Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 26 OCTOBER 1921

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LEGISLATIVE ASSEMBLY.

WEDNESDAY, 26 OCTOBER, 1921.

The SPEAKER (Hon. W. Bertram, *Maree*) took the chair at 11 a.m.

WHEAT ADVANCES AGREEMENT RATIFICATION BILL.

INITIATION IN COMMITTEE.

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

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): I beg to move—

> "That it is desirable that a Bill be introduced to approve, confirm, and ratify an agreement dated 5th April, 1921, between the Commonwealth of Australia, the State of Queensland, and certain banks respecting advances of money required to pay for wheat delivered to the State Wheat Board, and for other consequential purposes."

Question put and passed.

The House resumed.

The CHAIRMAN reported the resolution to the House.

The resolution was agreed to.

FIRST READING.

The SECRETARY FOR AGRICULTURE presented the Bill, and moved—

> "That the Bill be now read a first time."

Question put and passed.

SECOND READING.

The SECRETARY FOR AGRICULTURE: I beg to move—

> "That the Bill be now read a second time."

This is purely a formal Bill. I gave the leader of the Opposition a copy. There are two clauses in the Bill, and they ratify the existing agreement between the Commonwealth and State Governments and the various banks for financing the State Wheat Board in connection with the harvesting of wheat. It is purely a formal matter, and there is no need to say more at this stage.

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

PROPOSED COMMITTAL.

The SECRETARY FOR AGRICULTURE: Mr. Speaker,—I beg to move—

> "That you do now leave the chair, and that the House resolve itself into Committee to consider the Bill in detail."

Mr. T. R. ROBERTS (*East Toowoomba*): Surely you are not going to put a Bill through all its stages without giving hon. members an opportunity of seeing a copy of it. I would like to see the Bill in any case. I enter my protest against the way the Government rush Bills through this House. Although the Bill may be one containing only two clauses, I think members are entitled to see it. We should get copies of all Bills passing through the Assembly. Surely the Bills are being printed? We had a Bill rushed through the other night before we had

a chance of seeing it; and, although it was a Bill of only two clauses, I wanted to move an amendment, but could not do so.

HON. W. H. BARNES (*Bulimba*): I endorse what has been said by the hon. member for East Toowoomba. We have had a Bill introduced here, and read a first time and a second time, and now we are asked to take it into Committee without seeing it. This is legislation run mad, in order to save the Government. I say it is unbusinesslike to pass Bills through in that way. We are asked to do things and to accept Bills without any statement whatever from the Minister in charge. It is an extraordinary thing that this House, which is a deliberative body, should be placed in a position like that, just because the Government want to place us in that position.

Question put and passed.

COMMITTEE.

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

Clause 1 put and passed.

Clause 2—"*Ratification of agreement*"—

HON. W. H. BARNES (*Bulimba*): The Minister ought to explain the meaning of the clause to the Committee, and give some information with regard to the Bill. He (Mr. Barnes) was not out to do anything to defeat the Bill, but was merely asking for information.

The PREMIER: The Opposition have been pressing for the Bill.

HON. W. H. BARNES: He was not saying that they had not.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): The clause was self-explanatory, and showed what the object of the Bill was. He was sorry that the Bill had not been in the hands of hon. members before he moved the Speaker out of the chair, but it was a purely formal measure to ratify an agreement that it was necessary to enter into before the wheat harvest commenced. The agreement was signed by the parties on 5th April last, and was entered into between the Commonwealth Government, the State Government, and the banks, for an advance of 5s. per bushel in connection with the wheat harvest.

Mr. TAYLOR (*Windsor*): He understood that the farmers were guaranteed 8s. or 9s. per bushel for their wheat. He took it that this was simply an advance against the crop, and that the remainder of the guarantee was to be paid when the sales were made.

The SECRETARY FOR AGRICULTURE: That is so.

Clause put and passed.

Schedule put and passed.

The House resumed.

The CHAIRMAN reported the Bill without amendment.

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. FLETCHER (*Port Curtis*): The Bill has only just been distributed, and we have not had a chance of looking through it. I desire to enter my protest against the unreasonable way in which business is being conducted. It may do a certain amount of harm for which we shall be blamed, and I protest against this undue haste, which does not give us any time to correct mistakes.

The PREMIER: Everyone knew of the arrangement.

Question put and passed.

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

COMMONWEALTH POWERS (AIR NAVIGATION) BILL.

INITIATION IN COMMITTEE.

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

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

> "That it is desirable that a Bill be introduced to refer to the Parliament of the Commonwealth the control of air navigation and for purposes connected therewith."

The Bill was the same in form as the Bill introduced last year. It was not finally passed through the Legislative Council last year because the Victorian Government raised the point of whether they were not surrendering larger powers than were actually required by the Commonwealth. Although Victoria had agreed to the draft Bill prepared by the New South Wales Government and agreed to at the Premiers' Conference last year, they said there was some doubt on the matter, and the Government of that State asked for delay. Since then Victoria had not dealt with the question any further, and the Commonwealth were pressing for these powers, because their own powers were strictly limited, and, as they had established air navigation, which had to be regulated to a certain extent, he (Mr. Theodore) agreed with the Prime Minister of the Commonwealth to pass the Bill before Parliament adjourned this session, but the Act would not come into operation before all the States of the Commonwealth had passed similar legislation.

Mr. TAYLOR (*Windsor*): He would like to know from the Premier whether it was proposed that the Commonwealth should have absolute control over aviation in the State of Queensland, and whether there was going to be no such thing as private aviation.

The PREMIER: The Bill does not prohibit that. It transfers our powers to the Commonwealth to regulate the traffic and make laws dealing with the matter.

Mr. TAYLOR: It could not interfere with private aviation?

The PREMIER: Once the powers are transferred, the Commonwealth can use them in any way they like.

Mr. TAYLOR: They were really giving them full control?

The PREMIER: To a certain extent. The powers are set out in clause 3.

Mr. T. R. ROBERTS: Is the Bill the same as last year?

The PREMIER: It is the same Bill.

Mr. TAYLOR: He would like a little further information from the Premier.

The PREMIER: The essence of the Bill was contained in clauses 2 and 3, which provided—

"Subject to the limitations and reservations in this Act contained, the control of air navigation is referred to the Parliament of the Commonwealth.

"Nothing in this Act shall empower the Parliament of the Commonwealth, or any authority constituted or to be constituted under the Commonwealth, to affect or restrict the rights and powers of the State of Queensland in regard to—

(*a*) The acquisition or ownership by the said State of aircraft or aerodromes; or

(*b*) The use for the purpose of the Government of the said State of aircraft operating within the said State; or

(*c*) Police powers."

Beyond those matters the complete control of air navigation went to the Commonwealth, which would make laws governing the subject and regulations relating to the issue of licenses to pilots, the nature of aerodromes, machines, and everything dealing with aviation. There was no suggestion that they should make aviation a Commonwealth Government monopoly. There had been a very elaborate set of regulations drawn up by the Paris Conference relating to aviation, and it was the desire of the Commonwealth to put those regulations into operation in Australia. At present they were not able to do so, because those powers were vested in the States. The Commonwealth were pressing the States to hand over this power to the Commonwealth, so that they could make the law relating to air navigation uniform throughout Australia.

Question put and passed.

The House resumed.

The CHAIRMAN reported that the Committee had come to a resolution.

The resolution was agreed to.

ALL STAGES.

The Bill was passed through all its remaining stages without debate or amendment.

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

WORKERS' ACCOMMODATION ACT AMENDMENT BILL.

SECOND READING.

HON. W. FORGAN SMITH (*Mackay*): I move—

"That the Bill be now read a second time."

There can be little doubt in the minds of hon. members of the importance of this measure to a very large section of the workers of this State. It will be remembered that, prior to the introduction of legislation of this kind, the workers in many of our large industries were very badly catered for in the matter of accommodation, and the supply of food, and the ordinary amenities of life. The late William Hamilton, whilst a member of this Chamber, performed yeoman service to the workers by his activities in the direction of securing improvements. The first Act was introduced in 1905; and, when this Government came into power, the comprehensive Act of 1915 improved the facilities still further. It is proposed now to correct certain anomalies in the principal Act, and extend the provisions to workers who are being deprived of its benefits at the present time. It is generally understood that this legislation applies to the sugar industry and the pastoral industry. It has been found that the provisions of the principal Act are being evaded owing to the growth of the system of portable shearing plants, whereby the pastoralists let shearing by contract, the shearing contractor in that case becoming the employer. He provides only tent accommodation of a very inadequate nature, the owner of the station is not at all concerned, and the plant is not long enough in any one place to enable the provisions of the Act to be enforced. The main alteration in the Act by this Bill proposes to make the owner of a station who lets shearing on contract responsible for the adequate accommodation of the workers in the same way as if he employed the labour direct. To those understanding the industry there can be no reasonable opposition to that provision. Such plants are increasing in number, and, if a measure of this kind were not introduced, the Workers' Accommodation Act would be inoperative in many areas of the State.

The improvement of the sanitary conveniences has caused the department a good deal of consideration, and has also been dealt with by the health authorities. In the principal Act there is a provision dealing with cesspits under certain conditions. The old cesspit system was very unsatisfactory, and has been condemned in every civilised country in the world. A cesspit, properly conducted and of reasonable depth, would no doubt meet the requirements in some cases; but the provision in the past has not been adequate, and it is proposed by an amendment to make more satisfactory and scientific arrangements. The doctors dealing with the hookworm menace have drawn the attention of my department to the need for better sanitary conveniences under the Act. The menace of the hookworm disease is apparent to everyone who has given the subject any study; and if it were allowed to make the same progress as in the past, the future manhood of our State would be sapped and seriously impaired. The doctors, in common with the health authorities, have drawn my attention to the need for making better sanitary arrangements than has been the case in the

[11.30 a.m.] past. The other provisions of the Bill are more or less of a machinery nature, and they can be dealt with adequately in Committee. I move—

"That the Bill be now read a second time."

Mr. MORGAN (*Murilla*): I wish to enter my most emphatic protest against any interference with the Act at present in force. I think everyone recognises that the present is not the time to tinker with any legislation which is likely to bring about unemployment and interfere with an industry that at the present time is anything but prosperous. I claim the support of the members who represent the small grazing farmers in numerous parts of Queensland. The amending Bill will prevent men with limited capital from going upon the land and selecting small grazing homesteads, and will injure a great number who are suffering at the present time through the want of capital

and who are unable to borrow owing to the dearness and the scarcity of money.

Mr. POLLOCK: It does not do anything of the sort. The contractor who gets the shearing contract will have to provide the accommodation.

Mr. MORGAN: No. The Minister has been honest enough to tell us that he has dealt with the Bill from the point of view of the prosperous grazier, but he did not deal with it from the point of view of how it is going to affect a greater number of small men who have not the capital necessary to erect permanent improvements on their holdings to accommodate men who travel with the portable shearing plants.

Mr. POLLOCK: That is not so. You are not telling the truth, or else you do not understand the Bill.

Mr. MORGAN: I have had some experience. I am dealing with the question from the point of view of practical men, and not from the point of view of trying to disturb an industry and bring about more chaos than exists now. I have gone into the Bill very fully, and have studied it from all points of view. When the industry becomes more prosperous, some consideration might be given to an amendment of this sort. This is not an opportune time to introduce the Bill. It is going to do a considerable amount of injury to the men who take part in this particular class of work. If the amending Bill is carried, the owner of the portable shearing plant will have to supply similar accommodation for the workers to the accommodation now required to be provided by the employer under the principal Act, and that will mean that portable plants will practically be done away with altogether. I do not know whether it is the Minister's intention to do away with portable shearing plants—they are a very great benefit.

Hon. W. FORGAN SMITH: There is nothing to do with that in this Bill. We are making provision in the Bill that, no matter by what means shearing is carried on, the workers engaged in shearing will have proper accommodation.

Mr. MORGAN: How are the small men going to get their shearing done if the portable plant is not allowed to come along with tents and housing requisites? That has been done in the past. A great many will tell you that they would far sooner sleep in a nice clean tent erected on a new spot of ground than they would sleep in some of the huts of accommodation that are allowed to stand without being attended to for nine or ten months, and where spiders and other insects accumulate. I have had experience of the same thing for many years, and I would much prefer a tent erected on a clean new spot of land. Where the shearing season lasts three, four, or five weeks—and where the number of sheep shorn is small—the shearers will tell you that they prefer to live in a tent rather than in a hut. Some of the small grazing farmers in the West and a great number of shearers and shed hands off the large pastoral holdings support Labour candidates; and, when the large pastoral holdings are cut up into small portions, these men select the smaller holdings, and they cannot possibly go to the expense required under this Bill. The Bill will injure a great number of Labour supporters who still retain their Labour principles, notwithstanding the fact that they have selected small areas of pastoral land. The Bill will strain the financial resources of these small grazing holdings. Does the Minister deny that?

Hon. W. FORGAN SMITH: You are quoting the "Pastoral Review" now.

Mr. MORGAN: I am not. If I am quoting anything that is good, the Minister should take it into consideration, no matter what I am quoting from. Where a man has been engaged in the industry for several years during prosperous times, he is eventually able to earn from the land sufficient money to erect the improvements that are required under this Bill, but at the present moment he is not able to do it, and no money could be borrowed for the purpose. The industry is not in a flourishing condition, and we should not do anything that is calculated to discourage settlement on the land. In the smaller areas than those of the large pastoralists an amendment of this sort will only be irritating, and it is not a measure that is likely to make more prosperous an industry that is not flourishing. This is not an opportune time to bring this legislation forward. If men who travel with portable shearing plants were asked to vote by way of referendum as to whether they preferred to live in huts that have been left unoccupied for many months or in a clean wholesome tent, I am sure they would vote for the tent every time.

The Bill should be withdrawn for the time-being, and if the Minister thinks it necessary he can bring it forward on some other occasion. I know what I am talking about, because I have had a lot of experience in these matters, and I know that there are hundreds of men who were formerly engaged in the pastoral industry who are out of employment to-day. These men would obtain work if these irritating measures were not introduced into Parliament. I think it is far better for men to be employed at shearing, travelling from place to place, visiting all the little sheds provided by the small farmers and graziers and living in tents while they are shearing there than it is for them to sleep on the river bank on the hard ground and obtain doles from the Government. That is what a measure of this kind will do. It will do away with employment altogether. A measure of this kind is injurious to those engaged in the pastoral industry, because the present time is not opportune to go in for an expenditure of capital.

There is another amendment proposed that adds the words "or for the storage of food," after the words "serving of meals," in paragraph (v.) of subsection (2) of section 6 of the principal Act. There is no objection to that amendment at all, but there is a further amendment in paragraph (xi.) of the same subsection. It is proposed to amend that paragraph by repealing the words "with the sanction of the Minister cesspits may be provided instead of earth closets."

Hon. W. FORGAN SMITH: I have an amendment dealing with that.

Mr. MORGAN: Yes, I have received a copy of the Minister's amendment. There is a very strong objection to that amendment, because everyone knows that cesspits are not detrimental to health at all, or, at any rate, they are less detrimental to the health of men than the earth-closet system. We have to take into consideration the labour that is required to keep the earth-closets in a clean

condition. I know that a man was offered £2 to attend to the pan system on one property, but he refused to do it. There was a sentimental objection to it. From a health point of view it is recognised that cesspits, so far as stations are concerned, are all right. This clause will affect the small man, because on most of the large stations they have up-to-date sanitary arrangements. This Bill will not affect the big stations at all. I am glad that the Minister proposes to amend that clause by providing that the cesspits on the small holdings shall not be interfered with.

There is another amendment which is an important one from the small man's point of view. It reads—

> "The words 'with the sanction of the Minister . . . such cesspits shall be made flyproof and all seats provided with automatic closing lids' are repealed."

That is all very well for people who live in cities and towns, but it is too much to expect people living in the country to provide automatic lids. The obligation to provide automatic closing lids should not be insisted upon, as experience is proving that these lids are dirty and, if not used for some time, become a protection and a harbour for vermin. Everyone knows that these places become a harbour for spiders, and they are likely to be more injurious to the workers. The automatic lid is not required according to the experience of those engaged in the industry.

There is a further amendment which reads—

> "In paragraph (xii.) of the said subsection (2), after the word 'light' the words 'including artificial illumination' are inserted."

I object to that amendment on the ground that it is not necessary. There is a provision of the award of the Arbitration Court that artificial light shall be provided in the sleeping-room, dining-room, and kitchen, and now the Minister wants to include it in the Bill. This Bill may override a decision of the Arbitration Court in that respect. The arbitration award should not be interfered with, as the various representatives will see that artificial lights are provided in accordance with the award.

There is a further amendment which provides for the repeal of the words "except where the inspector certifies that there is not a sufficient supply" in paragraph (xv.) of the same subsection. This amendment will impose serious hardship on small holders, especially in times of drought. In my opinion the existing section protects the men against any refusal of the employer to carry out the intention of the Act where he is in a position to do it. This amendment should not be put into a Bill of this description.

Mr. POLLOCK: What are you quoting from? You are quoting from a letter sent to you by the secretary of the Pastoralists' Association.

Mr. MORGAN: When I got a copy of the Bill I took it to a man who understood all about the pastoral industry, for the purpose of getting all information I could in reference to it. I have had experience in shearing sheds in my young days, but at present I am engaged in the cattle industry. I take it that it is my duty to get as much information about these things as I can possibly get.

Mr. POLLOCK: Is that not a letter from the secretary of the Pastoralists' Association?

Mr. MORGAN: Some of it is. The hon. gentleman goes to his union when he wants some information on any matters that come before this House, and we have the same right to get all the information we can about it. The very moment that we get a Bill we send it to the people engaged in the industry and ask them for all the information they can give us. We want to get an intelligent opinion on all these amendments.

Mr. POLLOCK: If we go to the union for any information, you say we are using outside influence; yet you are doing the same.

Mr. MORGAN: I will do all I can to prevent these amendments coming into force at the present time. I have no objection to the men obtaining the best of accommodation, because I recognise that men who have comfortable beds to sleep in and healthy surroundings are far better workers than men who have not got comfortable surroundings. For the first few years after I came to Queensland, I slept in a comfortable clean tent on a river bank, and I quite enjoyed it. I would do so again if necessity arose, and would never complain. This is not a time when we should interfere with industries that are languishing. The Minister dealt with the Bill from the point of view of large station-owners and financial institutions. A few hundred pounds in connection with accommodation does not count with most of those financial institutions.

Hon. W. FORGAN SMITH: It is very difficult to get them to comply with the provisions of the Act.

Mr. MORGAN: You have already got the power required. This Bill is an interference not altogether with accommodation but with the principle of contract shearing. If the Minister was honest in stating his reasons for bringing the Bill forward, he would tell us that there is a movement on foot to try to do away with contract shearing.

Mr. POLLOCK: That has been going for fifteen years.

Mr. MORGAN: I know that; but there has been a movement by representatives of the shearing industry to try and do away with the contract shearing. These portable plants are becoming more numerous, owing to the fact that greater satisfaction is given not only to the men who own the sheep but to the men employed in shearing. The contractor will see that he has a good team of men, and will treat them well. The men are guaranteed a certain number of sheds which under other conditions they would not be guaranteed, and they do their work with satisfaction to all concerned. Why should we, therefore, interfere in the industry by passing this legislation, which is not going to do any good? Any interference which is likely to prevent small men from going on the land at the present time is not advisable. A lot of small men may, if this Bill is put into operation, be compelled to sell their holdings, owing to the fact that they have not got sufficient money to provide the accommodation which the Bill requires.

Mr. COLLINS: Not at all. We have to do it in the sugar industry.

Mr. MORGAN: These amendments principally deal with the shearing industry, as the Minister explained.

Hon. W. FORGAN SMITH: But they are applicable to all industries covered by the Shearers and Sugar Workers' Accommodation Act.

Mr. MORGAN: We quite admit that. The sugar industry is covered already by the Act.

Hon. W. FORGAN SMITH: In the sugar industry now, where farmers give contracts to canecutters, they have nearly always to provide accommodation.

Mr. MORGAN: It is quite a different thing so far as shearing is concerned. Generally speaking, on a cane farm the accommodation can be used more or less during the whole of the year. A canegrower on a small area has men employed on his holding all the year round, although not so many in other parts of the year as in the cane-cutting season, and he can use the buildings for numerous purposes during the year; but in a shearing shed the accommodation is only used in the shearing season.

Mr. COLLINS: There is more profit made out of the pastoral industry.

