last."

If the Government of the day had not decided to do that, the board would have had to meet interest on these loans some three or four years ago, although the only revenue they receive is from water supply. Hon. gentlemen all recognise that you cannot get rates until you give service. The Government made certain provisions in the Act, and we have to abide by the Act. All I wish to do is to show the reason for the actions of the board in this connection, and when the promised amending Bill comes forward we will be able to reply to all the criticism hon. gentlemen like to bring forward.

HON. E. W. H. FOWLES: The people of Brisbane are criticising it.

HON. A. SKIRVING: Municipal rates and other rates have gone up more than the Water and Sewerage Board rates, although they give a less return to the consumer. We have the best water supply in Australia. The conference of medical men who were here last year stated that while other people had been playing with pure water the Brisbane Water Board had gone right in and done the job.

HON. T. J. O'SHEA: There seems to be an impression on the part of the Minister in charge of this Bill that the Bill should have gone through without comment. There is a desire for unseemly haste, and the hon. gentleman, who is such an incurable optimist, came out with a wail that this poor Government cannot supply the money.

THE SECRETARY FOR MINES: I did not say that. Do not put words into my mouth.

HON. T. J. O'SHEA: Pardon me, but the hon. gentleman did say it. He said the Government could not find the money.

THE SECRETARY FOR MINES: I did not. It is not convenient to find the money, as we can use our money for other purposes.

HON. T. J. O'SHEA: If you could, this Bill would not be before the Chamber, so if you did not say it the Bill says it. Where does this Bill take us? It is allowing the board to get an unlimited overdraft that may be called up in twenty minutes. Would any business man in Queensland to-day embark on a big scheme of borrowing money not knowing how long he would have to repay it? This Bill is certainly an admission on the part of the Government that they have got to the end of their tether financially. It is an admission that they cannot carry out the provisions of the Act which is in force. The Act already in force provides ample means for supplying the funds if the Government have the money, but they cry, "We cannot do it. You go to your bankers and see if your bankers will do it." It is suggested that they should go to the Commonwealth Bank. The present Government have shown their absolute incapacity to handle business arrangements. If this Government administered the affairs of the country in the way they should be administered, they would not be in the impecunious state they are in

now, and we would not have the necessity of discussing this Bill to-night. This Bill is a confession of incompetency financially. It has been suggested this is a matter of necessity at a time when the fate of the Government is in the balance; that it is a disregard of all precedence to bring in a Bill of this sort, but it is urgent.

THE SECRETARY FOR MINES: Because we have some regard for the unemployed.

HON. T. J. O'SHEA: If it were not for the Labour Government there would be no unemployed at all. The longer the Government are in power the greater will the unemployment be.

HON. J. S. HANLON: What is causing unemployment in Victoria and West Australia?

HON. T. J. O'SHEA: Surely you do not compare Victoria with Queensland from a financial point of view. We possess one of the most glorious countries in the world. If it were only well managed, unemployed would be non-existent. We should not have a wail about the unemployed in bringing in such a Bill as this if the Government would release the £1,500,000 they have locked up in State enterprises. They should let those industries be handled by men who know more about them than the Government do, and then we will have sufficient money to keep men employed and to carry on such works as the sewerage works.

THE SECRETARY FOR MINES: What about Chillagoe?

HON. T. J. O'SHEA: Don't talk about Chillagoe. Chillagoe is the silliest thing the Government have touched.

HON. J. S. COLLINGS: And Mount Morgan is the wisest, I suppose.

HON. T. J. O'SHEA: Men like you are responsible for the conditions of affairs in Mount Morgan to-day. There ought to be no necessity for this Bill, and if it were put to a referendum to-morrow, I doubt if it would be passed. It would be rejected as a protest against the incapacity of the Government.

HON. J. S. HANLON: This Bill is good business. The Commonwealth Bank thinks so.

HON. T. J. O'SHEA: The Commonwealth Bank is prepared to lend you money on the security which you are offering. It is because the Commonwealth Bank has faith in Queensland, but not in the present financial administrators. If this Government had the confidence of Queensland, why the necessity for shoving the responsibility on the Board? Why cannot the Government get the money?

HON. J. S. HANLON: Why throw everything on the Government?

HON. T. J. O'SHEA: The Government are responsible for the financial chaos existing at the present time. The Act says that the Government must find the money for the board.

HON. J. S. COLLINGS: What about 1893, when your private enterprise friends put up the shutters?