Mr. MORGAN: From a small man's point of view, there is no profit in the pastoral industry at the present time. A great many small graziers, whom this Bill will interfere with, are worse off financially than dairymen and others engaged in smaller industries at the present time. The dairyman has had, comparatively speaking, a good period, and his produce is selling at a fair price; but a man who has a small area with sheep or cattle is feeling the pinch of depression more than anyone in the State. The records of the Lands Department will show that it is not the big financial institutions who are unable to pay their rents—those institutions are not prepared to pay the 10 per cent. penalty for non-payment of rent—but the small men who have been hit very severely by the present depression. Those men cannot pay their rents and fulfil the conditions imposed upon them by the many Acts of Parliament. I have sympathy for the small man, but not for the big financial institutions, as they are able to provide accommodation and can be forced to do so under the present Act. This Bill is only directed against the smaller men. I hope the Minister will not carry the Bill beyond the second reading stage, as it will interfere with industry, and prevent men who are not in a position to fulfil the conditions under the Bill from selecting land. We know that the cost of improvements to-day is 100 per cent. more than it used to be. Where £1,000 was sufficient for improvements on a grazing farm ten years ago and would give you a good start, it will take double the amount to make the improvements which a man is required to make to-day. I appeal to the supporters of the Minister not to let the Bill go further than the second reading stage, but to allow it to stand over till next session, when conditions may be better and there may be more reason for bringing the Bill into effect.

Mr. POLLOCK (*Gregory*): I am surprised at the hon. member for Murilla showing such a regrettable ignorance in regard to the principle of the Bill. Even if he has received certain promptings from the secretary of the Pastoralists' Association, those promptings have evidently not been based on facts. The position regarding accommodation generally has been unsatisfactory for some years, particularly in the West of Queensland. There are many amendments required in the principal Act.

Mr. FLETCHER: Don't you think it is the administration of the present Act that is at fault?

Mr. POLLOCK: I hope the hon. member will keep quiet and allow me to deal with the matter in my own way. With regard to the provision of accommodation by small selectors, I agree with the hon. member for Murilla that no doubt these men are now suffering a certain amount of hardship; but during the war they were not suffering any hardship at all, nor were the big squatters suffering hardship. We have had [12 a.m.] abundant evidence of various large pastoral employers deliberately evading the Workers' Accommodation Act. I could quote dozens of instances, and the Government have never had power under the present Act to do more than impose a fine on any employer for not providing accommodation that would probably cost £1,000. The Bill should give magistrates power to impose such a fine as will compel these people to erect proper accommodation.

Mr. MORGAN: This Bill is not dealing with that question.

Mr. POLLOCK: It should be amended in such a way as will compel those who will not erect accommodation to comply with the provisions of the Act. There are two most glaring cases in my own constituency. One is at Ionkira, and the other at Chiltern Hills, which are owned by two brothers named Magoffin. These men, during the whole period of the war, made no effort to erect accommodation in compliance with the Act. The inspector of hut accommodation repeatedly served notices on them instructing them to erect accommodation. Both of these men should be in comfortable financial circumstances; they made a lot of money during the war out of those properties, and they had ample opportunities during the war to erect accommodation.

Mr. FLETCHER: Is one of them not a supporter of yours?

Mr. POLLOCK: It does not matter whether a man is a supporter of mine or not; if he does wrong, he is not deserving of consideration. These men could have secured the money, material, and men necessary to build this accommodation, but they have failed to do so. This year, when shearing was coming on, each of them wired to me and asked me to use my influence with the Minister for the purpose of securing them further exemption. I went to the department and asked what were the circumstances, as any hon. member would do. I found that, in spite of the serving of these notices, these men had no intention of erecting accommodation even this year. One of them, James Magoffin, had the shearers on the ground; they had the agreement signed up, and the men were prepared to go to work, and yet this man had the effrontery to wire me stating that, if this exemption was not granted, these men on the ground would not be able to go to work. That sort of thing occurs years after year.

Mr. MORGAN: This Bill does not give the Minister any more power to deal with men of that sort than the present Act.

Mr. POLLOCK: I am saying that it should give that power. It is obvious that, where the fine inflicted by the police magistrate on squatters failing to comply with the Act is only £5, and the improvements necessary to comply with the Act would run into probably £2,000 or £3,000, in many cases the employer would always pay the fine and get rid of the business that year rather than spend the £2,000 or £3,000 required to provide accom-

modation. He does that from year to year, and there is no possibility of compelling him to erect accommodation except by imposing a sufficiently large fine to make it not worth his while to dodge the provisions of the Act.

Mr. MORGAN: And yet you are not altering the Act in that direction.

Mr. POLLOCK: Those are my views on the question. Whether the Government see fit to alter it or not is another matter. I think it should be altered. The Bill does not propose to drive any small selector out of business, and it will not have the effect of driving any small selector out of business. It merely provides that the shearing contractor—who, as a rule, goes from one selector to another—must provide accommodation, if the owner does not.

Mr. MORGAN: It must be erected permanently on the place.

Mr. POLLOCK: If the hon. member knows anything about shearing, he knows that in sheep districts there is always a sufficient number of sheep in each district to warrant the erection of one central shearing depôt—I do not say a large depôt. Suppose there are half a dozen selectors together who are raising sheep, it is a comparatively easy matter for the shearing contractor or for a body of the owners to erect accommodation in a centrally situated place—not large accommodation, but accommodation sufficient to provide for three, four, or five shearers; and that would meet with the requirements of this Bill, and it would enable the sheep to be shorn and the men who are shearing them to live in comfort, whilst it would cost very little more than at present.

Mr. FLETCHER: That is a co-operative scheme?

Mr. POLLOCK: It could be a co-operative scheme whereby all the selectors who would benefit would either be entitled to erect accommodation at their joint expense, or else the shearing contractor could secure a lease of the shearing for a number of years and it would pay him to erect the accommodation, and he would merely have to add the small amount necessary to cover the difference in cost between providing tent accommodation, which he has to do now, and providing the accommodation that will be required under this Bill. I was for a long time organising for the Australian Workers' Union, and I know the difficulty we had in connection with these small shearing plants. The hon. member for Murilla says that these men who travel from one place to another are quite content to sleep in tents. In many places out West we find from fifteen to twenty shearers and a similar number of shed hands housed in tents—men who have long runs of shearing from one selection to another; and they are not small owners for whom these plants shear, because in many cases the owners for whom they shear have 20,000 or 30,000 sheep.

Mr. FLETCHER: They are isolated cases.

Mr. POLLOCK: They are not isolated cases. If the hon. member travels out West right from Charleville up to Cloncurry and north of Cloncurry, he will find that the majority of owners who have their shearing done by contractors who have travelling plants have at least from 10,000 to 20,000 or 25,000 head of sheep.

Mr. FLETCHER: If it applies to them, it is all right.

Mr. POLLOCK: A co-operative system such as I have suggested will obviate any hardship so far as the small owner is concerned.

Mr. FLETCHER: No.

Mr. POLLOCK: I maintain that it will, because I know most of the sheep districts in Queensland, and I do not know of one instance where that principle would not be applicable and would not work successfully.

Mr. FLETCHER: There are dozens of them.

Mr. MORGAN: There are any amount.

Mr. POLLOCK: Name them.

Mr. MORGAN: It might be difficult to name them just now.

Mr. POLLOCK: It is always most difficult for hon. members opposite to name them when their "bluff" is called.

Mr. MORGAN: What about the sheepman who happens to have cattlemen all round him, and no sheepman within a reasonable distance?

Mr. POLLOCK: There are not many such places in Queensland, and the hon. member cannot point to a single instance of that kind. In such a case as he mentions, the selector would be the owner of 10,000 or 15,000 sheep; he would not be the owner of only 2,000 sheep.

Mr. MORGAN: It would be a very small owner who only had 10,000 sheep.

Mr. POLLOCK: That is only a few weeks' work for a few shearers. It means accommodation for two men usually. On these places the procedure followed is that the men occupying the accommodation for the major portion of the year are put out and the shearers go into their accommodation. What would happen under this Bill? The owner would simply be compelled to make a small addition to a permanent place, and, when he had a superfluity of employees, the men working on the station would occupy those places. I know the hon. member is only raising a bogey, and he does not know sufficient about it to trip me up on that question. I know these men will not have any hardship inflicted on them under this Bill, and the Minister is empowered to grant exemption to any small owner who is too poor to build accommodation.

Mr. FLETCHER: I am sure they will.

Mr. POLLOCK: I agree with the hon. member for Murilla when he states that the cesspit is quite sufficient for all ordinary requirements out West. I understand the Minister has an amendment to move—to allow various owners to provide cesspits instead of the automatic closing lids. There is no doubt that cesspits in Northern and Western Queensland are a more hygienic arrangement than the other method. There is no doubt that shearers and shed hands who have been at the game for any length of time see that their cesspits are well disinfected and looked after in a proper way. I think the amendment which the Minister proposes to introduce will be a very wise one if it permits the cesspit to be continued. Out in my district there are places owned by small selectors which have on them residences for the owner, the cost of erection of which has run into £2,000 or £3,000; and those people have continually complained to the department that they have not been able to spend a couple of hundred pounds to

provide accommodation for the men they have working for them.

Mr. FLETCHER: Do you know any small owners who are living in tents?

Mr. POLLOCK: I do not know any small sheep-owners who are living in tents, except those who have just started out and have not had time to erect a homestead.

Mr. FLETCHER: Do you know of the existence of any bark humpies?

Mr. POLLOCK: If I did, it would not have any effect upon the principles that are contained in this Bill.

Mr. FLETCHER: You try to make out they are all wealthy men.

Mr. POLLOCK: I did not. I merely said I knew of many instances where men could afford to erect sumptuous accommodation for themselves, but said they were not able to provide accommodation for the men who were working there, even if it only meant providing for an odd boundary rider.

Regarding the question of lighting, there is no doubt amendment is needed. When the amendment of the Workers' Accommodation Act was passed through this Chamber in 1915 it was sent to the Upper House, where the president of the Pastoralists' Association—the Hon. A. H. Whittingham—moved an amendment to the effect that the employee should have to do his own lighting. In other words, he cut out the provision that the employer should provide lighting for his men. This has caused considerable inconvenience out West, and I am glad that, now that the Government have a majority of their nominees in the Upper House, this measure will be allowed to become law, and the employer will have to provide lighting as well as accommodation.

The principle contained in clause 6—that the employer shall post to the accommodation inspector, by registered post instead of by ordinary post, notice of his intention to shear—I think a very fine amendment. Previously a good many owners who knew they were required by the Act to forward notice to the inspector of their intention to shear failed to do so. Many of them, when they were pulled up by the inspector and asked why they had not given him any notification of their intention to shear, in order that an inspector could inspect the property beforehand, and ascertain if the accommodation was up to the mark, said they had written to him; and many of them produced duplicates of the letters they said they had sent. This amendment will prevent their doing that, because it will compel them to register the letters they send to the inspector, and they will not be able to say they had sent along a letter when they had not done so, and had no intention of doing so.

The hon. member for Murilla said there were many teams of shearers travelling with plants who were quite content to live in tents. I do not know any of them. If the hon. member has lived in any part of the West of Queensland in summer, he will know that tent accommodation is not all that can be desired. In winter a tent is not altogether a bad thing, but in summer or in wet weather it is absolutely unbearable in the Western part of Queensland. Many of the shearers who travel from year to year with plants make no complaints about tent accommodation, only because they are very fast shearers who have received a guarantee from an employer of shearing at six or eight sheds. It might mean to them a matter of £300 or £400 per year to retain that run of sheds, and, in order to retain it, they must not make any complaints about the accommodation, and they must not raise any objection to living in tents, because the contractor and the employer generally is able to weed out those who make complaints about accommodation, and get others to take their places. The quid pro quo is the run of sheds. Contract shearing has become such to-day that any man in the West who opens his mouth about the accommodation provided has not a chance of getting a decent run of shearing, and once he is on the black books of a shearing contractor that is the end of him as a shearer in the West of Queensland. That black list extends right into New South Wales; so that, when the hon. member says men are content to live in tents, he forgets the circumstances.

Mr. MORGAN: I have consulted a lot of them in the Surat district, where they shear by contract.

Mr. POLLOCK: Those men are only "cockies"; they are only small men; they do not comprise the big shearing areas in Queensland. There is only an odd selector here and there in the Surat district.

Mr. MORGAN: That is what this Bill is going to hurt—the small "cocky," as you call him.

Mr. POLLOCK: It will not hurt the small "cocky," as I have already indicated. The hon. member's concern for the big pastoral associations surely is not going to warp his judgment with regard to the general question, when I have pointed out to him how it is possible for any small holder to avoid any hardship under this Bill.

Mr. MORGAN: It is the small owner I am appealing for.

Mr. POLLOCK: The hon. member knows that in my electorate a large number of the small men are ex-shearers, who always vote Labour, and most of them shear their own sheep.

Mr. MORGAN: I said that.

Mr. POLLOCK: If the hon. member is looking to that as a reason why I should show consideration for those men, he is probably right. One always does show consideration to his supporters. Every hon. member in this Chamber does it. But I do not intend in any way to allow my consideration for my supporters to warp my judgment with regard to what they ought to do in providing decent accommodation for the men they employ. They will not expect me to do it if they are fair-minded men. Whether they expect it or not, the fact remains that this Bill will not inflict a great deal of hardship on them, and they will be able to comply with the Act in a very easy manner with very little additional expense.

There is only one other matter with which I want to deal, and that is the question of providing accommodation for men in the bigger sheds, where the serving of meals is permitted. Under the original Act no man was to be housed in any part of the quarters provided for the men where meals were served. The employer got around that by housing his cooks, in many cases, in the same place as he stored his potatoes, onions, and general provisions.

The Bill provides that the employer shall not house any of his men—even cooks, offsiders, or slushers—in the place where food is stored. That is a wise provision at the present time particularly, because it is obvious that goods coming up from the coast may contain rats, and there would be danger of men sleeping near it contracting plague.

The Bill has not been introduced before it was required, and the only complaint I have to make is that there is no provision to make the fine imposed on defaulting employers so large as to cause them to discontinue evasion.

Mr. FLETCHER (*Port Curtis*): The introduction of this Bill is very shortsighted, for two main reasons—one, that we are facing financial depression which is being most severely felt in the country where the sheep are shorn: and the other, that it will most adversely affect the small man. I do not see that it is going to affect the grazier in any way, because the old Act provided that he shall find accommodation; and if he is not doing so there is something wrong with the administration or the penalties are not heavy enough. It is quite right that on big stations where shearing goes on for some considerable time there should be good accommodation: but to-day many big runs are being split up, and many small men are starting. It is impossible for those men to make a success of their ventures if they are to be encumbered with all sorts of unnecessary costs; and I say unhesitatingly that a great number of the requirements of this Bill—such as building accommodation for shearers in places where portable plants shear—are absolutely unnecessary. It is no hardship for a man to live in a tent in the country for short periods. The hon. member for Gregory said the reason for the amendment was the heat of the West. That is one reason why we should not need building accommodation out there. There is no reason why in such a climate a man should not live in a tent with the sides up, or even out in the open. I have lived in a tent for considerable periods at a stretch, and have suffered no harm. It would be all very well to have building accommodation if men were permanently employed: but where they are only working for, perhaps, a week in the year, why should you impose on the small, struggling selector, with 5,000 sheep or considerably less, the necessity of providing building accommodation?

Mr. POLLOCK: Most of the small, struggling selectors with 5,000 sheep or less shear them themselves.

Mr. FLETCHER: The hon. member knows that the men who are going to settle on these areas are men without much money. They have to battle through, and when they are building up their flocks they cannot possibly afford these unnecessary expenses. When I was out West there was any number of them with about 400 sheep who were, by degrees, gradually increasing their flocks.

Mr. POLLOCK: They shear them themselves.

Mr. FLETCHER: No; it depends on how they are situated. If they are near a shed, they travel them along the road to it; but, if a man takes up a place a considerable distance from a railway, where there is no established plant, he cannot drive his sheep for two or three weeks, whereas he can get a portable plant to shear them in two or three days of a week.

Mr. POLLOCK: You do not know too much about it.

Mr. FLETCHER: I know too much about it for the hon. member. His arguments are unsound and impracticable. He said that an engagement could be made with a shearing contractor for a period of years, under which the latter would find the accommodation. From my business experience, I know that such a thing is absolutely impossible. It may be practicable in isolated instances.

Mr. POLLOCK: Where you could not arrange it, it would be no hardship, because the employer could erect his own buildings.

Mr. FLETCHER: The employer could not do that if he had no money, and this provision is going to stop young men without much capital from going on the land. The means by which we are going to settle this country is by starting small men on the land. I have heard the hon. member for Gregory speak two or three times in this House, and each time—unwittingly, perhaps—against the small man. He apparently does not want to see the big areas cut up, but that is the solution of our problem. Nevertheless, he comes along and puts obstacles in the way of accomplishing it. I do not think any employees should be required to live in poor surroundings and in an unhealthy atmosphere. Far from it; but the hon. member knows that out in those wide stretches it is no hardship for a man to live in a tent where the flaps can be put up.

If the graziers have not been observing the old Act, the inspectors should do their duty better; or, if they are doing it and the graziers prefer to pay a fine of £5 to observing the Act, then, as the hon. member says, the penalty should be increased. I am perfectly sure that this Bill is absolutely unnecessary. The hon. member for Murilla covered the ground very well, and I agree with practically all he said. I hope the Minister will realise that we are not advancing these arguments for the purpose of obstruction, but because we feel that the Bill will hit the very small man. The smaller the man, the harder it is going to hit him. After many years, when we have closer settlement, we may have the co-operative sheds spoken of by the hon. member for Gregory and that sort of thing: but to-day there are small areas far away from railways which small men will take up if they have the chance; and I hope the Minister will reconsider the matter and withdraw the Bill till more mature consideration has been given to it.

Mr. BULCOCK (*Barcoo*): It is rather interesting to hear the hon. member for Port Curtis eulogising the conditions under which shearers and shed hands are compelled to work. A man who lives amidst very comfortable surroundings may very easily say that the individual who does not is adequately provided for. The hon. member says that shearing may last only a week or perhaps a couple of weeks—I have known it to last but a few days—and that the men are required to live in tents for that period only; but he overlooks the fact that it is the invariable custom for men employed by a portable plant to proceed with it, and consequently they are confined to canvas during practically the whole of their work for the season. There is also a much greater objection to the use of tents than the objection based on the heat, for shearing takes place practically all the year round, including the rainy season, and even the rainy season has been very variable during the last

few years. We have had rain in the winter and in the middle of summer, and during the last two or three years it has been impossible to gauge what is the rainy season in the Central West. A camp is generally pitched in such a place as to [12.30 p.m.] harbour moisture, and you see men confined to tents during a period of torrential downfalls such as we get. They are unable to follow their work as shearers on account of the wool being wet, and they are obliged to bog about in the mud and rain. They have very frequently to cross over from the tent to the galley in pouring rain, and they get covered in mud.

Mr. WARREN: What about the railway construction workers?

Mr. BULCOCK: The hon. member for Port Curtis suggests that the amending Bill will mean the wiping out of portable plants. I unhesitatingly stand for the abolition of the portable plants, because I consider the system has been in operation too long, and the clause that gives the employer power to utilise a portable plant has been sadly and gravely abused by him. A tent is not a desirable habitat for shearers and shed hands during the currency of the shearing season. A tent does not provide the conditions that a man is entitled to claim. Whilst he is earning his livelihood he is entitled to proper shelter and proper cover, and to work under proper conditions, and he should at least receive the help of the State if the employers will not erect the necessary accommodation. The hon. member for Port Curtis indicated that it would crush the small man. My experience in my own electorate is that many small men are voluntarily building their own plant, because they regard it as the cheapest proposition in the long run. Hardheaded men who know the business from A to Z frequently say that it is better to erect their own plant than be dependent on a portable plant and a canvas town during their shearing operations.

Mr. MORGAN: It is all a matter of whether you can afford to do it or not.

Mr. BULCOCK: The average man can do it. I am coming now to the man who cannot do it. He can always put his sheep on the road and take them to the local scour and shear them there. Proper accommodation is provided at all the scours. In my electorate there are three scours to which shearing plants are attached, and they work spasmodically throughout the whole year. These individuals who cannot afford to build their plants and supply the accommodation for their workers can put their sheep on the road, and may have the services of an efficient team of shearers and shed hands at the local scour. Many men overcome the difficulty in that way. Many men who can afford it have erected permanent shearing plants.

Mr. MORGAN: During a dry season, when there is no grass or water, it would be pretty severe.

Mr. BULCOCK: Under exceptional circumstances, I make bold to say, no hardship would be inflicted on the individual who owned the sheep. I have seen plants of two or three stands rigged on water-holes under exceptional circumstances. I think we are broadminded enough to say that under those circumstances none of us desire to see men's assets die by the water-hole without the wool being peeled off. Those are exceptional circumstances that would receive sympathy from the Minister. The existing system of the portable plant, with all its evils, its lack of sanitation, its uncleanliness, and the way food is subjected to the clouds of dust that blow off the plains and cover the tables, and its unwholesomeness, under normal circumstances could be wiped out. I am very glad that the Minister has introduced this Bill.

Mr. MORGAN: You want to wipe out the portable plant altogether.

Mr. BULCOCK: I confess that under normal circumstances and in normal seasons, where accommodation should be provided, portable plants should be a thing of the past. It would be interesting to cast our minds back to the time when the original Act was passed, and try to ascertain the object of allowing the portable plant. I take it that one reason why the portable plant was allowed under the Act was the fact that building materials and the cost of construction were very high——

Mr. MORGAN: Not as high as at the present moment.

Mr. BULCOCK: And that it was impossible to secure material. I know exemptions have been granted time and again to individuals because they have not been able to secure the necessary material to build the plant. I know individuals have frequently said, "We will build when we can get the materials necessary for the accommodation." But they can get the material necessary for the accommodation to-day. That is one reason why it is necessary that this Bill should be gone on with. Under the old Act there was no provision made for the kitchen and the dimensions of the kitchen, and the only jurisdiction the inspector could exercise was to insist that the flooring was of a proper nature. I have seen with smaller plants the cook camped either in the kitchen or in a little lean-to, or in an attached hut just outside the kitchen. I am very glad that the practice of allowing the cook to camp in the vicinity of foodstuffs is to be abandoned. I do not think it is for the health of the cook that he should be confined practically to his own kitchen. In the past, certain holdings have abused the privileges and powers conferred on them, which were merely a concession for the time being. I have in mind a case where the inspector has been obliged to visit a certain plant. It is on the boundary of my electorate and the electorate of the hon. member for Mitchell. The inspector has been obliged to visit that place times out of number. He finally had no alternative but to prosecute, and he secured a conviction. I feel that the amount of the fine was not sufficient. I have in mind another plant in my electorate where the accommodation inspector was obliged to make many visits. I would like, for the edification of this House, to describe that plant. The kitchen really consisted of a lean-to shed, thatched with dry gum leaves, and in that the men were obliged to eat their meals. I had a meal there once, and though there was just a moderate wind blowing, the leaves were dropping down from the thatch on to the food all the time. That is not an isolated case. The tents in the majority of cases were covered over with boughs, and there were no sanitary arrangements whatever. If any individual can say that these are fit and proper conditions to ask any body of men to work under, then that individual is lost to all sense of decency.

It is the attitude adopted by a certain class of small portable plant contractors that has made it absolutely imperative to put this measure on the statute-book with the least possible delay. The abuse of the travelling plant is noted throughout the West. There are certain individuals who use travelling plants and who make them as comfortable as they can; but the whole nature of the travelling plant, with its calico town, indifferent sanitation, indifferent means of preparing food, and the absence of shelter for the food from the flies which are so numerous on the Western plains in the summer, make it necessary that a man's health should be safeguarded and that he should be given ordinary living conditions. That is all that is asked for in this Bill. I think that the abolition of the portable plant will meet with the approval of all fair-minded individuals. The small selector is building his own plant now, and he will welcome the abolition of the portable plant. Everybody recognises that the portable plant is only maintained on sufferance in the Western country; and it is slowly disappearing and will soon be displaced. It is impossible to exist in the tents attached to a portable plant under certain conditions. No doubt, the portable plant fulfils a long-felt want, but it is interesting to recall the opposition to decent accommodation that has always come from hon. members opposite. It is interesting to hear the remarks coming from hon. members opposite when we are dealing with a proposal to provide better conditions for the men performing their tasks in the bush far removed from the niceties of civilisation. I think that it is only right to give these men everything it is possible to give them to make up for the conditions they have to contend with in the West. When a man is transferred from the city to a country town he thinks he has to suffer a hardship; but how much worse is it for the man who has to go into the bush? The city man has the best of conditions, with good shelter and food properly cooked, and he is properly cared for, and we should do as much as we can for the man who has to work in the bush. The shearer and shedhand is entitled to the same consideration as any other class of employee. The conditions attached to portable plants are harsh, and it is time they were wiped out. I am very glad that this Bill has been brought forward, as it will give the shearers and shedhands a measure of decency to which they are undoubtedly entitled in the pursuit of their avocation.

Mr. PAYNE (*Mitchell*): I listened to the speeches of the hon. member for Murilla and the hon. member for Port Curtis, and I think that the policy they advocate is penny wise and pound foolish. I am one of those who know the pastoral industry from A to Z. I would not care to inflict any hardship on those engaged in that industry, although, personally, I would sooner favour the small, struggling man on the land. During the last few years throughout the breadth and length of Central Queensland we have had epidemics breaking out at the different sheds. We have had typhoid fever at several centres, and, when these epidemics take place, it costs the sheepowner three times more than it would have cost originally to have his sheep shorn. Without wishing to harass anyone carrying on the pastoral industry to-day, I think that these are matters which require attention at the present time.

Mr. MORGAN: Do you say that a tent is more unhealthy than a bark hut or an accommodation hut?

Mr. PAYNE: I am not saying that a tent is unhealthy at all, but I do say that a tent is very inconvenient in wet weather. I do not want to repeat all that has been said on this question, but we know that, unless there is a bough shed erected over the tent, then the tent is a very uncomfortable place to be in on Saturday afternoons and Sundays in summer. If you pitch the tent in the shade of a tree, there is a certain amount of comfort in it; but on the black soil plains in the West, especially in the wet weather, a tent is a miserable place to live in. There is another aspect of the question which is overlooked, and I can speak of it because it happened to me. During the shearing season cyclones and big blows often occur in the West, and the tents are blown to the ground and a man might have nothing dry to put on.

Mr. MORGAN: The buildings are blown down, too.

Mr. PAYNE: I do not want to harass anyone engaged in the pastoral industry. I quite recognise that it is a big industry, and that it contributes between 50 per cent. and 60 per cent. towards the consolidated revenue; but, when I see those engaged in the pastoral industry putting up great big iron buildings to protect their wool, surely to God they can put up iron buildings to protect the men who take the wool off the sheep's back. Years and years ago when I was shearing I saw numbers of men living in tents, and the tents were blown away, and the men had to pick up their blankets and rush to the wool room for shelter. If the hon. member for Murilla goes into the matter very carefully, he will find that he is adopting a penny wise and pound foolish policy. Something will have to be done to prevent epidemics in these Western places. I do not know if the shearers who come from the South bring these epidemics with them.

Mr. MORGAN: They are too confined. They should live more in the open.

Mr. PAYNE: Wherever the epidemics come from, we know that typhoid fever breaks out in places, and the shearers object to work there. At Kynuna Station seven or eight men died from typhoid fever, and it was a long time before they could get their shearing done there.

Mr. MORGAN: The huts still retain the disease.

Mr. PAYNE: It is better for the sheepowner to see that he has proper sanitary conditions when he asks men to take the wool off the sheep's back. I understand the Minister is moving an amendment on clause 3 in reference to cesspits. It would be ridiculous to insist on the pan system in every case, but where there are big bodies of men engaged—in some cases there are 100 to 200 men engaged in shearing—even if it only takes five or six weeks, the greatest attention should be paid to the sanitary accommodation.

Mr. MORGAN: You are talking of the big stations.

Mr. PAYNE: I think that is a matter that could be left to the inspectors. They should have the right to say what accommodation shall be provided at the different places. I was all over the Murilla electorate long before the hon. member came to Queensland,

and I do not know that this Bill is going to affect the pastoral industry very much. I have an objection to the travelling plants myself, because they will only engage the fastest men. They get a run right through the season, and visit a dozen or eighteen sheds. There are a number of married men who are good workmen and good shearers, but they do not get work because they do not happen to be "ringers." Quite a number of fast shearers come from the other States and get a run with these plants, while married men with families, who do not happen to be quite as fast, are deprived of work. I believe that a big majority of the men growing wool to-day are opposed to shearing plants. The more sheep the shearers on these plants can shear the better it is for the contractor; but the owners of the sheep say that the contract system knocks their sheep about very much more than if they shear them themselves. Some of the managers of the biggest pastoral holdings out West have told me that. These contractors go along to the stations where there is permanent accommodation provided in accordance with the Act.

Mr. MORGAN: This Bill will not affect them.

Mr. PAYNE: I know it will not. The hon. member has not travelled around the State like I have. I have been through the Mitchell and Barcoo electorates, which are the largest wool-growing districts in Queensland, and the best country in Australia for growing wool. I do not know whether the hon. member for Murilla has been there and seen the conditions on a hot summer day, when the drain from the galley and the condition of the earth closets are very objectionable.

Mr. MORGAN: That is a reflection on your inspectors.

Mr. PAYNE: I am not reflecting on anyone, but I am stating the position. It is in the best interests of the pastoral industry that this Bill should pass, so that the owners of sheep will not be placed in the awkward position of finding it difficult to get shearers through epidemics breaking out.

Mr. VOWLES (*Dalby*): It appears to me that the arguments of hon. members opposite apply to long-established sheds in settled districts. Those owners should comply with the Act, and, if they have not done so, it is the fault of the inspectors; but we are dealing with small men under this Bill. If we prevent small men from carrying on as they have done in the past, and require them to erect buildings in accordance with the provisions of this Bill, we shall be doing an injustice to the small selector, and probably retard progress and development in the State. What will be the result if we compel a man who is starting with sheep to put up the necessary expensive buildings?

Mr. POLLOCK: You always give him exemption until he can afford it.

Mr. VOWLES: That is a discretionary power on the part of the Minister.

Mr. POLLOCK: Yes, and it is abused by giving too much exemption.

Mr. VOWLES: I do not know that it is. To a very great extent cattle are replacing sheep in Queensland, and, as a result, the country is depreciating. If you are going to run sheep, you must have your country free from pests; it does not apply so much so far as cattle are concerned. Dingoes are a great danger, and, if we are going to put unnecessary restrictions on people who are prepared to continue sheep-raising, we shall perpetuate those pests. I think we should offer every inducement instead of putting unnecessary restrictions on settlers. The hon. member for Gregory said that it is quite easy for a man to provide a galley and have the necessary buildings.

Mr. POLLOCK: In places.

Mr. VOWLES: That does not apply in my own district, which is fairly settled. On Jimbour there are very small blocks with from 500 to 1,000 sheep.

Mr. POLLOCK: They shear them themselves.

Mr. VOWLES: They do not shear them themselves; they create employment for others where they can. The hon. member said, by way of interjection, that this Bill was going to create employment, but is it a solution of unemployment to compel persons with limited means, when the cost of material is so high, to comply with the conditions under the Bill, to do which they will probably have to borrow money? Things are different now to what they were a few years ago, when the principal Act came into operation. We are going to inflict a great hardship on some individuals now when money is so tight. A man may have plenty of assets, but may not be able to get the necessary credit to put up the accommodation required. What position is he going to be in if he cannot co-operate with his neighbours to put up some buildings jointly in order to carry out the provisions of the Bill? I admit that there should be housing restrictions, but the Government themselves do not carry out the Act in its proper spirit. One has only to go round a railway construction camp to find that the Government, so far as their employees are concerned, are placed in a better position than the ordinary employer. The Railway Commissioner breaks the Act every day.

Hon. W. FORGAN SMITH: The Government service is all covered by Arbitration Court awards.

Mr. VOWLES: I know it is covered by Arbitration Court awards, and a great many of the amendments dealt with in the Bill are also covered by Arbitration Court awards. Why should we interfere with matters already determined by the Arbitration Court? In regard to sanitation, I know that it is almost impossible to get men to do the necessary work in connection with closets.

Hon. W. FORGAN SMITH: That will be dealt with by an amendment I am circulating. As a matter of fact, it was in the Bill originally, but certain words were deleted.

Mr. VOWLES: There are sheds close to Dalby which have all the up-to-date conveniences, but some of the men will not take advantage of the privileges there. Expensive shower-baths and other appointments are provided, but the shearers will not take the trouble to use them.

Mr. SWAYNE (*Mirani*): I recognise that it is only fit and proper that every man, after doing a hard day's work, should have suitable sleeping accommodation. Going back over the history of this legislation, I think the initiative lay with a [2 p.m.] gentleman who was once leader of the Liberal party, the Hon. W. Kidston. I think he passed the first Act dealing with the matter under the title of "The Shearers' and Sugar Workers' Accom-

modation Act"; so that hon. gentlemen on the other side cannot claim the whole credit for legislation of this kind. The question for us to consider just now is whether at the present juncture, with unemployment so rife, it is wise to pass any legislation that is calculated further to hamper the employer in his enterprise; and it seems to me this legislation is going to be particularly hard upon the small man. So far as I can see, this amending Bill will apply to the sugar industry as well as to the pastoral industry. The ostensible object of the Bill is to make it apply to portable shearing plants; and I think I am right in saying that the duration of the occupancy of these buildings, if built, would be at the most one month—I doubt if the occupation would average a month. That means that for eleven months in the year a considerable amount of capital expended in erecting these buildings would be lying idle, and, when I point out that, according to the Act, every man has to be provided with 480 cubic feet of air space, as it is only a small plant that will not require a staff of fifteen men, it will mean that for sleeping accommodation alone 7,200 feet of air space must be provided, and most likely 8,000 cubic feet of air space. In addition to that, there will have to be cooking and dining accommodation, and it will be recognised that, with the present high prices of material, many of these buildings will cost from £400 to £500 for timber alone. Then we all know how very expensive iron is at the present time, so that a very large sum of money will be required to provide the necessary accommodation. It will probably mean, too, owing to the fact that these buildings will be empty so long, they will become musty, and will be more unhealthy than tents. While on the subject of tents, I might say that for a considerable part of my life I lived in tents, and found no ill-effects arise from it. In fact, if a tent is properly erected on a proper site, it is quite equal to a building. I would like to ask hon. gentlemen opposite how they reconcile their objection to living in tents for a short time with their action in compelling the workers on railway construction works to live in tents? I know of a cutting that took over two years to complete, and during those two years the workers on that job were compelled to live in tents. If tents are so objectionable, is it not necessary that some amendment should be inserted in the Bill to compel the Government to provide proper accommodation for their employees on railway construction works, especially as we are always told that the State should be a model employer? It is one of the faults of our present electoral system that a large and important section of the community—a section upon whose enterprise and initiative a great deal depends, that is, sheep owners—has no direct representation in the legislature to-day so far as this House is concerned. That illustrates the point which has been raised in discussing this measure, that everybody who is affected should have an opportunity of being heard, yet we have nobody to speak on behalf of that section of the community. Hon. members who represent the electorates where these people are engaged only represent one class, and it seems hardly a fair thing that we should legislate in connection with a large industry after hearing only one side of the case. While all hon. members opposite probably have not yet reached the stage when they think every employer is an outlaw, to hear some of them speak one would think that everybody who did employ labour was a public enemy. This Bill is an insidious step towards making the position of every private employer impossible. Then, when they are legislated out of existence, the State remains as the only employer. We know that the class that is particularly affected by this legislation is the most enterprising amongst the workers themselves—men who are possessed with sufficient initiative to strike out for themselves, and to take a more prominent part in the development of our natural resources than they have in the past. They have had sufficient pluck to start on their own account, and have placed themselves in the position of being able to provide work for others. If there is one class more than another that should be encouraged at the present time, it is that particular class. We have been told that this Bill is to apply only to contractors with portable shearing plants, but I am not quite sure that it does not apply also to the sugar industry. The Minister, in reply to an interjection, when moving the second reading, told me that it would not apply to the sugar industry, but we find that it contains a clause with reference to lighting. The Act now provides that sufficient light must be provided, but I notice the Bill says, "including artificial illumination." Does that mean that some lighting plant or gas-making plant has to be provided in every instance? Furthermore, the awards of the Industrial Arbitration Court apply to the two industries concerned, and the Arbitration Court has power to make provision in regard to providing sufficient light for the employees. Would it not be as well to leave it in their hands? In regard to sanitary appliances, I can speak quite disinterestedly, because the amendment will not affect my electorate, as there they have brought themselves fairly up to date in such matters. Still, under the Act a certain amount of discretion is left to the Minister.

Hon. W. FORGAN SMITH: It will be still.

Mr. SWAYNE: I quite understand that, as a permanent institution, the provision contained in the Bill is desirable. But what about the young man who is starting cane-growing and does not possess very much capital? Will he have to provide costly sanitary appliances at the time the farm is being laid out, as those appliances are necessary only when there is a large number of people at work on the place? Why not leave it to the discretion of the Minister to order it when he thinks fit?

Hon. W. FORGAN SMITH: I have already told you several times that there is an amendment drafted dealing with the matter you refer to.

Mr. SWAYNE: I am very pleased to hear that such is the case. If it is so necessary that permanent accommodation should be provided for all employees, what about railway construction workers?

Hon. W. FORGAN SMITH: They are provided for under Arbitration Court awards.

Mr. SWAYNE: Why not leave other employees to be provided for by the Arbitration Court?

Hon. W. FORGAN SMITH: There is no analogy between the two. Railway construction is a temporary thing, but this is a permanent industry.

Mr. SWAYNE: So is the portable shearing plant. It seems as though the hon. gentleman cannot trust the Arbitration Court. If the interests of one set of employees are safe in the hands of the Arbitration Court, would it not meet the purpose to leave other industries also in the hands of the Arbitration Court? This is not the time to put any greater load on employers, more especially in the direction of legislation tending to penalise the budding employer who is just commencing to give work to others. He should be given every encouragement. Should we not do everything we can to assist in dealing with the difficult problem of unemployment, instead of bringing along measures of this kind penalising the most enterprising class in our community?

Mr. BEBBINGTON (*Drayton*): Mr. Speaker——

HON. W. FORGAN SMITH (*Mackay*): I move—

"That the question be now put."

Mr. BEBBINGTON: Government by "gag."

Question—That the question be now put (*Mr. Smith's motion*)—put; and the House divided:—

AYES, 35.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
,, Dash	,, Riordan
,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. Pease and Mr. Riordan.

NOES, 25.

Mr. Appel	Mr. Kerr
,, Bebbington	,, Logan
,, Bell	,, Maxwell
,, Brand	,, Moore
,, Cattermull	,, Nott
,, Clayton	,, Petrie
,, Corser	,, Roberts, T. R.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Warren
,, Jones	

Tellers: Mr. Brand and Mr. Kerr.

Resolved in the affirmative.

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

AYES, 36.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
,, Dash	,, Riordan
,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. W. Cooper and Mr. Forde.

NOES, 25.

Mr. Appel	Mr. Kerr
,, Bebbington	,, Logan
,, Bell	,, Maxwell
,, Brand	,, Mooro
,, Cattermull	,, Nott
,, Clayton	,, Petrie
,, Corser	,, Roberts, T. R.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Warren
,, Jones	

Tellers: Mr. Clayton and Mr. Logan.

Resolved in the affirmative.

COMMITTEE.

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

Clause 1 put and passed.

Clause 2—"*Amendment of section 3—portable shearing plant*"—

Mr. MORGAN (*Murilla*): Hon. members on the Opposition side did not believe in the repeal of the words "portable shearing plant." It was an inopportune time to make the alteration, and great injury was likely to be done, more especially to the small man. He listened very attentively to the speech made by the hon. member for Mitchell. The hon. member dealt with the need of the erection of suitable accommodation on big stations.

The CHAIRMAN: Order! Will the hon. member deal with the clause?

Mr. MORGAN: It concerned the clause they were dealing with. The hon. member referred to places where 200 men were engaged. He did not know one station in Australia where there were 200 shearers employed.

The SECRETARY FOR PUBLIC LANDS: In my electorate there are places with 300.

Mr. MORGAN: Were there 300 shearers on one board? He knew that about sixty shearers were the most on one board. The hon. member for Gregory also referred to certain matters regarding large stations, but they only showed bad administration on the part of the Government. The Bill did not give them any more power than they had at the present moment. It gave them power only practically to wipe out portable shearing plants. It did not impose any penalty on the man who refused to put up accommodation on a large property. It merely showed that the Government, owing to the fact that they had discovered that the shearers employed by contractors with portable plants were not under the control of the union——

Hon. W. FORGAN SMITH: Are you moving an amendment?

Mr. MORGAN: No. He was going to vote against the clause.

Mr. BEBBINGTON (*Drayton*): It was very undesirable that they should put any further burdens on anyone who had taken up land, or make it more difficult for people to take up land. It was quite evident that the aim of the Bill was to abolish small travelling plants and concentrate shearing in very large sheds. Under the present conditions of unemployment, the Bill was undesirable.

Mr. POLLOCK: How is that going to affect the question of employment?

Mr. BEBBINGTON: It would affect the question of employment, because the small man would not be able to stand the expenditure that the Bill necessitated. At the present time, they should foster all the [2.30 p.m.] employment that they could. It was not only a matter of insisting on the erection of buildings to provide the accommodation required, thereby preventing men from getting employment and probably deterring men from taking up land. The Bill was practically one to prevent employment.

Question—That clause 2 stand part of the Bill—put; and the Committee divided:—

AYES, 35.