HON. T. J. O'SHEA: Private enterprise faced its difficulties in a much more manly and straightforward way than the Government is doing to-day.

HON. A. SKIRVING: You didn't object when the Government put through a similar Bill to this for the City Council.

Hon. T. J. O'Shea.]

HON. T. J. O'SHEA: This Bill is necessary owing to the incapacity of the Government. Under the Act it is bound to raise the money to carry on the operations of the board, and this Bill will save them from doing that. Hon. members opposite cannot see that they are stigmatising the Government as an institution which cannot carry on the finances of the State.

THE SECRETARY FOR MINES: This Bill meets the convenience of both the board and the Government.

HON. J. S. HANLON: The Government will get money under this Bill.

HON. T. J. O'SHEA: The Government will never handle a penny of it. The board will get the money, and it will pawn its assets to do so.

HON. A. G. C. HAWTHORN: And it will put the Government in the second place as mortgagee.

HON. T. J. O'SHEA: It will proclaim to the world that the Government of Queensland cannot raise enough money to pay for the sewerage of the City of Brisbane, containing one-fourth of the population of the State. Does that not stigmatise the Government as being financially incapable of handling the financial affairs of the State? The board have asked for money and the Government have told them to get it somewhere else. The Government told the board to try the Commonwealth Bank. The board will probably get the money cheaper than the Queensland Government could do. The Queensland Government cannot raise any money, but they have to resort to medieval strategy and talk about obtaining a compulsory loan to get the money. The Minister used to talk about the brutal majority opposed to him. The hon. member is now using his brutal majority to force through measures of this kind. I am interested in Queensland, as I think it is one of the best countries in the world, and it hurts me to see a Bill like this under which the Government fail to find the money as they are supposed to do by an Act of Parliament, but wish to hand over authority to the board to get the money itself. This Bill proclaims the financial incapacity of the Government, although hon. members opposite do not seem to think it a degrading position to be in. The Government cannot find the money as prescribed in the Act.

HON. E. W. H. FOWLES: The Act provides that the money shall be obtained at 4 per cent.; but now that they have handed over the Savings Bank, they cannot do it.

HON. T. J. O'SHEA: Is not that a deplorable condition to be in? The Government are in the position to carry out the theories put forth by many loud-mouthed orators to-day who say, "To hell with thrift." The Government do not believe in a thrifty man saving his money.

HON. J. S. HANLON: Why should they hoard up anything? No one would have anything if everybody stuck to everything they have got. (Loud laughter.)

HON. T. J. O'SHEA: If the Government administered the Act in the way it should be administered, there would be no necessity for this Bill. I was rather amused at the indignant denial of the suggestion that there was a "go slow" policy on the sewerage works. Any man who worked on the sewerage works for the last five years will tell

you that the men could do four times the amount of work and not hurt themselves.

HON. A. SKIRVING: That is not a fair statement.

HON. E. W. H. FOWLES: That statement is in the report.

HON. A. SKIRVING: It is a deliberate libel on the workers of Brisbane.

HON. T. J. O'SHEA: I have been working hard as long as I have been alive, and I will work till I die. I am fond of work, and I think it is good for every man to work.

HON. J. S. COLLINGS: You evidently make it pay.

HON. T. J. O'SHEA: Good work always pays. If the workers had handled this matter as they might have done, we would not be here debating this subject to-night, as the sewerage work would have been finished long ago. When this work was started it was made a stopping place for workers, and the Government encouraged it. There were all sorts of "go slow" devices adopted. Bolshevik methods were introduced which made the work highly unsatisfactory and expensive. I am sure hon. gentlemen do not think this work has been carried out economically.

HON. A. SKIRVING: The workers on the sewers are as fine as any you can get in the world.

HON. T. J. O'SHEA: The workers are all right, but they are encouraged to do things that they should not do. Judge McCawley said the other day that he did not know that there was a "go-slow" strike on amongst the bricklayers, although it was known to everybody else. One of the fundamental reasons for the non-success of the Water and Sewerage Board is the effect caused by unwise leaders of labour, who suggest things which are not in the interests of the men nor in the interests of the country. There is no doubt that money has been wasted galore. If this Chamber rejected this Bill, there would be a wail and a howl that we were stopping progress. If this Chamber allowed this Bill to go through without giving it the criticism it deserves, and without criticising the authors of it and those responsible for the state of affairs which necessitates the introduction of this Bill, then we would not be doing our duty. There is a great deal to be said in criticism of the board, and there is also a great deal to be said in criticism of the Government in regard to this matter. The Government has proved its incapacity by the introduction of this Bill. It has come forward and stated that it is unable to do what the Act says it must do. Why? Because of their evil influence in connection with the whole business. They have exerted an evil influence on the workers and on the whole scheme generally. Now they come along and say: "We cannot give you the money. Go to the pawnshop and get an overdraft." The Government asks us to give them a blank cheque, as they want the board to get as much credit as they can, and take the whole matter off their hands. That is what the Bill practically admits. Evidently hon. members do not like what they have heard, and there has been a conspiracy