Mr. Barber	Mr. Hartley
,, Bertram	,, Huxham
,, Brennan	,, Land
,, Bulcock	,, Larcombe
,, Collins	,, Mullan
,, Conroy	,, Payne
,, Cooper, F. A.	,, Pease
,, Cooper, W.	,, Pollock
,, Coyne	,, Riordan
,, Dash	,, Ryan
,, Dunstan	,, Smith
,, Ferricks	,, Stopford
,, Fihelly	,, Theodore
,, Foley	,, Weir
,, Forde	,, Wellington
,, Gilday	,, Wilson
,, Gillies	,, Winstanley
,, Gledson	

Tellers: Mr. Gledson and Mr. Hartley.

NOES, 28.

Mr. Appel	Mr. Kerr
,, Barnes, W. H.	,, Logan
,, Bebbington	,, Maxwell
,, Bell	,, Moore
,, Brand	,, Morgan
,, Cattermull	,, Nott
,, Clayton	,, Petrie
,, Corser	,, Roberts, T. R.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Walker
,, Jones	,, Warren

Tellers: Mr. Kerr and Mr. Maxwell.

Resolved in the affirmative.

Clause 3—"*Amendment of section* 6"—

HON. W. FORGAN SMITH (*Mackay*) moved the insertion, after line 5, page 2, of the following words:—

> "and the following words are inserted in lieu thereof:—'Under special circumstances, and with the sanction of the Minister, cesspits may be provided instead of earth-closets, and such cesspits, which shall be not less than eight feet in depth, shall be made fly-proof and shall be constructed as required by the inspector. All seats shall be provided with automatic closing lids."

Mr. MORGAN (*Murilla*): He agreed with a certain portion of the amendment dealing with cesspits, but he thought the last line should be deleted. He was not looking at it from the point of view of expenditure. It might be all right in large centres of population where houses were not far apart.

Hon. W. FORGAN SMITH: The Act applies to places with fairly large populations. It applies in the sugar districts.

Mr. MORGAN: The country was not taken into consideration when Bills were introduced. In and around Brisbane, where there was a large population, the amendment might be necessary; but in the bush, when the door was closed down probably for eleven months in the year, it was a breeding ground for spiders and all sorts of other insects. If the place was exposed to sunshine and a pure atmosphere, a lot of those pests would not exist. The mere fact of the door being closed down encouraged the breeding of insects that were injurious to shearers and other men using those places. He certainly thought the latter part of the clause should not apply to the bush. The inspector should have discretionary powers in the matter. Experience had shown that these places were dirty and harboured vermin and other kinds of pests. He hoped the Minister would give him an assurance that the clause would not be enforced in country districts.

HON. W. FORGAN SMITH (*Mackay*): There was not much in the contention of the hon. member. The object of the amendment was to provide for cases where proper sanitary services could not be carried on. It was laid down by the health authorities that a certain sanitary system should be established; but it was pointed out that in a large number of remote places in the State the pan service could not be adequately carried out. The old system so much admired by hon. members opposite was anything but satisfactory, and gave rise to serious objections on sanitary grounds. Consequently, after consultation with the health authorities, the amendment was drafted to provide for cesspits in certain places, but in a way in which they would not be objectionable from a health point of view.

Mr. PETRIE (*Toombul*): There was something in the contention of the hon. member for Murilla, because the automatic closing lids were always getting out of order. He thought an ordinary hinged lid would do as well.

Hon. W. FORGAN SMITH: The design provides for an ordinary hinged lid.

Mr. PETRIE: Seeing that the Government provided for automatic lids, it was a wonder they did not insist that toilet paper should be provided. They might as well make other things automatic as well as lids, and that would save a lot of trouble.

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

Mr. MORGAN (*Murilla*) moved the omission, on lines 6, 7, and 8, of the following words:—

> "In paragraph (xii.) of the said subsection two, after the word 'light,' the words 'including artificial illumination' are inserted."

There was an award of the Arbitration Court in existence which provided for artificial lighting, and it was not right to pass any legislation to interfere with that. The representatives were at the Arbitration Court when that award was given, and the judge heard evidence from both sides before he gave his decision. It was not right to deal with the matter in the Bill, seeing it was already included in the award.

HON. W. FORGAN SMITH (*Mackay*): He did not propose to accept the amendment. Those who were in the House in 1915 would remember that the provision which the amendment sought to delete was in the Bill when introduced into the Assembly; but when it went to another place, the Hon. A. H. Whittingham, the president of the Pastoralists'

Association, moved an amendment deleting that provision, and it had to be agreed to in order to save the main principles of the Bill.

Mr. POLLOCK: It is only provided for now in two awards.

HON. W. FORGAN SMITH: They had to provide for artificial lighting for the station hands in one award. If the hon. member looked at the principal Act, he would see that the section was rather vague. It read—

> "Each sleeping, kitchen, and dining room shall be supplied with sufficient light and ventilation."

It might be argued that, if sufficient windows were provided, it would meet the requirements of that section. That was the interpretation sometimes put upon it. The hon. member forgot that other workers besides station hands had to be provided for. The Bill also made provision for sugar workers and workers in the various industries defined in the principal Act.

Mr. SWAYNE (*Mirani*) asked if it would interfere with the use of kerosene lamps?

Mr. BRENNAN: No.

Mr. SWAYNE: Would kerosene lamps be accepted as artificial lights under this Bill?

HON. W. FORGAN SMITH: The clause provided for making the supply of artificial light compulsory. Some sugar-mills were equipped with electric light, and also some shearing sheds; but where that was not available an illuminant such as kerosene could be used.

Amendment (*Mr. Morgan's*) negatived.

Mr. MORGAN (*Murilla*): The Minister proposed to repeal the following words in section 6, paragraph (xv.):—

> "Baths and an adequate supply of water shall be supplied, except where the inspector certifies that there is not a sufficient supply."

If they repealed the words "except where the inspector certified that there is not a sufficient supply" it would mean in many instances that water would have to be carted a considerable distance at great expense in order to provide baths. That was going to impose a serious hardship on small holders in times of drought. The Government were doing all they could to interfere with the men on the land who were right up against it, and it would come very hard when there was a drought on. When everybody was suffering from a shortage of water, that clause would compel the landowner to cart water for a long distance in order to provide baths for the men and for general purposes. In certain localities during drought periods, many people had to go long distances for water, and had to be very sparing with it. A man might be shearing under adverse conditions in a time of drought, and might not have a bore on his selection, and, his sheep being in too poor a condition to be travelled on the road for water, he might have to go miles and miles to fetch water in order to fulfil the conditions.

Mr. BRENNAN: Don't draw the long bow.

Mr. MORGAN: He was not drawing the long bow. He had known men who had had to go 15 or 20 miles to get water for domestic purposes.

Mr. GLEDSON: You do not want the men to have go miles for drinking water?

Mr. MORGAN: No. There were hundreds of workers who could not enjoy the pleasure of having a bath every day. He hoped that the Minister would not insist upon the subclause, as it was going to do harm. During a drought period it would be a serious hardship on a small owner to compel him to spend enormous sums of money to put down a bore. This was going to interfere with land settlement. The existing Act already contained the power to do what the Minister was asking. If an employer was not providing water for his men, and it was possible for him to do so, they had power under the existing Act to compel him to do it. Under this Bill, in a drought period, a man would be put to an enormous expenditure. No wonder that people were going off the land. It would not be long before the land would be in the hands of large holders, as it was previously. The aggregation of large areas was doing away with labour.

The CHAIRMAN: I hope the hon. member will confine himself to the clause.

Mr. MORGAN: As the land in an electorate was cut up into small holdings, the men who supported the Labour party ceased to exist, so far as that electorate was concerned, therefore, this was a deliberate attempt on the part of the Government to increase the areas of holdings, and to abolish the small settler. The big man with plenty of money could put down a bore, and the Act enabled the inspector to compel him to do so; but the amendment hit the small man, and he hoped that it would not be carried. He moved the omission, on lines 9, 10, and 11, of the words—

> "In paragraph (xv.) of the said subsection two the words 'except where the inspector certifies that there is not a sufficient supply,' are repealed."

HON. W. FORGAN SMITH (*Mackay*): He did not propose to accept the amendment. The hon. member for Murilla told them a harrowing tale about the difficulties that would be encountered during drought periods. It was recognised that Acts of Parliament must at all times be administered with common sense. Almost every Act on the statute-book, if carried out literally and enforced with the utmost rigour, would, in many cases, amount to tyranny; but inspectors were responsible for seeing that Acts were administered with common sense. Under the conditions to which the hon. member for Murilla alluded, common sense would be exercised by the inspector and the Minister. Everyone recognised that, during a drought period, when no water was available, miracles could not be performed; but it was desirable that, under normal conditions, an owner should be compelled to provide bathing accommodation for the men. They knew that the exemptions in the principal Act had in many cases been taken advantage of. In shearing operations and other industrial processes carried on under the provisions of the Act a supply of water was necessary, and, if sufficient water could be obtained for that purpose, there should be no hardship in getting water for bathing purposes. One would imagine from what the hon. member for Murilla said that the clause was going to impose some terrible hardship on the selector. Would the hon. member like to shear maggotty sheep, perhaps sprayed with arsenic, if no bathing accommodation was provided? The amendment of the hon.

member was quite unnecessary, but the provision contained in the clause was necessary.

Mr. MORGAN (*Murilla*): The Minister was providing that the water "shall" be supplied, and taking away from the inspector the discretion which he now had to use—his common sense.

Hon. W. FORGAN SMITH: Nothing of the kind.

Mr. MORGAN: At present the Act provided that, where it would be a serious hardship and would stop shearing on a place to be compelled to get water, the matter should be left to the discretion of the Minister or the inspector. What had the Government done at the railway construction camps to provide bathing facilities for the men?

Mr. PEASE: They provide baths in railway construction camps.

Mr. MORGAN: They might do in some. The Minister was deliberately misleading the Committee by saying that each case would be dealt with on its merits; but the hon. gentleman was taking away the provision under which each case could be dealt with on its merits, and was making it compulsory for a man to provide water, whether he was in a position to do so or not. They should leave the matter to the discretion of the inspectors; but it seemed to him that the Minister had no faith in his inspectors, and evidently thought that they were being bribed to act in collusion with the graziers, and were not there to protect the interests of the men. That seemed to be the Minister's contention.

[3 p.m.]

Hon. W. FORGAN SMITH: Nothing of the kind.

Mr. MORGAN: The Government were not going to trust the inspectors. Were they going to compel selectors to perform miracles in the way of finding water?

Mr. POLLOCK: Did you ever see a shearing shed or a station where there was not a good supply of water?

Mr. MORGAN: In drought periods the whole of the stations were pinched in regard to water supply. The Minister had not told them the true reason why he was not going to trust the inspectors any longer.

HON. W. FORGAN SMITH (*Mackay*): The hon. member for Murilla had apparently applied himself to his brief very closely, and had worked himself into quite a state of indignation over the fact that his amendment had not been accepted. They all knew that reactionary influences at all times opposed measures designed for the protection and well-being of the working class generally. They knew how bitterly legislation similar to this was opposed by hon. members belonging to the party opposite. They put everything they could in the way of such legislation.

Hon. W. H. BARNES: You know that is not correct.

HON. W. FORGAN SMITH: Unless it was mandatory upon certain employers to do certain things they would not do them. The hon. member for Murilla had said that it was proposed to do away with certain powers which the Minister now had. He had quoted a section to the hon. member, and had said that the Act would be administered with common sense—that one could not force a person to supply water during a heavy drought if it were not possible to supply it. He drew the hon. member's attention to subsection (3) of section 4 of the principal Act, which stated—

> "Under special circumstances the Minister may, by order, wholly or partly exempt any employer from the operation of this Act for such period as may be fixed by the order.
>
> "The Minister may, in his discretion, from time to time delegate to any inspector the powers vested in him by this subsection."

In addition to that, every report upon which a prosecution was based came before the Minister, so that any allegations of hardship being imposed would be brought to the notice of those responsible for the administration of the Act. There was nothing in the hon. member's contention about this clause being a hardship. It was in the interests of the workers who were being catered for that this provision should remain in the Bill. There were certain people who would not do the humane or the fair thing unless they were compelled so to do. It was because of that that most Acts had to be brought into the House. An Act of Parliament was not introduced to deal with men who would always do the right thing and were doing it; it was brought in to protect people against those who were not prepared to do the fair thing. Because of that he intended to insist on the clause as it stood.

HON. W. H. BARNES (*Bulimba*): The Minister had delivered a homily as to what Acts of Parliament were for, and had talked to the gallery in the usual way, as though hon. members on the Opposition side were not just as anxious as the hon. gentleman himself to serve the interests of the workers. That kind of thing was losing its punch. Outside people were tired of it, and were saying, "Show us your faith by your works." It was very certain, from what the hon. gentleman said, that behind this there was some distrust of the inspectors. The hon. gentleman had referred to section 4 of the principal Act. That had been there all along. In case of emergency, where would a person be likely to get the most prompt relief—by having to communicate with the Minister, who possibly was at very great distance, or by leaving it to the inspector—who, he assumed, was a man capable of doing his duty?

Mr. POLLOCK: That is not so.

HON. W. H. BARNES: If this Government had not appointed men of sufficient probity to do their work, it showed how terribly bad the state of the Government was. It was perfectly certain that there were factors at work in connection with these appointments. The appointees were not always the choice of the Government. Sometimes a pistol was put at the head of the Government, and they were told they must appoint certain people whom they could not trust. The hon. member for Gregory practically admitted it by saying that some of the inspectors had not done their duty.

Mr. POLLOCK: At times, I said, some of the inspectors have not been quite trustworthy, and efforts have been made to bribe some of them.

HON. W. H. BARNES: Was it not a most extraordinary admission to say they were not trustworthy?

Mr. POLLOCK: I did not say all of them were not trustworthy.

HON. W. H. BARNES: Here was a champion of the working men coming along and saying the working men were not trustworthy.

Mr. POLLOCK: Some of them are as trustworthy as you are.

HON. W. H. BARNES: If they were, they were pretty good. The Government, for some reason or another, were saying they had no faith in the men they had appointed to certain offices. It was a reflection on the Government, because the officers of a department, after all, were a reflection of the Minister at the head of that department. It was perfectly certain the Minister had some of his own appointees in whom he had no confidence.

Hon. W. FORGAN SMITH: I have more confidence in my inspectors than I have in you.

HON. W. H. BARNES: He would be very sorry if the hon. gentleman had confidence in him. He would not like to tell the hon. gentleman what his estimate was of him.

Hon. W. FORGAN SMITH: Your estimate would not be of much importance.

HON. W. H. BARNES: Probably, taking it by and large, it might be a little more important than the hon. gentleman. All he could say was that apparently the position had become so acute that the Government were afraid to trust their officers, and every little thing had to be remitted to the Minister. Then, probably, the person who had the proper brand and who had obeyed the behest of the Minister would get concessions, and the others would be quietly turned down.

Hon. W. FORGAN SMITH: We never cancelled awards like you did.

Amendment negatived.

Clause 3, as amended, put and passed.

Clauses 4, 5, and 6 put and passed.

The House resumed.

The CHAIRMAN reported the Bill with an amendment.

THIRD READING.

HON. W. FORGAN SMITH (*Mackay*): I move—

"That the Bill be now read a third time."

Question put and passed.

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

CHEESE POOL BILL.

SECOND READING.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): This is a Bill of some importance to the cheese producers in Queensland. It is really the outcome of deputations representing co-operative cheese factories that have waited upon me from time to time to urge the necessity for a pool. That was brought about by the determination of the Commonwealth pool under the Commonwealth regulations. There is, however, this difference with regard to this measure, that it is brought into this Parliament at the request of the producers themselves. In the case of the Commonwealth pool the producers were not consulted; it was a compulsory measure, such being considered necessary because of war conditions. At the termination of that Commonwealth pool the cheese producers of Queensland waited on me and urged that a compulsory Cheese Pool Bill should be introduced. I pointed out that the policy of the Government with regard to measures of this character was that the people who were interested should make some request to the Government and show that at least a big majority of those concerned desired the introduction of the measure. The Bill is the outcome of a resolution passed by a conference of cheese producers held in Toowoomba in March to this effect—

> "That, in the interests of the cheese producers in Queensland, it is necessary, for the purposes of controlling the industry and marketing the cheese, that a compulsory pool be formed."

On 27th January last, at a conference of the cheese manufacturers' executive held in Toowoomba, a resolution was arrived at agreeing to form a Queensland cheese pool at the expiration of the contract with the London merchants on 31st March. On 21st February last a deputation representing the Queensland Cheese Manufacturers' Association, the Pittsworth Dairy Company, and the then existing Queensland Dairy Pool waited upon me to urge the introduction of a pool for the purpose of marketing the State output of cheese, with the object of equalising prices and stabilising the industry. Since then I have given a lot of thought to this matter. We found that the Commonwealth regulations were of very little use, and the Bill has been drafted several times. The cheese manufacturers have been in consultation with me and the dairy expert, with the result that I think we have now a workable measure. However, some few weeks ago the gentlemen selected at the Toowoomba conference as members of the first pool waited on me and pointed out that difficulties with regard to finance and other matters made the immediate operation of the pool unworkable, and I have had a new clause drafted providing an alternative scheme to the complete pool, which, I think, will be acceptable. It will be a temporary arrangement.

I think I might add that before the Bill was drafted, at the request of the cheese manufacturers, I allowed Mr. Graham to consult with the committee, and also made the services of the Crown Solicitor available, so that all the expert knowledge procurable has been brought to bear on the measure. It may not be perfect, and, like all other new legislation, it may be necessary, after trial, to amend it from time to time.

I look upon the pooling system as likely to stay. Only this morning I had a request from another section of the primary producers for a pool, and last week a request from another section, so that the farmers recognise that, in order to stabilise markets and practically control their industry, the pooling system has many advantages. In my opinion, it is really an extension of the co-operative system in regard to marketing.

Mr. BEBBINGTON: Compulsory co-operation.

The SECRETARY FOR AGRICULTURE: Compulsory co-operation, as the hon. member interjects. Whilst some people are very much alarmed about compulsion, it is sometimes necessary to protect them against themselves.

Mr. BEBBINGTON: And eliminate waste.

The SECRETARY FOR AGRICULTURE: And, as I was about to say, stabilise industry and cut out waste. The great thing is to bring the producer and the consumer together and to cut out the speculator—the middleman who did no useful work and only added to the cost of the article. If the farmers cannot only produce the article but also, by co-operation, control and stabilise the market, then they will get all they earn. Another object of pooling, of course, is to prevent cornering and speculating in an important article of diet. Another advantage is in the region of finance. We know the great advantage of the pooling system in wheat. The various State boards were able to arrange with the Commonwealth and other banks for the financing of the harvest. That cannot be done by individuals.

In order to meet objections raised by correspondents in the Press and otherwise, we have endeavoured to safeguard the Bill by providing that three-fourths of the producers must declare by ballot in favour of the pool before it is brought into operation. I know that some people think that that majority is too large.

Mr. BEBBINGTON: Did you not agree to two-thirds?

The SECRETARY FOR AGRICULTURE: That proportion was discussed, but I cannot say that I agreed to it, because the Government, after some consideration, thought that the safeguard of three-fourths was necessary. I do not think there will be much difficulty, now that we have agreed for an alternative scheme for the time being, to get the producers to carry the necessary vote in favour of the scheme. If the scheme is carried by the producers, a board of five members will be elected for one year, but the term may be extended. Meanwhile the Minister may appoint members of the existing committee to be a temporary board.

Quite recently I noticed an extract from a report made by the State Market Director of California, in which, amongst other things, he said—

> "The failure of the market in regard to marketing were—(1) insufficient capital; (2) insufficient credit; (3) lack of binding legal obligation on the part of the members to sell exclusively through their organisations."

That, in my opinion, points to the necessity for some organisation having some legislative backing to enable the market to be stabilised and the committee to allocate sufficient for local consumption, the balance going to export.

I do not think it necessary to make a long speech. It is really a Committee Bill, and has been in the hands of hon. members for some time. I move—

> "That the Bill be now read a second time."

Mr. MOORE (*Aubigny*): I rather regret that the Bill is to go through as it is. I think that the alternative proposal is likely to be welcomed, and to be carried unanimously, but I am very much afraid that we have little hope of getting the three-fourths majority necessary for the adoption of the pool itself.

The SECRETARY FOR AGRICULTURE: Why?

Mr. MOORE: There are several reasons. The first has to do with finance. I do not know whether the hon. gentleman knows as well as I do that a large number of factories have been financed by the agents who have been selling their cheese.

The SECRETARY FOR AGRICULTURE: If the pool is adopted, they will get their financial backing the same as the wheat pool.

Mr. MOORE: That is just the question. The agents have their various markets, and, naturally, if they find that somebody else is going to handle the cheese, they will immediately go to the factories which they have financed and tell them to finance themselves. If there is a chance of the factories being closed up, they will naturally decide that it is a very difficult proposition for them, and will probably say, "We are not going to take the risk of voting in the affirmative." There is no question that the alternative method would be carried practically unanimously. It is what they want, and what they have worked under for the last eight or ten years. It should have been in operation for the last two months. Still, I am very much afraid that the requisite majority of three-fourths will not be found for the pool proper, owing to the obligations that the pool will have to take upon themselves. There is a drastic clause in the Bill which may be looked on differently by other members, but which appears to me to throw the whole responsibility on the board of financing the whole of the industry. When one knows the difficulties of the present time, he understands how difficult it is going to be to finance the whole of a perishable product like cheese.

The SECRETARY FOR AGRICULTURE: You think the pool will be unworkable?

Mr. MOORE: I cannot see a way of working it under the present system. If the Government are going to give them financial backing, of course it can be done; but I am looking at it from the difficulties of the present time. We most earnestly desire the alternative suggestion made by the Minister, but I am afraid that influences will get to work outside when the main pool is being considered or tacked on to the alternative proposal.

The SECRETARY FOR AGRICULTURE: What are those influences? Speculators?

Mr. MOORE: I do not say speculators, but the hon. member will recognise that, if he is handling cheese, and has, perhaps, advanced money for building a factory, and he finds that somebody else is going to step in and take charge, he will want his liability paid up.

Mr. GLEDSON: It does not interfere with the factories. It affects only the marketing.

Mr. MOORE: It does, because the financing has to be done before the marketing.

Mr. GLEDSON: Do you not think the farmers are capable of managing their own business?

Mr. MOORE: Yes, provided they have sufficient security given to them; but the board has no security.

Mr. GLEDSON: The board will have the whole of the farmers behind it.

Mr. MOORE: It will not. The board will only have the cheese submitted to it as security. The hon. member will realise that, if the board went to a bank and said that it had the farmers behind it, the bank would want something more definite before advancing money. If the Minister would only be

prepared to let the vote take place on the alternative proposal and leave the pool itself until a future time, there would be no difficulty, but there are some very contentious clauses in the Bill, so much so that many factories have already made representations to the Minister. They recognise that they will not have a chance of carrying the three-fourths majority, but that the alternative proposals will be agreed to quite easily. The existence of the alternative proposal simply shows the very small chance there is of carrying it. This question has been freely discussed, and there is great opposition to the Bill, not only on the part of [3.30 p.m.] cheese factories, but of butter factories also. When one finds that opposition to the original Bill, I do not think we have much chance of carrying it; and, if we have no chance of carrying it, it is going to be bad for the cheese industry. This Bill seems to be framed on the old Commonwealth pool, which is a totally different system from what we have to-day. Under that system the surplus cheese of Queensland was sold to the Imperial Government at a price, and there was no difficulty about finance, because the money was sent here to finance it. But when it comes to be a question of waiting three or four months before the money comes out, the industry has got to be financed in the meantime by the board, and naturally the directors of the factories will want to know where the money is to come from, and how they are going to be financed before they will support a measure such as this. The Cheese Manufacturers' Association recognised the position put before it by the Minister. If the Minister sticks to the Bill as it is, there would be no chance of the pool being agreed to. The hon. gentleman has brought in an alternative proposal; but, as he still retains the original Bill, I do not think the difficulties will be overcome.

The SECRETARY FOR AGRICULTURE: The Cheese Manufacturers' Association, by a unanimous decision, asked for the pool.

Mr. MOORE: They did not know what form it was going to take.

The SECRETARY FOR AGRICULTURE: There is no other form that a pool could take.

Mr. MOORE: I do not think they recognised what a pool meant. What they meant by a pool is what is contained in the hon. gentleman's alternative proposal. That will be carried practically unanimously. I think the Minister knows the opposition there is to the Bill. There is no chance of getting those in the industry to agree to the pool by a three-fourths majority, and it is doubtful whether, even with amendments, it will be carried by a three-fourths majority. All that is asked is that we shall have some method of controlling the amount of cheese exported, and for getting full information as to the amount of cheese manufactured in the State. I do not want to see that jeopardised by having to carry the original Bill on a three-fourths majority. There is no chance of doing it. It is only standing in the way of the assistance that the Minister shows he is anxious to give by bringing in his alternative proposal. If he would substitute the alternative proposal for the Bill, I believe it would be carried practically unanimously, and he could let the rest of the Bill stand over for some future period. If he did that, there would be no difficulty. I think the Minister recognises that some provision must be made, because the position is becoming critical. The export is very large, and there are half a dozen different prices on the market. We see by the papers that the wholesale price is 10½d., whilst in the shops cheese is offered at 8d. per lb. That shows that all sorts of influences are at work. If the Minister will allow the reasonable alternative proposal to become the Bill, it will go through without the least trouble, and be carried by a large majority. We do not want to have to carry clauses that we object to, with the chance of having no pool at all, as we shall not then be able to stabilise the industry and control the export of the cheese. The position to-day is a very serious one. The original Bill was discussed to such an extent that there was a suggestion made by the association that the Bill should be sent round to all the factories of Queensland, and that they be asked whether they are prepared to support it or not, because there is a clause in it that the association thought would impose such a tremendous financial responsibility on the board that it would not be able to undertake the task at the present time. Seeing the position we have got into, and seeing that the cheese producers of Queensland are not asking for what the Minister considers the only sort of pool that can be given, and they are only asking for power to find out how much cheese is made, and how much is available for export, so that there will be no waste, I feel perfectly satisfied that there will be no difficulty in carrying out the alternative proposal. The alternative proposal has not been circulated yet. Clause 9 practically means the wiping out of the present pool, with the exception of the board. If this Bill is to go through as it is, I am afraid that the Cheese Manufacturers' Association will not get the satisfactory pool that they have been working for and endeavouring to get from the Minister.

Mr. BEBBINGTON (*Drayton*): The Minister has done all he can to meet the requirements of those who met him in connection with this matter, but the difficulty is to get those who drafted the Bill to understand the exact conditions of the industry.

The SECRETARY FOR AGRICULTURE: The difficulty is to get those in the industry to know what they want.

Mr. BEBBINGTON: There is a good deal in that. I would like to see the alternative scheme carried. I am afraid that if a vote is taken on this Bill, it will certainly be thrown out, and it will do the industry very serious injury. The latter part of the Bill which the Minister is to bring in later is really a scheme to eliminate all waste in the industry. It is really compulsory co-operation to eliminate waste. We want to eliminate waste. When there is a surplus in the State one factory cannot control the export trade, and consequently, when the State's requirements have been satisfied, the surplus is often allowed to go to waste. I have seen in practically every factory in the State ten, fifteen, twenty, or thirty tons of cheese held over for local markets, and it has reduced in value 30 per cent., 40 per cent., and 50 per cent., which is a very big loss, both to the State and to the producers of the State. We want the Bill to stabilise the market and assist to keep the people on the land. Shipping has to be arranged for weeks before it is required, and, consequently,

under the scheme which has not yet been introduced, the Queensland Cheese Manufacturers' Association will be kept posted with the full amount of milk received and the cheese manufactured at the factory, and then arrangements can be made weeks ahead for the shipping to come here and take the cheese away. The principal duty of the pool is to eliminate waste in our factories, and assist in maintaining a reasonable price, and thereby assist in keeping our people on the land. Just as a poor man who is starving will take less wages and ruin the labour market and keep everyone down on the bread line if he is allowed to do so, just the same will a poor producer, when compelled to sell, bring down the market price. We want to know the amount of cheese that is manufactured, and we want to have something like a living wage for the producer, the same as we are prepared to give to every worker in the State. You cannot get that living wage unless you are able to ship the whole of your surplus and prevent any waste and make the best of the industry. It is only by making the best of everything in our industry that we can make the industry pay, and keep the people on the land. The people of Queensland have the purest and cheapest food in the world. The Cheese Manufacturers' Association was formed about ten years ago. Prior to that, production had overtaken consumption, and we were in a serious condition, because there were no shipping arrangements made. Everyone was waiting for the other fellow to ship his cheese so that they could get advantage of the local market. Every factory in the State was filled up with cheese, for which there was no sale, and even as low as 4½d. per lb. was offered. The agents tried to do their very best to get orders by throwing in their own commission, but the production was more than the consumption, and you could not sell more than the people required. The fifteen or sixteen cheese factories then in the State were closed down, and received no orders, at any price, until arrangements were made for the future. The Cheese Manufacturers' Association was then formed, with the assistance of the agents and merchants. They assisted to get the industry going. Since the association was formed it has been managing the shipping, and each factory has sent in its returns. The association has made arrangements for shipping months ahead, and that has been going on for ten years. Now we have about eighty cheese factories, and Queensland is the largest cheese-producing State in Australia. In fact, we ship more cheese than the whole of the other Australian States put together; and there is going to be a very big difficulty in handling that large amount of cheese, and in compelling each factory to ship its surplus cheese in order to prevent any waste. All we want is the latter part of the schedule that the Minister is about to bring in to compel factories to send in their returns to the Cheese Manufacturers' Association, and to compel the factories to ship their quota each month as it is required, instead of allowing it to go to waste. That is practically all they want. I would like to see the Minister withdraw the Bill, except for the last few clauses which he referred to, or make some arrangements in some other way for that part of the Bill. The Bill provides for making financial arrangements whereby the pool would have to become practically a big association, with bookkeepers and a big staff, and incur all those expenses which we want to avoid if we are going to place this Bill before the milk suppliers and expect them to vote on it. I am certain that they will not vote for it as it stands. The deputy leader of the Opposition suggested that the scheme should go before the milk suppliers to vote on it. They will know that they are voting on a simple scheme if they are voting on the principle of distribution which has been in vogue for ten years. If they know they are not going to bring about a big expensive pool, there will be no trouble in getting it passed.

Mr. GLEDSON: You want them to legalise preference to the Cheese Manufacturers' Association.

Mr. BEBBINGTON: You cannot have preference, and you cannot legalise it. If you compel the cheese factories to deliver the whole of their cheese to the Cheese Manufacturers' Association and compel them to form a big expensive business like the wheat pool, then the farmers will not support it. They do not want it. A part of the Bill gives power to do that, but that is just what the milk suppliers do not want. I would be glad myself, if the Minister could make that arrangement, and either make the Bill part inoperative or else withdraw it all with the exception of the latter portion. The deputy leader of the Opposition received information from the Under Secretary yesterday regarding the latter portion of the Bill. I would like to see it included in our legislation, but I would not like the farmers to vote on the earlier part of the Bill, because it will cause a great injury to that industry. There has been a large amount of expense and a great amount of money expended in building up the cheese industry in Queensland. It would be a serious thing for the State if the industry met with a setback, and no one would regret that more than the Minister. We want to have something that we can advise the farmers to vote on. We can, with confidence, recommend the latter part of the Bill. The Minister talked about financing the industry. We know that that is very difficult because it is nearly as big as the wheat pool. If the Government were prepared to back up the financial arrangements of the Commonwealth Bank or some other bank in making these advances, it would be an excellent thing to do. The whole difficulty we have is in financing. The milk suppliers must receive their money every month, but when there is an export trade, the manufacturers cannot get their money for four or five months, so you must have sufficient money in hand to finance the pool for four or five months. The dairying industry pays out £600,000 a month, so hon. members will see what an important industry it is to Queensland. The dairying industry has saved Queensland this year. When the Government were in financial difficulties the dairying industry brought in £7,000,000 from outside sources.

The SECRETARY FOR AGRICULTURE: The dairymen are doing very well.

Mr. BEBBINGTON: At the present time, milk is only worth 4½d. per gallon. I would like to see the Minister make the Bill so that we can ask the suppliers to vote for it, but if the present Bill is submitted they will certainly vote against it.

Mr. J. H. C. ROBERTS (*Pittsworth*): I quite appreciate the difficulty the Minister

is placed in at the present time. I know that there is a certain amount of opposition to the cheese pool in the country districts——

Mr. GILDAY: Why not drop it, if they are objecting to it?

Mr. BEBBINGTON: Well, advise the Minister to drop it.

Mr. J. H. C. ROBERTS: But the executive committee elected by the cheese manufacturers and the suppliers themselves have shown their desire for the pool. The Minister appreciates the importance of the industry in Queensland, and he proposes to bring about a cheese pool. The hon. member for Drayton has pointed out that more cheese was exported from Queensland than all the States put together. That shows how important the industry is. The Minister has brought in the Bill and he states he will not alter a single clause. I understood that, when the representatives of the Cheese Manufacturers' Association were here, they agreed that a vote should be taken with a two-thirds majority rather than on a three-fourths majority. At least 25 per cent. of the suppliers will not vote at all.

The SECRETARY FOR AGRICULTURE: The Bill means an affirmative vote of three-fourths of those who vote.

Mr. J. H. C. ROBERTS: Twenty-five per cent. of the suppliers will not vote. That means that the Minister is going to count on getting a return of 75 per cent. of the people voting who are suppliers to cheese factories. To-day, there is an organised attempt being made to bring about discord in the ranks of the milk suppliers.

The SECRETARY FOR AGRICULTURE: Who is doing that?

Mr. J. H. C. ROBERTS: The Minister knows as well as I do. Certain representatives are travelling throughout the different districts interviewing the shareholders and directors of different companies for the purpose of getting 25 per cent. to 30 per cent. to vote against the formation of this pool. Every vote against the cheese pool is certain to be recorded. On the other side, we have to get three-fourths of that 75 per cent. to vote in favour of the Bill. The Minister knows there are at least two or three of the biggest co-operative companies on the Downs who are more or less opposed to a cheese pool. The Bill cannot become law until a vote has been taken and the dairy farmers themselves state they want the pool.

The SECRETARY FOR AGRICULTURE: What is your opinion?

Mr. J. H. C. ROBERTS: I will come to that directly. I am certain that the Minister is no more desirous than I am of seeing the Bill defeated in the country districts. I am surprised that he does not make the majority two-thirds of the milk suppliers instead of three-fourths. The Cheese Manufacturers' Association came to Brisbane and placed their views before the Minister, and they think that that provision should be deleted altogether. We want to see the Bill brought in in such a way that it is likely to be carried by the parties concerned. It was suggested by the executive that a drastic alteration should be made in clause 7, which provides for delivery to be made in the name of the producer. Then it suggested that the whole of that clause 10 relating to the issue of certificates and payment should be wiped out altogether. Clause 14 deals with remedies against the board, and it is suggested that portion of that clause should stand and the balance be wiped out. These are the suggestions from the Cheese Manufacturers' Association, and they are men highly qualified to give advice on the manufacture of cheese. They have been elected to carry out certain work, and they have carried out their duty satisfactorily. We recognise that the industry is getting into the same condition as the wool industry was in some time ago. In July and August last the price of milk was 10d. and 11d. per gallon, and to-day we can only get from 4½d. to 5d. per gallon. That is a very big falling off. So far as I am aware, all the requisites we require in our cheese factories are sold at war rates, if not a little more, and our expenses are mounting up every day. The expenses are just as great as they were six or seven months ago.

The TREASURER: Are you in favour of the Bill or against it?

Mr. J. H. C. ROBERTS: I am in favour of the Bill up to a certain point. No doubt, the Treasurer wants to get on with the Income Tax Amendment Bill, but we want to make this Bill a good one for those engaged in cheese manufacture. I am satisfied that most of the people engaged in cheese manufacture believe that a pool is eminently desirable, and think that the Bill should be accepted by the people as a whole. I suggest that the Minister should adopt the clauses in the original Bill from

[4 p.m.] 1 to 6, delete the clauses from 7 to 19, and retain clause 20, and agree to the farmers giving a two-thirds majority.

The SECRETARY FOR AGRICULTURE: That can be dealt with in Committee.

Mr. J. H. C. ROBERTS: I feel certain that, if the Minister takes a rational view of the matter, and the Bill goes through under those conditions, there will be a vote in favour of the pool.

The SECRETARY FOR AGRICULTURE: We cannot bring in cheese pool Bills every session.

Mr. J. H. C. ROBERTS: We should not offer the farmers a pool which they believe will be detrimental to themselves and have it rejected. Let them have the power which the old Cheese Manufacturers' Association had in days gone by, and let us see if it is not possible to evolve a scheme of co-operative marketing which will be a credit to the Government and to the people of the State.

Mr. DEACON (*Cunningham*): It is necessary to have some control of the cheese market: but, so far as I understand, the cheese manufacturers do not want such a cumbersome Bill as this. They really want compulsory notification of the amount produced, and power to compel the factories to keep their agreements. It seems to me that we are to a certain extent wasting time, because the Bill which the cheese manufacturers want is one on the lines of the amendments which are to be brought forward. I understand that the Bill will be so remodelled in Committee as to be almost a new Bill. We should let the cheese manufacturers have the Bill which they want, as that will be more satisfactory than the present Bill.

The TREASURER: Do you believe in a pool?

Mr. DEACON: Certainly I do. I believe that a pool is wanted, but the cheese manufacturers do not want the pool outlined in

this Bill; they want the one which is outlined in the amendments which are to be brought forward.

Mr. G. P. BARNES (*Warwick*): So far as the Warwick Butter Company are concerned, they are out for a pool on the lines of the one that existed prior to the war period. Seeing that the Minister has every disposition to meet the requirements of the cheese producers, it would be a very simple matter for him to indicate that he is prepared to accept the amendments which the producers decided upon when they met a few weeks ago and have them included in the Bill. The Warwick Butter Factory, in writing to me, put the matter in a very simple way. They say—

> "You will notice that it is now proposed that the pool should be worked on the same lines as the old pool before the war, which gave so much satisfaction to manufacturers, and at the same time held each factory liable for the quality of their own cheese. This was the weak spot in the pool carried out during the previous year. It would appear that factories should be allowed to export the surplus on their own account, as it is impossible in every case to say what cheese will turn out right after being held in cold stores some months."

I understand that something of the kind is to be included in the Bill later on. I would advise the House to accept the second reading of the Bill, and in the event of hon. members representing farming constituencies on this side not succeeding in their desire, or not being satisfied with the amendments that the Minister has indicated he will introduce, they can vote against the third reading of the Bill. It appears to me that a voting power of 75 per cent. will never be reached.

The PREMIER: The thing is so obviously in the interests of the cheese producers that more than 75 per cent. will vote.

Mr. G. P. BARNES: Not necessarily. The cheese producers suggest a 66 per cent. vote, and surely the Minister might accept that! I take it, the hon. gentleman is simply out for the purpose of trying to meet the requirements or suggestions of the cheese producers, and seeing that there is only a slight difference of 9 per cent. with regard to the voting power, I think we might accept 66 per cent. instead of 75 per cent. If the Minister would indicate his intention in that respect, it would enable us to get on with business. If the Bill is not amended according to the ideas of the cheese producers whom we represent, we can vote against the third reading.

Mr. GLEDSON (*Ipswich*): I cannot understand the attitude of the Opposition in regard to this Bill, which is brought in at their own request to provide for the marketing of surplus cheese. They now say the Bill is not right. If the Minister will bring in a coal pool Bill he will have our support. We have any amount of coal that we cannot sell. What do hon. members opposite want? They say that 75 per cent. of the milk suppliers will not vote, and that they want a two-thirds vote, which means that two out of every three are to force their opinions on the third man whether he wants to go in for a pool or not. If the Opposition do not want a pool, why do they not say so?

Mr. BEBBINGTON: We do.

Question put and passed.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): As the amendments are not yet available, I move—

> "That the consideration of the Bill in Committee be made an Order of the Day for a later hour of the sitting."

Question put and passed.

MARYBOROUGH CEMETERY BILL.

SECOND READING.

The SECRETARY FOR PUBLIC LANDS (Hon. J. H. Coyne, *Warrego*): This is a Bill to provide for the resumption of a certain disused cemetery at Maryborough, and for the conversion of the same to other public uses. The cemetery has not been used since 1873. It originally consisted of an area of a little over 10 acres, of which 7 acres were resumed for park purposes in 1882. The fences are dilapidated, and the whole place is in a general state of disrepair, making it an eyesore to the city of Maryborough. It is within the residential part of the city, and within easy walking distance of the business centre. The council are anxious that the area should be resumed and reserved for park purposes, and the trustees of the cemetery are prepared to agree to that being done. The council are prepared to bear the cost of transferring and reinterring the remains of deceased persons whose relatives make application for such removal. There was an application made some time ago to have the disused cemetery resumed and made available for park purposes, but the council could not undertake the expense of removing the monuments and tombstones and so on, and the Government could not agree to do what they desired; but in this case the Maryborough council are willing to do everything in connection with the matter. In order that there should be no hitch in the matter, my department asked the Maryborough council to interview the heads of the different religious bodies in Maryborough to see if they had any objection, and they replied that they had no objection. Provision is made in the Bill that, where no application is made by the relatives of deceased persons who are buried there to have the remains removed, there shall be a certain part of the small reserve we are dealing with set apart for keeping monuments and tombstones. That will be kept securely fenced, and the expense of everything in connection with it will be borne by the Maryborough City Council. I beg to move—

> "That the Bill be now read a second time."