[8.30 p.m.] of silence, but it was not sufficiently effective to keep the Hon. Mr Skirving in his seat; and when he got

[Hon. T. J. O'Shea.]

up, what did he answer? Not one argument was put up in connection with the criticism advanced.

HON. E. W. H. FOWLES: He promised to answer something.

HON. T. J. O'SHEA: Yes, if he ever gets the chance—if the other Bill ever reaches this Chamber. I am not prepared to say that it is wise to reject this Bill. It is merely an apology for the incapacity of the Government. It is merely saying, "We are in the soup—in the sewer—and the only way is to thrust this on the board and to tell them to do the best they can. The show is over so far as we are concerned." It is a pity that the Government do not take that stand in regard to other things, and retire

HON. H. C. JONES: I did not intend to speak but for a statement made by the Hon. Mr. O'Shea with regard to go-slow methods of the employees of the Water and Sewerage Board. I was one who returned from the war, and, as things were dull, I took a position, because the board gave preference to returned soldiers, erecting a conveyor, and my experience of these people was that they were a fine, hard-working lot of men, and that there were few men of their class who could really beat them at that particular work. I am satisfied that the men that I came into contact with were satisfactory workers. I don't know what the Commissioner said about them.

HON. A. G. C. HAWTHORN: He is against you.

HON. H. C. JONES: From personal experience, I state openly that these men were a satisfactory lot of workers, and that they gave the best service possible to the Water and Sewerage Board. There may be some instances of go-slow methods, and this may be accounted for in the mining work by dampness and other obstacles which they had to contend with; but, as I said before, the men were of as good a class as any I have seen, and I hope that it will not go out that they introduced the go-slow methods.

HON. R. J. CARROLL: I likewise wish to enter my protest against the statement made by the Hon. Mr. O'Shea.

HON. A. G. C. HAWTHORN: The Commissioner's report bears him out.

HON. T. J. O'SHEA: The board says so itself.

HON. T. J. CARROLL: The Hon. Mr. O'Shea need not shelter behind the statement of the Commissioner. I challenge those who make those statements to produce evidence in support of them. I would point out that someone who occupies a high position threw out a challenge in regard to a statement made as to go-slow methods in the laying of bricks, and asked for evidence in substantiation of that statement. A statement by a person occupying a high position like Mr. Justice McCawley should be accepted, and it is very unfair for Mr. O'Shea or anyone else to make such statements as he has without evidence to support them. It is a most unpopular thing and an unworthy thing for employers to be decrying their employees as they have been ever since 1912 or 1914. There is no more evidence of employees going slow than there is that the employers go slow, but there is evidence that employers are not doing their duty by their employees. It is not a fair thing to say that, because a certain job takes a little more time than a

similar job took, that that is evidence of going slow. You cannot make exact comparisons without knowing whether the conditions are exactly similar. I say it is most unfounded and unfair for employers to make this continual charge about going slow. This is one of the reasons of the bitterness of employees against employers, and it tends to prevent the bringing about of that good feeling which employers say they are so desirous of securing.

The SECRETARY FOR MINES: I did not intend speaking in reply to this motion, but I think the criticisms levelled at the Government by the speakers on the other side warrant me in putting the position a little more clearly than I did when moving the second reading of the Bill. The Hon. Mr. O'Shea did not hear what I said.

HON. T. J. O'SHEA: That is not correct. I was here the whole time.

The SECRETARY FOR MINES: I never made the statement that the Government was too poor to assist the Water and Sewerage Board financially.

HON. A. G. C. HAWTHORN: Why did they not do it then?

The SECRETARY FOR MINES: When in another position I had dealings with the board, and on the eve of the last general election, when the cry went forth that we had not a shilling to jingle on a tombstone, I was able to show that the Government was able to come to the assistance of the board at a critical time.

HON. T. J. O'SHEA: Don't boast about that.