Question put and passed.

COMMITTEE.

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

Clauses 1 to 6, both inclusive, and schedule, put and passed.

The House resumed.

The CHAIRMAN reported the Bill, without amendment, to the House.

THIRD READING.

The SECRETARY FOR PUBLIC LANDS: I move—

> "That the Bill be now read a third time."

Question put and passed.

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

Under the provisions of Sessional Order of 14th October, the business was interrupted for the purpose of asking and answering questions and giving Notices of Motions.

QUESTIONS.

AMENDMENT OF HEALTH ACT.

Mr. KERR (*Enoggera*) asked the Home Secretary—

"Is it proposed by the Government to pass legislation this session to amend the Health Act in regard to—(*a*) Drainage; (*b*) venereal and infectious diseases; (*c*) other important general provisions relating to public health?"

The HOME SECRETARY (Hon. W. McCormack, *Cairns*) replied—

"The Health Act Amendment Bill will be introduced early next session."

REPORT OF AUDITOR-GENERAL ON STATE ENTERPRISES.

Mr. GILDAY (*Ithaca*), without notice, asked the Minister in Charge of State Enterprises—

"Has he read a leading article in this morning's 'Brisbane Courier' regarding the Auditor-General's report on State Enterprises; and, if so, has he any statement to make?"

(Opposition laughter.)

HON. W. FORGAN SMITH (*Mackay*) replied—

"Yes, I have read the article. This article is intended for propaganda and is indicative of the line of attack usually adopted by the opponents of State enterprise.

"The Auditor-General's report was tabled in Parliament last year on 16th December, so there is no reason to complain of delay this year.

"The Commissioner's report, certified by audit inspectors, will be available for hon. members next week, as provided by the State Enterprises Act, a perusal of which will satisfy all honest people how unfounded the innuendoes contained in the article are. The memorandum I laid on the table last night contains a complete refutation of the charges of undue delay in presenting the report."

POLICE PROTECTION FOR OPPOSITION MEMBERS AGAINST POSSIBLE TARRING AND FEATHERING.

Mr. POLLOCK (*Gregory*), without notice, asked the Treasurer—

"In view of the reported tarring and feathering of a Victorian citizen who is alleged to have attempted to impugn the financial stability of an Australian industry, and because of the possibility of this practice becoming contagious, will he take steps to provide adequate police protection for those members of the Opposition who have attempted in a like manner to injure the credit of this State?"

(Laughter.)

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

"The question has been rather sprung on me, but I think the answer is 'Yes.'"

REMUNERATION OF RESCUERS, MOUNT MULLIGAN COAL MINE DISASTER.

Mr. TAYLOR (*Windsor*), without notice, asked the Premier—

"Has his attention been called to a paragraph in the 'Telegraph' of to-day stating that the men who assisted in the rescue work at Mount Mulligan, and who were employees of the Mount Mulligan Company, received wages during the time they were carrying out that rescue work, whilst the men from Cairns and other districts did not receive anything in the way of remuneration? Will he take steps to see that these men are amply repaid?"

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

"My attention has not been called to the paragraph, but I have received a telegram from the mayor of Cairns on the question, and I have decided that the men who participated in the rescue work and were not paid, or incurred any loss, shall be remunerated by my department."

HONOURABLE MEMBERS: Hear, hear!

PAPERS.

The following papers were laid on the table and ordered to be printed:—

Annual report of the Department of Agriculture and Stock.

Regulations, dated 20th October, 1921, under the Public Service Acts, 1896 to 1920.

The following papers were laid on the table:—

Reports of Mr. Brophy, on site and proposed State iron and steel works, in answer to a question by Mr. Corser on 30th September, 1921.

PERSONAL EXPLANATION.

Mr. WEIR (*Maryborough*): I desire to make a personal explanation.

The SPEAKER: Is it the pleasure of the House that the member for Maryborough be allowed to make a personal explanation?

HONOURABLE MEMBERS: Hear, hear!

Mr. WEIR: In this morning's issue of the "Daily Mail," page 8, second column, appear the results, or apparent results, of yesterday's discussion on the Constitution Act Amendment Bill, in the course of which it is stated—

"Almost the whole of the Country party voted with the Government, the minority comprising the Nationalists and Mr. Appel (Country party), Messrs. Weir and Jones (Northern Country party)."

(Opposition laughter.) It is quite obvious, when you read the other parts of the report in sequence, that I am not the guilty person, and that there has merely been a replacement of Mr. Green's name by mine; but elsewhere my name has been mentioned as that of a member who was absent. The point I wish to make clear is that my absence was due entirely to the fact that, prior to leaving home, I heard on the telephone of the illness

of a member of the family of the hon. member for Burrum, and, being the only member of this party in the district at that juncture, I stood by the hon. member. Later on, when I heard that the sickness had culminated in death, I again offered to stand by him. That is why I did not vote in any of the divisions yesterday.

HONOURABLE MEMBERS: Hear, hear!

AUDITOR-GENERAL'S REPORT ON STATE ENTERPRISES.

PROPOSED MOTION FOR ADJOURNMENT—SPEAKER'S RULING.

The SPEAKER: I have received from the leader of the Opposition the following letter:—

"26th October, 1921.

"Dear Mr. Bertram,—

"In accordance with Standing Order No. 135, I desire to inform you that it is my intention to move (on this Wednesday afternoon)—

"'That this House do now adjourn.'

"My reason for moving this motion is that I desire to discuss a definite matter of urgent public importance, as follows:—

1. The unsatisfactory report of the Auditor-General on the State enterprises and the omission of the Commissioner for Trade to furnish balance-sheets and statements of accounts setting forth a true statement of the financial position and the transactions of the State Trade Office in its several enterprises for the financial year 1920-1921, audited by the Auditor-General, as required by law.

2. To consider of the desirableness of a special audit of these enterprises to date.

3. To consider the question as to whether these enterprises should be continued in view of the fact that the Auditor-General declares that 'it would appear unlikely that within the next few years, at least, the enterprises collectively will be in a position to meet the interest charge in addition to working expenses.

"Yours faithfully,

W. J. VOWLES,

Leader of H.M. Opposition."

I am very unwilling to curtail, in any way, the privileges of hon. members, but I cannot overlook the fact that a considerable portion of this session was occupied in discussing the hon. member's first want-of-confidence motion, in paragraph 7 of which is a reference to alleged "mismanagement" of and "huge losses" incurred on account of State enterprises.

Mr. VOWLES: The report was only tabled yesterday.

The SPEAKER: During the debate, which lasted over a period of eight sitting days, this matter was discussed ad nauseam.

Again, there was a lengthy discussion of the same matter during the passage of the Appropriation Bill, No. 3.

I admit that an interim report upon State enterprises has recently been furnished by the Auditor-General, but it is there pointed out that it is merely a "memorandum," and that the detailed report must of necessity be delayed for "nearly a year."

Under these circumstances, I do not think I should be doing justice to the House if I were to permit as a matter of "urgency" a discussion upon an incomplete report, especially when so much time has already been devoted to the subject during the present session.

GOVERNMENT MEMBERS: Hear, hear!

Mr. FLETCHER: We should have had the report.

[4.30 p.m.]

CHEESE POOL BILL.

COMMITTEE.

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

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

Clause 2—"*Interpretation, etc.*"—

Mr. MOORE (*Aubigny*) moved the deletion of the words "three-fourths," on line 15, with a view to inserting the words "two-thirds." He thought the Minister would agree that a two-thirds majority was a reasonable one upon which to bring the Act into force. They recognised that there was a certain amount of opposition always to a compulsory co-operative system of marketing and selling.

The CHAIRMAN: The amendment should have been moved on clause 1.

Clause 2 put and passed.

Clause 3—"*Application of Act*"—put and passed.

Clause 4—"*State cheese board*"—put and passed.

Clause 5—"*Powers of board*"—

Mr. MOORE: He moved the omission, on lines 48, 49, and 50, of the words—

"For the purposes of this provision, a sale of cheese for oversea ships' stores shall be deemed to be a sale for export."

The sale of ships' stores had always been looked upon as a local sale. When boats came here and purchased cheese, they did not purchase at the export price, but at the local price. It was altogether a departure from the present custom.

The SECRETARY FOR AGRICULTURE: Because it is not the custom, that is no reason why it should not be put in the Bill.

Mr. MOORE: There is no occasion for it.

The SECRETARY FOR AGRICULTURE: There is no harm in it.

Mr. MOORE: It would make a great deal of difference to the people selling cheese. Why should oversea ships, when purchasing their stores here, pay a lower rate than anybody else? They were purchasing in the local market, and not overseas, and there was no reason why they should be treated in a different way from the people in Queensland. In other States they purchased in the local market at the price ruling in that market, and that system had always operated before in Queensland. It would be a disadvantage to the sellers of cheese, and it was only reasonable that the system that had always been in force should continue.

The SECRETARY FOR AGRICULTURE: The provision was really taken from the Federal pool regulations, and he did not see any reason why it should be deleted. There was no harm in leaving it in the Bill.

Mr. MOORE: It made a big difference in the price.

Mr. BEBBINGTON (*Drayton*): He would ask the Minister to reconsider his decision in the matter. The ships would be able to claim their cheese at export price, and there was no reason why that should be so. The conditions of the Federal pool and the conditions of the State pool were quite different. Could the Minister give any reasons why it should stay in?

The SECRETARY FOR AGRICULTURE: There is no reason why it should come out.

Mr. BEBBINGTON: There was no sense or reason for it.

Mr. GLEDSON (*Ipswich*): The Bill provides that arrangements could be made for the sale of cheese for consumption in Queensland for export, and for sale as ships' stores as a sale for export. If the words were omitted, it would probably mean that the board would be unable to arrange for ships to take their stores here. The cheese sold to oversea ships was not cheese for consumption in Queensland. The Bill provides that sales as ships' stores should be treated as an export sale. That made the thing watertight, and allowed the board to deal with the sale of cheese for Queensland consumption for export and as ships' stores. There was nothing in the clause that said the cheese must be sold at export price. The board would have power to make arrangements as to the price.

The SECRETARY FOR AGRICULTURE: It does not affect the price in any way.

Amendment negatived.

Clause 5 put and passed.

Clause 6—"*All cheese to be delivered to the board*"—put and passed.

Clause 7—"*Delivery to be made in name of producer*"—

Mr. J. H. C. ROBERTS (*Pittsworth*): Clauses 7 to 19, inclusive, should be deleted, as they imposed an impossible task upon the board in the matter of finance.

The SECRETARY FOR AGRICULTURE: You do not understand the principles of the pool if you say that.

Mr. J. H. C. ROBERTS: The wheat pool, even with a guarantee behind it, was unable to get sufficient financial backing.

The SECRETARY FOR AGRICULTURE: In other words, you are against the pool.

Mr. J. H. C. ROBERTS: The Minister was going to impose an impossible task upon the cheese pool in asking them to carry the financial responsibilities of running a large concern like that.

The SECRETARY FOR AGRICULTURE: That is the essence of the pool.

Mr. J. H. C. ROBERTS: A large number of the small co-operative companies were more or less financed by the agents, and the agents made it incumbent upon the factories that they got the cheese to sell. He would vote against the clause.

Mr. BEBBINGTON (*Drayton*): He would like the Minister to withdraw that clause.

The SECRETARY FOR AGRICULTURE: You might as well allow the pool to drop if you do that.

Mr. BEBBINGTON: The board was not in a position to take the cheese and finance the scheme.

The SECRETARY FOR AGRICULTURE: I am providing an alternative.

Mr. BEBBINGTON: If they compelled the people to hand their cheese over to the board, the board must be in a position to pay for it.

The SECRETARY FOR AGRICULTURE: My amendment meets that objection.

Mr. BEBBINGTON: If the Minister would withdraw clauses 7 to 19, and insert his amendment in their place, it would be acceptable.

The SECRETARY FOR AGRICULTURE: You are only wasting time. I do not intend to do that. I might just as well drop the pool if I do that.

Mr. GLEDSON: The amendment gives you all you want.

The SECRETARY FOR AGRICULTURE: Of course, it does.

Mr. BEBBINGTON: If the suppliers read the Bill, they would certainly turn it down. If clauses 7 to 19 were deleted, and the amendment substituted, the suppliers would have no objection.

Mr. MOORE (*Aubigny*): As the Minister would not accept the amendment, the best thing to do was to move an amendment so that the scheme would be workable. It was quite impossible for the consignor of cheese to send down a certificate unless the State grader was present at the factory.

The SECRETARY FOR AGRICULTURE: It is not impossible.

Mr. MOORE: Was the State grading officer going to be present at every factory on the Downs, because he would have to be if the consignor had to send the certificate?

The SECRETARY FOR AGRICULTURE: Mr. Graham, the dairy expert, says the clause is quite workable.

Mr. MOORE: How could the producer give a certificate for any consignment for cheese he sent down unless the grader was present? The clause provided that all cheese delivered to the pool must be accompanied by the certificate. If it were sent to an agent, that was the board.

The SECRETARY FOR AGRICULTURE: Provision is made for the delivery of cheese for local consumption in the country.

Mr. MOORE: But they could not get over the fact that a certificate had to accompany every consignment sent to Brisbane.

The SECRETARY FOR AGRICULTURE: That means delivery into the cold stores. It can be graded there.

Mr. MOORE: If that was so, why did not the Minister put it into the Bill and make it clear? As the clause stood, it was impossible to carry it out.

Mr. BEBBINGTON (*Drayton*): He agreed with the deputy leader of the Opposition that they could not carry out the clause as it stood. The factories on the Downs sent down every week 4 tons of cheese, and probably 7 tons or probably 8 tons. Under the clause they would have to send a certificate showing the grade. It was impossible to do it.

The SECRETARY FOR AGRICULTURE: If you look at the first paragraph of clause 6 you will see that it is provided that—

> "All cheese produced in Queensland shall be delivered by the producers thereof to the board or their authorised agents, within such times at such places, and in such manner as the board may fix."

It will be decided by the board where it is to be delivered.

Mr. BEBBINGTON: But clause 7 laid it down that every consignment must be accompanied by the grader's certificate. How could they do that?

The SECRETARY FOR AGRICULTURE: The board will prescribe the place where the cheese is to be delivered in Brisbane.

Mr. BEBBINGTON: How were the producers of cheese going to send the certificate with the consignment?

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): He was quite satisfied that the clause was quite clear and quite workable. The delivery of the cheese would take place as prescribed by the board. The cheese would be sent to the cold stores, where the State graders would examine it. He did not propose to accept any amendment.

Mr. MOORE (*Aubigny*): The wording of the clause was perfectly plain that a certificate must accompany each consignment, and there was a penalty provided against any person who failed to comply with that section. He did not suppose there would be any prosecution, but it was impossible to carry out the clause.

The SECRETARY FOR AGRICULTURE: It will be carried out all right.

Clause put and passed.

Clause 8—"*Tender to be evidence of intention to deliver*"—put and passed.

Clause 9—"*Board's decision to be final*"—

Mr. MOORE (*Aubigny*): The people who wanted the cheese pool were quite in favour of the first clause, but they objected to the part which provided that the board should make payments to each producer of cheese delivered to the board. It was no use moving an amendment, because the Minister would not accept it. If they wanted these farmers to accept the Bill when they were asked to vote on it then they would have to delete that clause. There was no possible chance of the dairymen voting for the clause as it stood. It was impossible for the board to finance the pool. The question of finance would make it an insuperable difficulty, because there was no chance of the farmers agreeing to that clause.

The SECRETARY FOR AGRICULTURE: I think the farmers will carry it. There is an opportunity for the farmers' representatives to explain the Bill to them.

Mr. MOORE: The managers of cheese factories went through the Bill and asked the Minister to delete that part of it, because they recognised that there was no chance of the milk suppliers agreeing to it.

The SECRETARY FOR AGRICULTURE: They want power without responsibility, and I do not propose to give it to them.

Mr. MOORE: If the Minister was going to give the board power to finance, it would be all right.

The SECRETARY FOR AGRICULTURE: We are giving them control of all the cheese in Queensland.

Mr. MOORE: The trouble was that the board did not get the money to pay for it. How was it possible for them to carry on unless they had the money to pay for it? If the Minister insisted on that clause, it was going to destroy the whole Bill. It was no use the Minister being obstinate, because he knew exactly what the cheese manufacturers wanted.

The SECRETARY FOR AGRICULTURE: They don't know what they want. First they ask for a pool, and now they say they don't want it.

Mr. MOORE: The cheese makers did not want the conditions which were put into the Bill. The Minister expected the Bill to be carried by a three-fourths majority of the milk suppliers, but that was impossible with a clause like that. They wanted the Minister to delete that clause, but he would not do it.

The SECRETARY FOR AGRICULTURE: If you delete one clause, you spoil the whole scheme.

Mr. MOORE: No. The board did not want the financial responsibilities.

The SECRETARY FOR AGRICULTURE: Then it will not be a pool.

Mr. MOORE: The cheese makers knew what they wanted, but the Minister was obstinate: and, while he gave them something they wanted, he tacked it on to something that the cheese manufacturers did not want at all.

Mr. BEBBINGTON (*Drayton*): There was no common sense in the clause. How was it possible for five ordinary farmers to find £80,000 a month to finance the scheme?

The SECRETARY FOR AGRICULTURE: We will give them an alternative scheme.

Mr. BEBBINGTON: Some people thought it would cost £200,000 a month. It was absolutely impossible for five farmers to find that money. There was too much theoretical advice in the matter and not enough practical advice. He was sorry the Minister took up the position he did, because the milk suppliers would vote against the pool.

Mr. J. H. C. ROBERTS (*Pittsworth*): There was no chance of the board financing the scheme. Many of the cheese factories had been in the habit of receiving advances on cheese from month to month to carry them on. On or about the 4th or 5th of the month they looked forward to receiving
[5 p.m.] the results of their sales, or some advance from the agents, to enable them to pay their milk cheques on the 12th of the month. Under the scheme proposed by the Bill, the board were to be called upon to carry the whole of the financial obligations of the cheese pool, and, that being so, it was only reasonable that the Minister should state what assistance the Government would give to enable them to finance. He was certain that no one would accept the responsibility of carrying on a cheese pool if they had to finance it. It had been the general practice in the trade for years for agents to assist to finance even the strongest co-operative companies. Under the present system the strongest companies would be able to get finance while those which were not strong would be unable to. The consequence would be that the companies which were financial would say that they were not going to take the risk of getting the board to finance them, and that they would stick to the "devil" they knew rather than the "devil" they did not know, and would not agree to the pool. Under the clause as it stood, when the matter came before the average farmer and the average board of directors, the cheese pool would be turned

down. The Minister deliberately put the clause in for the purpose of wiping out the pool.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): The hon. member for Pittsworth practically made the statement that he had put this clause in the Bill so that the farmers would not support the scheme. The hon. member knew that, on the representations made to him, he (Mr. Gillies was submitting for the approval of the Committee a new clause which set out an alternative scheme, which could be allowed to remain in operation for one year or more. He would give the assurance that, if the board asked for the alternative scheme, and the farmers decided by vote to have it, then the scheme as provided in the Bill itself would not be brought into operation until the farmers had another opportunity to vote. Although the Bill provided a complete pooling scheme, it was not necessary, if the Committee accepted the amendment in clause 20 for the alternative scheme, to put the pooling scheme into force.

Mr. G. P. BARNES: That means that each factory can deal with its own surplus?

The SECRETARY FOR AGRICULTURE: The hon. member would see what the position was from the alternative scheme which had been circulated.

Mr. MOORE (*Aubigny*): If the Minister was not going to bring the Bill into operation until there was another opportunity given to the farmers to say whether they wanted it or not, that made all the difference. He was perfectly satisfied with the assurance of the Minister.

Mr. J. H. C. ROBERTS (*Pittsworth*): Was he to understand that the farmers could have the alternative scheme as suggested by the Minister, and that the Bill would not become operative until they had had a second vote?

The SECRETARY FOR AGRICULTURE: I have given that assurance.

Clause put and passed.

Clauses 10 to 17, both inclusive, put and passed.

Clause 18—"*Payments of differences*"—

Mr. MOORE (*Aubigny*): He moved the addition, after the word "cheese" on line 33, of the words—

> "or any special brand or make on which extra care and expenditure has been involved for any special market outside Queensland."

They objected to the clause altogether, but he supposed that there was no chance of the Minister withdrawing it. They were against the Profiteering Prevention Act coming into the matter. The dairying industry had been withdrawn from the operation of that Act.

The SECRETARY FOR AGRICULTURE: It is put in to protect the producers.

Mr. MOORE: The amendment would protect anyone who went in for a special brand of cheese. There were merchants in Brisbane who bought special brands of cheese which were satisfactory for their trade requirements. Under the clause, if a merchant bought twenty cases of cheese and stored them up in the cool chambers and the price went up, he had to pay to the board the difference between the increased price and the price he purchased it at. The amendment would prevent people purchasing except for sale. No one would purchase cheese for future requirements if, when cheese went up, they had to pay the difference between the increased price and what they bought at. On the other hand it was not stated that, if cheese went down, the board would have to pay them the difference. Take the case of a company which sent its manager over to Singapore and the East to open up new markets, at a cost of, perhaps, £800 or £900, and he came back to the factory and said, "The cheese I want has to be made up in a particular way." That cheese might be worth about 2d. per lb. more to send to the East than it was worth for local consumption. The company took special pains and went in for more expenditure in order to get a suitable cheese on the Eastern market. Were agents or factories not to be allowed to benefit from that special cheese which they were paying a special rate to have made? If not, it was going to prevent people from opening up new markets outside Australia. If a new market was opened up, those who opened it up should have the advantage of so doing, and not have to pay to the board the difference between the price they could get locally and what they could get in the foreign market. People should be encouraged to go in for supplying other markets, and not be restricted and only allowed to purchase cheese from day to day. It was not a question of speculation, but a matter of allowing people to carry on their business in a businesslike way, and they should not be penalised. It was difficult enough at the present time to get rid of the articles they were producing in the ordinary way.

The SECRETARY FOR AGRICULTURE: If you do not place obstacles in the way of speculators, you cannot protect the producers.

Mr. BEBBINGTON (*Drayton*): This was a blunder, not on the part of the Minister or the Parliamentary Draftsman, but on the part of the secretary of the Cheese Manufacturers' Association, who asked for it to be put in. He wished to point out the difference in the way in which some businesses were treated in Sydney and Melbourne, and the way the trade would be treated under this clause. In Sydney and Melbourne, retail houses bought their cheese supplies for months ahead, and were allowed to store it in the Co-operative Company's cold stores free of charge. They would probably not use the cheese for three or four months afterwards. There was a large expense incurred in storing cheese for three months; but, in order to encourage the trade, the co-operative companies in Sydney and Melbourne stored it free of charge. The purchasers paid the price ruling at the time they bought the cheese. Under this clause, if cheese happened to rise in price during the time it was in the stores, the merchant would be called upon to pay the additional price.

The SECRETARY FOR AGRICULTURE: Not if the Profiteering Prevention Act applies.

Mr. BEBBINGTON: But, if the cheese went down, the purchaser would not be paid the difference. That showed how onesided the Bill was. The secretary of the Cheese Manufacturers' Association had asked for the clause to be put in, as he thought it would protect the buyers of cheese. There was practically no speculation in the cheese business to-day. If a man liked to buy cheese and hold it and pay the expense of storage, let him do it; but there were very few people foolish enough to do that. There were many people who were making special

brands of cheese besides tinned cheese. There was one factory on the Downs which had turned out cheese which at one time it was selling for 2s. 6d. per lb., and other factories were putting in machinery for making a superior article for certain markets.

The SECRETARY FOR AGRICULTURE: The sole object of the clause was to protect the producer against the speculator.

Mr. BEBBINGTON: Quite right.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): If buyers wanted large quantities of cheese and the price went up, or the Commissioner of Prices fixed the price at a figure which would show a big profit, that profit should go to the producers. The amendment of the hon. member for Aubigny was a wide provision, but he had another to propose which he thought would meet the wishes of the hon. member, and at the same time provide an authority to decide what was a special brand. It read—

> "Or which, in the opinion of the board, is of any special brand, make, or variety, or has been the subject of extra care or expenditure, or has any special market outside Queensland."

Mr. MOORE: He would, with the permission of the Committee, withdraw his amendment.

Amendment, by leave, withdrawn.

The SECRETARY FOR AGRICULTURE moved the insertion, after line 33, page 8, of the amendment he had already read.

Amendment agreed to.

Clause, as amended, put and passed.

Clause 19—"*Accounts of receipts and disbursements to be kept*"—put and passed.

The SECRETARY FOR AGRICULTURE: A rather lengthy new clause, to follow clause 19, had been circulated, providing that the alternative scheme framed to meet the wishes of the Cheese Manufacturers' Association should operate till the big scheme was brought into operation. He therefore moved the insertion of the following new clause, to follow clause 19:—

> "20. (1.) Notwithstanding anything hereinbefore in this Act contained, the Minister, upon the recommendation of the board, may direct, by notification in the 'Gazette,' that no person shall deliver any cheese to the board before the thirtieth day of June, one thousand nine hundred and twenty-two, or such earlier or later date as is stated in such notification.
>
> "(2.) Thereupon the following consequences shall ensue until the thirtieth day of June, one thousand nine hundred and twenty-two, or until such earlier or later date, as the case may be:—
>
> (i.) On Monday in every week—
>
> (*a*) Every producer shall deliver to the board a return in the prescribed form showing the total quantities of each description of cheese manufactured by him during the last preceding seven days, and the names and addresses of all persons to whom any cheese was during such period delivered or consigned by such producer for sale, and the respective quantities of the cheese so delivered or consigned to each such person and the respective descriptions thereof;
>
> (*b*) Every agent for the sale of cheese shall deliver to the board a return in the prescribed form showing the respective quantities of each description of cheese sold or agreed to be sold by him on behalf of any person during the last preceding seven days, and the price realised or agreed to be paid in respect of such respective quantities of cheese, and the names and addresses of the persons on whose behalf such respective quantities of cheese were sold or agreed to be sold, and such further particulars relating to such sales as the board may from time to time require.
>
> (ii.) If the board is satisfied that any producer has sold in Queensland more cheese than his quota as determined by the board, the board may, by written notice in the prescribed form addressed to such producer, direct that such producer shall purchase cheese of the grade or description and in the respective quantities specified in such notice from such person and at such place and within such time as shall be specified in such notice: provided that such last-mentioned person is willing to sell such cheese at the wholesale price of cheese of such grade or description then prevailing in such place. Any statement in such notice as to such wholesale price shall be primâ facie evidence of such price.
>
> Any producer who fails to comply with any such direction of the board shall pay to the board a sum equal to the value of the cheese so directed to be purchased by such producer and which he has failed to purchase as so directed. Such sum shall be a debt due to the chairman of the board, and may be recovered by him in any court of competent jurisdiction by proceedings in his official name of 'Chairman of the State Cheese Board,' and shall be paid by him to the person from whom such purchase was so directed to be made, provided such last-mentioned person delivers such cheese to the board or as directed by the board to be disposed of to or for the benefit of the producer who failed to purchase the same as aforesaid.
>
> (iii.) The Minister may from time to time appoint by writing under his hand any person or persons authorising him or them to inspect and take copies of any books, papers, vouchers, records, or other documents of any producer or agent of a producer for the purpose of ascertaining or verifying any of the particulars prescribed to be included in any return under this section by such

producer or agent, and for that purpose authorising the person or persons so appointed to enter into or upon any office or premises of such producer or agent; such producer or agent shall provide all reasonable facilities for such entry, inspection, and copying; such producer or agent, and every officer, agent, or servant of such producer or agent shall furnish to the person or persons so appointed all such information in the power of such producer or agent, or officer, agent, or servant of such producer or agent, as the case may be, as may reasonably be requested of him.

"(3.) In addition and without prejudice to any other remedy herein provided, any person who acts in contravention of or fails to comply with any of the provisions of this section shall be guilty of an offence, and be liable to a penalty not exceeding one hundred pounds, and to a daily penalty not exceeding ten pounds for every day during which such default continues; and every such penalty may be recovered in a summary way by complaint under the Justices Acts, 1865 to 1909.

"(4.) Any producer, agent, or other person who makes or signs a return under this section which in any material particular is to his knowledge false shall be guilty of an offence under section one hundred and ninety-four of the Criminal Code, and punishable accordingly."

Mr. BEBBINGTON: Will it be made clear that the vote will be on this alternative scheme and not on the whole of the Bill?

The SECRETARY FOR AGRICULTURE: We can make a regulation providing for the taking of a vote on the alternative scheme set out in new clause 20.

Mr. BEBBINGTON (*Drayton*): He would point out to the Minister the absolute impossibility—even if the farmers, not recognising what was in it, did carry the whole Bill—of the Cheese Manufacturers' Association or the board carrying out the Bill.

Hon. W. FORGAN SMITH: Are you against the Bill?

Mr. BEBBINGTON: No. The Bill might come in at a future time, but at the present time it was absolutely impossible for five men to find anything from £180,000 to £200,000 amongst financiers for the purpose of the pool. The Minister said he would give them the option of voting for either scheme, and, if the farmers, by some misfortune, voted for the pool, which was of absolutely no use to them, they would, in ignorance, have thrown out the pool they wanted. The Minister should take a vote only on new clause 20.

The SECRETARY FOR AGRICULTURE: The big scheme does not come into operation on the carrying of the Bill; we put the alternative scheme into operation. As the farmers carry the Bill, they carry new clause 20 as well, and it comes into operation.

Mr. BEBBINGTON: Could you not put it by itself?

Mr. J. H. C. ROBERTS (*Pittsworth*): They had got into a predicament. It might be quite clear to the Minister, but he was very doubtful whether it was going to be quite clear to the average farmer a long way from here. He wanted the Minister to make it absolutely clear that, in order to get the alternative scheme, the farmers had to carry the Bill, but that the pool Bill would not be operative till such time as there was another vote.

The SECRETARY FOR AGRICULTURE: We will make that quite clear.

Mr. BEBBINGTON: He wanted to make it quite clear so that they could advise the milk suppliers to vote for the Bill unanimously.

New clause (*Mr. Gillies'*) agreed to.

Clauses 20 and 21 put and passed.

Clause 22—"*Regulations*"—

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): In order to make it quite clear that the ballot could be taken on the alternative scheme (new clause 20), he moved the insertion, after the word "Board," in line 9, page 10, of the following words:—

"or any ballot which the Minister may see fit to take for the purposes of this Act."

Mr. BEBBINGTON: Then, you will make it quite clear under the regulations that the big scheme cannot come into force?

The SECRETARY FOR AGRICULTURE: Quite clear.

Amendment agreed to.

Clause, as amended, put and passed.

The House resumed.

The CHAIRMAN reported the Bill with amendments.

THIRD READING.

The SECRETARY FOR AGRICULTURE: I beg to move—

"That the Bill be now read a third time."

Question put and passed.

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

WORKERS' COMPENSATION ACTS AMENDMENT BILL.

SECOND READING.

The ATTORNEY-GENERAL (Hon. J. Mullan, *Flinders*): This is the fourth occasion on which this Government have amended the Workers' Compensation Act in the direction of improving the conditions of the workers. In 1915 the 1905-1909 Acts were repealed, and an up-to-date measure, providing compulsory State insurance, and increasing the maximum amount of compensation from £400 to £600 in case of death and £400 to £750 in case of incapacity, was introduced in its place. In 1916 an amending Act was passed [5.30 p.m.] providing for compensation in the case of death or incapacity through certain industrial and mining diseases. In 1918 a further amending Act was passed granting payments for loss of limb, eyesight, etc.; and now we propose to introduce this amending Bill still further improving the conditions of the workers.

GOVERNMENT MEMBERS: Hear, hear!

The ATTORNEY-GENERAL: In 1915, when this Government introduced its amending Bill, it was stated by the insurance companies and their friends, and, in fact, in

every capitalistic paper in Queensland, that the rates would be increased. In 1917 and 1918 a bonus of 10 per cent. was granted to insurers, which represented a reduction in rates of 10 per cent. In 1919 and since a discount of 5 per cent. has been allowed on payment, representing a reduction of 5 per cent., so that, instead of the rates increasing substantially, as was foreshadowed by our opponents, the rates have been substantially reduced and the benefits have been enormously increased. The figures collected by the State Insurance Commissioner show that in 1916 for every £1 paid in compensation to the workers £3 was collected from the employers. To-day the position has altered to such an extent that the worker receives in compensation £3 out of every £4 paid by the employers, and of the remaining £1 only 10s. is required for management, and the other 10s. goes to reserves. Or, put in another way, before our compulsory State insurance scheme came into operation, the workers received 6s. 8d. out of every £1 collected from the employers, and the balance of 13s. 4d. went in administrative charges and dividends, whereas now the worker receives 15s. out of every £1 paid by the employer, and of the remaining 5s., 2s. 6d. goes towards administrative charges and 2s. 6d. to reserves, showing a very satisfactory state of affairs indeed.

Mr. MOORE: It is not satisfactory at all.

The ATTORNEY-GENERAL: The hon. member does not know what satisfactory means if he says that. Through the establishment of State fire insurance, four-sevenths, or 57 per cent. of the whole cost of workers' compensation to the employers in this State has been saved to them. For instance, in 1920 the cost of workers' compensation to the community worked out at £350,000 and the saving by the creation of the State fire insurance to the community represented £200,000, so that the net cost of workers' compensation to the people of Queensland was only £150,000. That shows what splendid work has been done by this great State Insurance Office.

In spite of statements made to the contrary in this Chamber and elsewhere, I want to point out that the Queensland State Insurance Office compares more than favourably with any other office in Australia, and the employers and employees have benefited enormously under our State insurance scheme, as I can demonstrate.

Mr. MOORE: How can you demonstrate that the employers have?

The ATTORNEY-GENERAL: He is paying a reduced rate.

Mr. MOORE: No.

The ATTORNEY-GENERAL: If the hon. member will look carefully into the matter, he will find that he is paying a lower rate than he paid before the establishment of the State Insurance Office. I will give a comparison to show what we have done, and I will take four kinds of insurance—the Queensland State insurance, which is compulsory; the New South Wales system of workers' compensation, which is not compulsory and where you can insure with private companies only; the New Zealand scheme, which is not compulsory and where you can insure with the State or with private companies; and the Victorian scheme, which is compulsory and where you can insure with the State or with private companies. The test of these systems is the cost to the employer of each £1 paid in compensation. For every £1 paid to the workers in compensation in Victoria, it costs the employer £2 9s. 6d.; in New Zealand it costs the employer £2 0s. 4d.; in New South Wales it costs the employer £2 11s. 2d.; but in Queensland, under the State system, it only costs the employer £1 4s. 5d.; or, in other words, only half the rate of the other three systems, demonstrating beyond a possibility of doubt that our system eclipses all the others, and this notwithstanding the fact that we are giving substantially greater benefits than any of the other systems to which I have referred. That can be proved in this way: The rate of compensation payable in case of death in Queensland, when dependants are left, provides for a maximum of £600 and a minimum of £300. In New South Wales the maximum is £500 and the minimum £300. In New Zealand the maximum is £500 and the minimum £200. In Victoria the maximum is £500 and the minimum £200. In the case of no dependants the Queensland rate is £50; New South Wales, £20; New Zealand, £50; and Victoria, £50. The maximum payment per week for disablement allowance in Queensland is £2; in New South Wales, £2; in New Zealand, £2 10s.; and in Victoria, only £1 10s. The total payment for disablement in Queensland is £750; in New South Wales, £750; and in New Zealand and Victoria, only £500.

Mr. VOWLES: You have a monopoly.

The ATTORNEY-GENERAL: Certainly. I make no hesitation is saying that it is because of our monopoly that we are able to do it, and that is one reason why we stand for State monopoly in insurance.

Mr. VOWLES: It is compulsory.

The ATTORNEY-GENERAL: We could never give the benefits under any other scheme. In spite of statements that have been made to the contrary, the rates in Queensland, taken in the aggregate, are lower than the rates in New South Wales.

Mr. VOWLES: They are not.

The ATTORNEY-GENERAL: I have the figures, and the hon. gentleman can peruse them if he likes.

Mr. VOWLES: I will give you my figures.

The ATTORNEY-GENERAL: I give the hon. member an assurance that his figures are wrong if they differ from mine. The Victorian employers are paying 12 per cent. more than the employers of Queensland for the benefits paid in the respective States. These figures have been carefully prepared by competent actuaries, so that they will stand the test of analysis in spite of any figures that may be flung across the floor of the House to the contrary. Our figures in the aggregate are lower than the New South Wales figures. Although the rates have been reduced in Queensland since we inaugurated the system, and although the benefits have been enormously increased because of the fact that there are no dividends to be paid to anybody and because of the fact that we have good management, and notwithstanding our enormous benefits, we have been able to make approximately an annual profit of £50,000 on our workers' compensation department.

Mr. JONES: Do you pay income tax?

The ATTORNEY-GENERAL: We can, therefore, afford to further amend the Act

and further increase the benefits given to the workers of Queensland. It is satisfactory to know that, despite the predictions of the calamity howlers opposite, the Act has proved to be a great success. During the last five years, £831,845 have been paid to the workers of Queensland in benefits, and this has been done practically without any litigation. There have been only three cases of litigation, costing the paltry sum of £25, in five years, whereas, prior to the passage of this Act, for the ten years 1905 to 1915 there were 200 cases contested in Brisbane alone by the insurance companies. You can imagine the thousands of cases that must have been contested over the whole of the State. The companies went out of their way on every possible occasion to endeavour, by litigation, to deprive the workers of their just compensation.

GOVERNMENT MEMBERS: Hear, hear!

The ATTORNEY-GENERAL: The Government have effectively, by their amending legislation, prevented the ghoulish practice of one section of the community making fortunes out of the misfortunes of others. I hope that that is a thing of the past. When dealing with the provisions of the Bill, at an earlier stage, I fairly well outlined the main provisions of the Bill, and I will, therefore, be very brief now. The provisions of this Bill can be better dealt with when we are in Committee. Provision is made in the Bill to place beyond doubt, if there ever was any doubt, that workers' compensation insurance in Queensland is a State monopoly. We are bringing it into line with the decision of the Privy Council on that matter. Provision is made in the Bill for farmers, prospectors, and gougers to come under the State insurance scheme if they desire to do so.

Mr. VOWLES: Are you making it compulsory?

The ATTORNEY-GENERAL: No, we are not making it compulsory. They can please themselves whether they come under or not. Then, we are making provision for an injured worker who is the sole or main support of a wife, husband, parent, brother, or sister, to get an increased minimum rate amounting to £2 a week. In these days of high cost of living I think £2 a week is little enough for a man with a family. The Bill also provides for a payment of 5s. a week for each child of an injured worker up to a maximum of 30s. a week, making the maximum compensation for an injured man with a family £3 10s. a week. In connection with industrial diseases provision is made for persons employed about hospitals or ambulances, and who become victims of certain diseases as a result of their occupation, to receive compensation. Just at present the bubonic plague is in existence in the State, and, if any of those who are employed about hospitals or ambulances are unfortunate enough to catch that disease, they are entitled to compensation. Those people undertake great risks on behalf of the community, and it is only a fair thing for the community to bear the responsibility. Then provision is made whereby workers engaged in baking and milling who may be the victims of bakers or millers' phthisis will also be entitled to workers' compensation. A very important provision is included to allow compensation to copper gougers and prospectors, although they may not be employees. In the event of their becoming afflicted with miners' phthisis, they shall receive compensation. The Bill also provides for compensation for those persons suffering from miners' phthisis who were employed in mining prior to 1st January, 1916. These persons will be entitled to an allowance equalling a maximum of £200, or one-half the amount that is now allowed for victims from miners' phthisis since 1st January, 1916.

The Bill also broadens the definition of "worker." Previously, if a worker was in receipt of £400 per annum, he would be debarred from the benefits of the Act. This Bill includes within its ambit all persons in receipt of an amount not exceeding £520 per annum, or £10 a week. The Bill also makes provision to include such workers as salesmen, canvassers, collectors, or other persons who receive commission from a firm. The Bill also includes the share farmer, or men employed by a share farmer as workers. In future all complaints under the Act will be determined by an industrial magistrate, and any appeal from the decision of the magistrate will go to the Court of Industrial Arbitration. As the claims arise from employment, we think it is only right that all appeals should go to the Industrial Arbitration Court. That is the proper tribunal to settle finally all the claims and disputes. One of the subclauses of clause 13 provides for a penalty of £300 for any breach of a regulation. That is a typographical error. It was intended to be £100, and we will alter that in Committee. Clause 12 provides that the State Commissioner of Taxes may disclose information to the Insurance Commissioner, and the Insurance Commissioner may reciprocate. There is nothing unusual in that, although exception was taken to it some time ago. The State Commissioner of Taxes has power to disclose certain information to the Federal Commissioner and also to the Commissioner of Stamps in the interests of the public. There is no reason why this information should not be supplied. When this Act is amended as proposed, it will be the best of its kind in the world. If the Labour Government had never done anything else beyond passing this humane measure, it would have amply justified its existence. I, therefore, move—That the Bill be now read a second time.