HON. E. W. H. FOWLES: You handed out some money at election time.

The SECRETARY FOR MINES: No, it was not because of the election looming in the near future.

HON. A. G. C. HAWTHORN: It was only a coincidence.

The SECRETARY FOR MINES: We thought it a wise thing to do. Mr. O'Shea said the Treasurer was not in a position to meet the interest for the coming financial year and that the board's estimated expenditure was £520,000. It was not convenient for the Treasurer for the coming year to find that amount.

HON. T. J. O'SHEA: That is the first time you have used the term "coming year."

The SECRETARY FOR MINES: This Bill suits the convenience of the Government, of the board, and of the ratepayers.

HON. T. J. O'SHEA: How would it inconvenience the board if you advanced the money to them.

The SECRETARY FOR MINES: They will be able to get sufficient money to complete their works so that they will be revenue-producing. That is the whole object of this Bill. Had the Bill been introduced by any other Government, hon. gentleman opposite would have gladly supported it. The Hon. Mr. Hawthorn and the Hon. Mr. Fowles used this Bill as an occasion for an attack on the board, and they also criticised the Government. The Hon. Mr. Fowles said it was absurd. He asked when the sewerage scheme would be completed, but that is absurd. In a growing city how is it possible to say when this sewerage scheme would be adequate. The total cost of the water and

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sewerage scheme in Melbourne was not £5,000,000 to £7,000,000 as stated by Mr. Fowles.

Hon. E. W. H. FOWLES: I did not say that.

The SECRETARY FOR MINES: It was £13,000,000, and the Sydney scheme cost £16,000,000, but the Brisbane scheme up to date has cost only something over £3,000,000.

METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD.

Statement showing Loans from Government and Indebtedness on 30th June, 1921:—

	Water.		Sewerage.		Total.	
	£	s. d.	£	s. d.	£	s. d.
Amount advanced to Metropolitan Water Supply and Sewerage Board from 15th November, 1910, to 30th June, 1921	1,494,287	19 3	1,321,895	7 9	2,816,183	7 0
Interest capitalised during above period and treated as a loan to the Board ... ..	...	...	181,096	18 1	181,096	18 1
In addition to the above the Board took over as from 1st January, 1910, the indebtedness of the old Brisbane Board of Waterworks, amounting to	1,494,287	19 3	1,502,992	5 10	2,997,280	5 1
	380,316	15 7	...	...	380,316	15 7
During the period 1st January, 1910, to 30th June, 1921, the Board has repaid principal amounting to	1,874,004	14 10	1,502,992	5 10	3,377,527	0 8
	85,311	5 6	6,552	19 5	91,864	4 11
Leaving indebtedness to 30th June, 1921 ...	£1,789,293	9 4	1,496,439	6 5	3,285,732	15 9

The Treasury,
Brisbane, 17th August, 1921.

H. FORBES, ACCOUNTANT.

Now, the Hon. Mr. Fowles questioned whether the board had paid interest, and I think it only fair for me to say that the board has promptly paid their interest and paid also some of their principal

Hon. E. W. H. FOWLES: They capitalised their interest.

The SECRETARY FOR MINES: I have no brief for the Water Board or any other board, but I think we should be fair in our criticisms. The hon. member did not quote the estimate, but I will give the estimated cost. Based on the 1912 values, there was an estimate made for a scheme—which you could not call a complete scheme—of £1,334,980. Again, I say, let us be fair. Would any business man, or any reasonable person, take an estimate made in 1912, followed a few years after by a war, with the cost of material going up beyond anything that could be anticipated?—wages going up, and rightly so, higher than they were in 1912. Our railway officials made estimates prior to the war of lines to be constructed, and the cost was hopelessly underestimated. We did not foresee the war, and the person who framed these estimates did not foresee the war in 1912. We did not foresee the war in 1913, nor even early in 1914, and we should at least be fair in our criticisms of the board. Regarding the capitalisation of interest, that the Hon. Mr. Fowles and the Hon. Mr. O'Shea tried to make a point of, I quoted the interest capitalised during the period—15th November, 1912, to the 30th June, 1921—and I want to say that the capitalisation of interest is not uncommon in the constructive period of public works, and it is provided for in the Local Authorities Act. There is nothing new in that. It helped the board, and we must also take into consideration the fact that this board is the first board of its character that was

All through his speech the Hon. Mr. Fowles tried to convey to this Council that the board had borrowed from the Treasurer £3,250,000 for the sewerage scheme. I have a table here giving the amounts advanced to the Metropolitan Water and Sewerage Board from 15th November, 1910, to the 30th June, 1921, which I would like to get into "Hansard" for the information of the public. The table is as follows:—

able to borrow, and this is the first sewerage scheme in the Commonwealth that could borrow its money from the Government, because others had to borrow from private enterprise. It is the duty of the Government to assist an enterprise such as has been undertaken, and I am surprised at the speeches delivered in this Chamber to-night. How can we expect this country to progress if we are going to rely on the speeches that we have heard this evening condemning the Government for assisting the board to carry on and facilitate their work, so that they can make that work revenue-producing? Again I repeat that the Bill is good business for the board and good business for the people of Queensland, as it will enable the enterprise to reach its revenue-producing stage and be less burdensome on the general taxpayers of the State.

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

COMMITTEE.

(Hon. T. Nevitt in the chair.)

Clause 1—"Short title and construction of Act"—put and passed.

Clause 2—"Application to sell debentures."

Hon. E. W. H. FOWLES: How much was proposed to be borrowed, and at what rate of interest?

The SECRETARY FOR MINES: The hon. gentleman knew very well that the amount to be borrowed was not stated, and he (Mr. Jones) did not think it wise to place an amount in the Bill. The hon. gentleman also knew that the Bill gave the board greater borrowing powers, and they could not borrow one penny without the permission of the Governor in Council. That was a quite sufficient safeguard.

Hon. A. J. Jones.

HON. A. G. C. HAWTHORN: The Minister had told them that he was approaching the Commonwealth Bank and had nearly finalised the arrangements, and he must know what amount the board was going to the bank for. Why could he not divulge the amount to the Committee?

The SECRETARY FOR MINES: He could not give the amount, but it was estimated that the board would require another £500,000 to put the sewerage scheme in a revenue-producing state.

HON. E. W. H. FOWLES: What section of Brisbane will be connected up first? Where will the revenue-producing portion start?

The SECRETARY FOR MINES: The city portion, I am told.

HON. E. W. H. FOWLES: What per cent. were the board paying to the Commonwealth Bank? The Minister said it was good business for the board. Was it good business for the board to pay 5½ per cent. to the Commonwealth Bank when, under the old Act, they were paying 4 per cent. to the Government?

The SECRETARY FOR MINES: The hon. gentleman knew very well that he could not say what the rate of interest would be. It was a matter for the board, and the board's negotiations were not complete. The Hon. Mr. Fowles was not quite correct in regard to the 4 per cent., because there was an amending Act which gave the Government power to charge more than 4 per cent.—namely, the Local Works Loans Acts Amendment Act of 1918.

HON. A. G. C. HAWTHORN: Was it possible that the Minister was in such a state of ignorance as he professed to be? The Governor in Council had to pass every penny of the loan; and did the Minister mean to tell him that the Government did not know that the board were approaching the bank and what they had approached the bank for—the length of the loan and the rate of interest?

The SECRETARY FOR MINES: I do not think this is the stage to answer that question.

HON. E. W. H. FOWLES: Had the Government decided what rate of interest was to be paid for the debentures? Then with regard to the regulations to be published in the "Gazette," were those regulations to be laid on the table of the House?

The SECRETARY FOR MINES: The hon. gentleman was asking questions at that stage which he knew could not [9 p.m.] be answered. He had been very candid to hon. members opposite in giving information and in pointing out what were the borrowing powers of the Government.

Question put and passed.

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

THIRD READING.

The SECRETARY FOR MINES: I beg to move—That the Bill be now read a third time.

HON. E. W. H. FOWLES: I protest against this Bill, as it is one of the most ambiguous Bills that has ever come before the Council. The Government have come to this Council and asked us to vote on the

blind. We do not know what sum of money is required, and we do not know the interest. In fact we know nothing about it at all.

The SECRETARY FOR MINES: You have got more information here than was given in the other Chamber.

HON. E. W. H. FOWLES: I wish to enter my protest against the Bill. I think that the people who are to foot the bill ought to have the fullest information about such a measure as this.

Question put and passed.

The Bill was passed, and ordered to be returned to the Legislative Assembly by message in the usual form.

SPECIAL ADJOURNMENT.

The SECRETARY FOR MINES: I beg to move—That the Council, at its rising, do adjourn until 4.30 o'clock p.m. on Tuesday, 30th August.

Question put and passed.

The Council adjourned at five minutes past 9 o'clock p.m.