Mr. VOWLES (*Dalby*): The Minister has given us a fair amount of detail about the new clauses. This measure is to a great extent a Committee Bill, but there are certain principles involved to which I might draw attention. I understand that the principal amendments provide—first, that workers' compensation insurance in Queensland has become a State monopoly; secondly, that the Insurance Commissioner is given additional powers to increase the premiums; and, thirdly, it increases the benefits to workers and brings other callings under the provisions of the Act.

The ATTORNEY-GENERAL: There is no provision to increase premiums. I am glad to say that it is not necessary to increase premiums.

Mr. VOWLES: I am informed that premiums are being increased, and I will deal with that in Committee. I think you will find that certain individuals will be called upon to pay increased amounts under this Bill. Different classes of persons are now included under the definition of "worker." Previously, a worker was a person earning not more than £400 a year, and

now any person earning a salary up to £520 is included as a worker. Under this Bill a member of Parliament becomes a worker, and is entitled to receive compensation.

The Attorney-General is introducing a new principle. He is allowing the share farmer to be regarded as a worker; but, if he happens to receive in one year a sum exceeding £520, would he be a worker within the meaning of this Act, and would he have to insure? It might possibly happen that a farmer may receive £400 in one year and the following year nothing at all. That is one of the vicissitudes of the farming industry. A man may work hard all the year and have a large area under wheat. He may even get up to £1,000 for that year, and the next year he may receive nothing at all as a result of dry seasons. Would the Attorney-General consider him a worker within the meaning of the Act? There is a new provision which includes farmers, copper gougers, and prospectors. These men are not compelled to insure at all, although all other employers are compelled to insure their employees under this Act. These men can now insure and receive the benefits of the Act if they think fit, but it is not compulsory. If they are going to receive benefits under the Act, it should be made compulsory for them to insure, just the same as other employers are compelled to insure their men. "What is good for the goose is good for the gander." There are certain provisions for share-farmers and their employees coming under the Act. Previously appeals went to the Supreme Court. It is now proposed to alter that principle, and allow appeals to go to the Industrial Arbitration Court.

Mr. GLEDSON: When this Bill is passed all the Industrial Court judges will be Supreme Court judges as well.

Mr. VOWLES: That is so. There are provisions for increasing the compensation for injured workers, with which I fully agree. In future, an injured worker is to receive £2 per week. That is very desirable. Then, if he has any young children, they will receive 5s. each, with a maximum of 30s. per week for the children, or a total of £3 10s. per week for the injured worker. The maximum payment for an injured worker is £750. The Opposition are in favour of those increased benefits.

Mr. GLEDSON: You are getting more broadminded.

Mr. VOWLES: No, we are humane. Provision is made for granting compensation to bakers and millers who suffer from millers' phthisis. Then there is a further provision to grant compensation to miners suffering from miners' phthisis who contracted the disease prior to 1st January, 1916. That was the date of the commencement of this Act, and I suppose that date is fixed because, if the Legislative Council had passed the Bill when it was first introduced, these men would have been included. There is another principle in the Bill which I object to, and that is the provision which gives the State Commissioner of Taxes the right to disclose information to the Insurance Commissioner. That is giving away a man's private business.

The ATTORNEY-GENERAL: He has the right to give information to the Commonwealth Taxation Commissioner now, and that Commissioner reciprocates.

Mr. VOWLES: He is giving away the people's private business, and there is no Act of Parliament that gives him that power. I cannot see the necessity for that provision.

The ATTORNEY-GENERAL: It was passed by your Government. It has always been done.

Mr. VOWLES: What is the object of it? Surely the Insurance Commissioner has sufficient power to compel a man to produce all his accounts? There is another strange provision, which, I think, is a bad principle; that is, the Commissioner has power to—

> "Fix and if necessary vary the rates of premium to be charged in connection with policies, and provide for the increase of such rates in any individual instance in which, owing to want of care on the part of the employer or for other reasons sufficient in the opinion of the Insurance Commissioner, the risk is greater than that usually involved in risks of a similar nature."

The ATTORNEY-GENERAL: A very wise provision for the protection of the worker.

[7 p.m.]

Mr. VOWLES: Why should power be given to the Commissioner to discriminate as to what premium is to be paid? If a man is carrying on a business, he carries it on in his own way.

The ATTORNEY-GENERAL: Why should he be allowed to be careless about machinery and other things?

Mr. VOWLES: The remedy should be not to penalise him and make him pay a higher premium, but to make him carry on his business more carefully.

Then additional power is given to the Commissioner to make regulations, under which he will have power—

> "To make assessments of premiums payable by employers, and by persons liable to make returns, and by any persons whom the Insurance Commissioner believes to be employers, and to enforce the payment of assessments and to increase or reduce assessments."

It seems to me that we are placing a very strong power in the hands of the Commissioner in that regard.

Then as regards penalties: The general penalty under the existing Act is £20, and it is proposed to give the Commissioner power to impose a penalty up to £300.

The ATTORNEY-GENERAL: I mentioned in my second reading speech that that should be £100.

Mr. VOWLES: I would like to know the reason for the extraordinary increase in that respect. £20 is regarded as a maximum penalty under any other Act of Parliament, but for some unknown reason the Commissioner is to have an arbitrary power to impose a penalty up to £100. I would like the Minister, when we get into Committee, to explain why the penalty has been increased. There is another power given to the Commissioner to hold a sort of "Star Chamber Court" and compel any person to come and give evidence on oath. He can inquire into a man's private affairs. I do not know why that power should be given. When innovations like these creep into our legislation it is the duty of the Minister to explain the

reason for them. The Commissioner has the power to summon anybody at all in connection with a worker's compensation claim and compel evidence to be given. I cannot imagine any case in which such a power would be necessary.

The ATTORNEY-GENERAL: It is easy to imagine a man sending in wrong returns.

Mr. VOWLES: You have got other remedies. Under the Bill you can compel a man's banker to give evidence, or you can put a man to the inconvenience of coming from the country to give evidence because the Commissioner thinks it is necessary.

To my mind this Bill is only imposing another burden of taxation on the business community, and imposing extra premiums to give additional benefits to the workers. The Bill pushes the Government monopoly to its very limit. The Government have taken advantage of the decision in the High Court case on the question of monopoly, and they have gone further and lay it down that in future, so far as accident insurance is concerned, they possess a monopoly in respect of that branch of the business.

The Minister gave some information when he was speaking in respect of the amount of money collected by the private companies previous to the State obtaining a monopoly. I understood him to say that there was £350,000 collected for premiums as against £100,000 by the Government.

The ATTORNEY-GENERAL: No, I merely said there was a saving of £150,000 last year.

Mr. VOWLES: The Government put a lot of insurance offices out of action, and, as a result, a lot of men have been thrown out of employment. Those offices had their own staffs and canvassers, and all the people who were necessary to make up the full complement of a business of that kind. What have we got in exchange? We have one office, pretty well staffed; in fact, I am told that it is overstaffed and has become a benevolent institution and a political hunting ground. The public of Queensland are paying for the privilege of having a State monopoly, and I propose to give a schedule of facts and figures which will prove that the private insurance companies which compete in New South Wales, and which employ canvassers and staffs under award conditions, are enabled to give a tariff in many cases 50 per cent. better than that charged in Queensland. I am going to quote from a report made on 16th May last by Mr. F. W. Walton, and presented to the annual meeting of the Insurance Institute in New South Wales. The writer says—

> "A comparison of the workings of the two extreme systems, as exemplified in Queensland and New South Wales, therefore suggests itself, the more especially as the benefits conceded under the respective Acts were until quite recently almost identical, namely:—

—	Queensland.	N.S. Wales.
Death Benefits—	£	£
Maximum	600	500
Minimum	380	300
Disablement Allowance—		
One-half average weekly earnings, namely:—		
(*a*) Maximum, per week	2	2
(*b*) Limit of compensation ...	750	750

> "It will thus be seen that the only outstanding difference is the higher amount allowed in Queensland in respect of fatal accidents; but, as payments in both States are governed by three years' earning power, the difference is more apparent than real, since in many cases the three years' earnings of the deceased worker may not have exceeded £500."

I would like to remind the hon. gentleman that the Queensland State Insurance Office is getting for exactly the same amount of liability 50 per cent. more in premiums.

The ATTORNEY-GENERAL: The liabilities have increased considerably.

Mr. VOWLES: They may have increased to some small extent, but nothing in proportion to the premiums received. The writer goes on to say—

> "It is true that since the 1st September, 1919, the weekly compensation in Queensland has been increased to two-thirds of the average weekly earnings to married workers only, the maximum of £2 per week being maintained, and that on the 31st December, 1920, the New South Wales Act suffered amendment; but, as the figures quoted later refer, in the case of New South Wales, to the Workmen's Compensation Act 1916 (New South Wales), it is unnecessary for the purposes of comparison to indicate the direction in which the benefits have been extended. The scale of compensation being approximately equal, it would naturally be assumed that in a State in which insurance is compulsory, and in which that compulsory form of insurance is monopolised by the Government, with elimination of costs of competition and freedom from payment of income tax, as well as agents' commission, the rates would be considerably lower than those applying to an almost similar Act operating in another State, in which companies were working under unrestricted competition among themselves for business which the employer was under to obligation to insure, and where in many cases he carried his own risk. Or, conversely, it might fairly be expected that if rates were approximately identical, huge profits would accrue to the State holding a monopoly by reason of the compulsory nature of the Act, the centralised control, and other material advantages referred to above. It is, therefore, all the more surprising, after allowing for some slight benefit in favour of the Queensland worker, that charges for insurance of employees should be so much higher in Queensland than in New South Wales—one would have expected them to be infinitely cheaper. And yet the astounding fact emerges that notwithstanding all the handicaps to which the private companies operating in New South Wales are subjected, they are able to supply insurance at far lower rates than those exacted by the Government Commissioner in Queensland.
>
> "In his first annual report, the Queensland Commissioner for Insurance instanced the rates charged by him for what he termed, and what I think can be fairly admitted to be, twenty representative trades. I append a table showing these occupations and the rates charged

in Queensland and New South Wales respectively, namely:—

Occupation.	Queensland.*	N.S. Wales.†
	Per cent.	Per cent.
Brickmaking	27/6	11/6 to 27/6
Breweries	20/0	10/0
Builders	35/0	22/6
Carters and Carriers	35/0	30/0
Carpenters	35/0	12/6 to 25/0
Clerical Staffs ...	5/0	2/0
Clothing Manufacturers	12/6	2/6
Commercial Travellers	20/0 to 30/0	10/0
Creameries	15/0	5/0
Farmers	15/0 to 100/0	13/6
Founders	27/6	13/6
Gasworks	20/0	6/0 to 17/0
General Stores ...	12/6	3/0 to 5/0
Jam Factories ...	22/6	9/0
Laundries	17/6 to 25/0	9/0
Meatworks	22/6	9/0
Printers	15/0	10/0
Quarries	80/0	36/0 to 80/0
Stations (sheep) ...	20/0	13/6
,, (cattle) ...	25/0	9/0
Tanneries	25/0	9/0
Timber-getters ...	60/0 to 100/0	72/0

* Government monopoly—compulsory insurance.
† To private companies—no compulsion to insure.

Surely, that was comprehensive enough: I want to put this table into "Hansard," for it is very astonishing to note the disparity between their rates and ours. Can the Queensland Commissioner say that the people of Queensland are getting cheap insurance?

Mr. HARTLEY: Yes, because they are getting bigger benefits.

Mr. VOWLES: They are not, and I am going to deal with that. Moreover, our management ratio is higher than it is in New South Wales. He goes on to say—

> "It may be mentioned that, for the first three years the Queensland Commissioner conceded employers a bonus of 10 per cent. off the above rates, but from his last report it will be observed that even this concession has been withdrawn in favour of a 5 per cent. discount, applicable only to employers complying with the regulations regarding the furnishing of wage returns and payment of premiums. If, therefore, the gains are not to the employer—in fact, quite to the contrary—one would naturally conclude that such heavy ratings would produce so low a claim ratio as to yield a very large margin of profit. But even this is not borne out by results, as the following comparison table, gleaned, in the case from figures supplied by the Queensland Insurance Commissioner, and, in the other, by the Government Statistician of New South Wales will show, namely:—

Claims Ratios.	Queensland.	New South Wales.
	Per Cent.	Per Cent.
1917	61·57	26·16
1918	66·65	37·35
1919	6·89	53·51
1920	75·1	54·33

> "The New South Wales claims ratios for the year 1917 may, however, be disregarded, as the Workmen's Compensation Act of 1916 did not operate until the 1st July of that year.
>
> "It is difficult to account for the great disparity in claim ratios, particularly as in view of the higher ratings operating in Queensland, one would have expected the position to be reversed. The performance of private companies in New South Wales is, therefore, all the more remarkable, and can only be ascribed to a very careful and systematic handling of claims by highly trained experts."

The ATTORNEY-GENERAL: I know whom that is written by—Mr. Walton, the president of the Institute of Insurance Men; and he has been repudiated by reputable insurance men all over Australia.

Mr. VOWLES: The same criticism appears in the "Wild Cat" column of the Sydney "Bulletin."

Mr. HARTLEY: Now quote the compensation figures of New South Wales.

Mr. VOWLES: I gave you that at the start—Queensland, maximum £600; and New South Wales, £500.

Mr. HARTLEY: What about the disablement figures?

Mr. VOWLES: I have no time to haggle with the hon. member.

Mr. HARTLEY: You have only time to shuffle.

Mr. VOWLES: The hon. member should get up and explain his position, and criticise the facts and figures I have given.

Mr. HARTLEY: There is nothing that you are explaining; it is pure shuffle.

The SPEAKER: Order!

Mr. VOWLES: I do not think the hon. member is worth noticing. He is irresponsible. Mr. Walton goes on—

> "Passing over to expenses, it will be observed that the claim for economical handling is being rapidly falsified by the progressive experience of the Queensland Government monopoly, which, starting with an expense ratio of only 12.5 per cent. for the first year, has in four years increased it to not less than 19.6 per cent., notwithstanding heavy increases in revenue, which should have produced the contrary effect. It may be remembered that, under the Queensland Act no commission is payable on workmen's compensation business, and that the department is specially exempted from all income tax payments, so that, freed from these exacting charges, one would have anticipated a far better experience so far as expense ratios are concerned. I know the Queensland Commissioner admits to a loss ratio of less than this last year, viz., 15.5 per cent., but, as an amount of £3,629 was paid as compassionate allowances under the Miners' Phthisis Fund, which occupation does not legally come within the scope of the Act, the outgoings were thus increased by 4.1 per cent., which accounts for the higher expense rate mentioned above."

The ATTORNEY-GENERAL: That man is very unsympathetic towards workers' compensation.

Mr. VOWLES: He is not. So far as miners' phthisis is concerned, he merely points out that there is a compassionate allowance, which falsifies some of the figures. He is honest.

The ATTORNEY-GENERAL: I may tell you on the floor of the House—and I take the responsibility—that he is a fraud.

Mr. CORSER: Say it outside.

The ATTORNEY-GENERAL: I have had it substantiated.

Mr. VOWLES:—

'It is a moot point whether employers should be required to pay a rate which allows for any disbursement of compensation which they are not legally called upon to pay. However, this is only another aspect of the Government monopoly, which permits of abuse of this description.

"It is really extraordinary that the earnings of accumulated profits in the Workmen's Compensation Department of Queensland amounted to only £3,617, a return of less than 2 per cent., which, I think I am right in saying, would have been far exceeded by disbursements for income tax by the various insurance companies had they been permitted to continue to underwrite the business."

We are getting only 2 per cent. profit, and the companies, if they were in competition, would be paying a great deal larger amount than that in direct taxation and mopping up some of the unemployed, because they would have a staff in every department and canvassers, and would be disbursing large sums in that way.

The ATTORNEY-GENERAL: Wasting money that we pay to the workers.

Mr. VOWLES: Would they not be paying to the workers too? How many clerks have the insurance companies who have been closed up put on the labour market—specialists, who may not be suitable for other work, and who have to look for congenial employment abroad or stay on the unemployed market here? The report goes on—

"In view, therefore, of the many disadvantages attaching to the Government monopoly as compared with free competition among private companies permitted in New South Wales, the Queensland scheme cannot be regarded as a success. With excessively high ratings, a loss ratio of 75 per cent., an expense rate of 19.6 per cent., and a miserable return from accumulated profits, it seems hard to justify the State monopoly of workmen's compensation, or to suggest that it ever be extended to any other class of insurance. The more especially do these conclusions force themselves upon one when such results are compared with those achieved in this State, where, with an Act providing approximately the same benefits, the companies have been able to charge employers far less, remunerate their agents, pay income tax, and at the same time show a fair profit."

There is a criticism which I offer to hon. members opposite. There is no question that the figures given are not true. It is shown what it costs in their business, and what it costs in ours. It tells us plainly that the income we are getting out of accumulated profits does not amount to as much as we would get in direct taxation from the companies. I do not see any reason why any business should be afraid of competition. It keeps that business honest.

Mr. WINSTANLEY: Does New South Wales pay anything for industrial diseases?

Mr. VOWLES: That is the very point I was coming to. If you have honest competition, it will make the business honest. You will make the State honest, too, in that respect. They then will have to charge a fair thing for the amount of risk involved. If this State is able to put before the public a very attractive programme in the way of miners' phthisis, bakers' phthisis, and millers' phthisis, then the companies have an opportunity of competing against them.

Mr. WINSTANLEY: Do they pay anything?

Mr. VOWLES: They would pay, no doubt. Competition is the soul of trade.

The SECRETARY FOR PUBLIC LANDS: Are you advocating the abolition of State Insurance?

Mr. VOWLES: I am not; but, if we amend the Act, how can the Minister claim that he is not getting, or will not get, any increased premiums from the public when additional classes of risk are coming within the ambit of the Act?

The ATTORNEY-GENERAL: I am surprised to hear the leader of the Opposition quoting a man who is out to destroy the State Insurance Office and the Workers' Compensation Act. I am surprised at a man bringing that tripe into the House.

Mr. VOWLES: Competition is always a good thing, and I do not see why the Government should be afraid of it. If the companies were not carrying on their business in a legal way, the Government could compete against them and kill them with legitimate business opposition. On the other hand, if the companies can give the public the same advantages at a less price than the Government, they should be allowed to do it. The Minister claimed that no further sums were being received by way of premiums; but, if you are taking additional classes of risks, someone has to pay, and I would also like to impress on the hon. member that his department is receiving a very large sum of money as a result of increased wages in addition to those paid when the private companies were in competition with one another. (Hear, hear!) The Bill is merely a Committee Bill. The Minister [7.30 p.m.] dealt with certain matters, and I was obliged to reply, otherwise I would not have done so so fully. When we get into Committee I propose to move a few amendments, or vote against certain clauses, and I sincerely trust that the Minister will give consideration to the arguments we put forward. All we ask for is a fair hearing, and, if we cannot convince hon. members opposite, we cannot help it.

Mr. BRENNAN (*Toowoomba*): The hon. member who has just spoken has a brief from the insurance companies. It is only fair to mention that, because he had the figures and quotations——

Mr. VOWLES: I ask the hon. member to withdraw that statement. He said that I have a brief from the insurance companies. I have not.

The SPEAKER: There is nothing unparliamentary in the statement.

Mr. VOWLES: It is a lie, anyhow.

The SPEAKER: If the hon. member has not a brief from the insurance companies, he can deny it, and the hon. member for Toowoomba is bound to accept his denial.

Mr. VOWLES: I deny it.

Mr. BRENNAN: I accept the hon. member's denial; but I did not say that he was paid for taking a brief. The hon. member was advocating private compensation as against State insurance, and he was advocating the abolition of this Act, so that

private companies can take it over. He did not say that in New South Wales they had no schedule for certain injuries. We have here a schedule of injuries, to which different amounts are allotted. The hon. member also mentioned that there were no commissions paid by this Government, and that this Government paid no income tax, and that it receives higher premiums. If that is so, how does it come about that the private companies, with their higher expenses, were able to show such huge profits before this Government took over the business? I will explain why, and give an example of one case in reply to the whole of the arguments of the leader of the Opposition. The Workers' Compensation Act is an Act which is to give benefits to the workers under an insurance scheme. That is the whole object of the Act. In 1913, before the Labour party came into power, an unfortunate worker in Toowoomba had his ankle smashed, and septicaemia set in, with the result that he suffered permanent injury. It could not be cured, and there was practically a sore right from the ankle to the knee. The doctor said he had a chance of being cured. The leg was allowed to remain on for the time being, and the company paid £100. The leg, however, was absolutely useless, and eventually it had to be amputated, and when the leg was removed the man got no further compensation. Under the present Act he would have got £562 10s. That man, in order to get the £100 had to employ legal assistance, and fight the case through the courts. To-day, when an accident happens, there is no necessity to employ legal assistance. You have simply to go to the Registrar of the Small Debts Court and the claim is fixed up without any costs. If private companies were controlling the insurance in respect to the deaths at Mount Mulligan, they would fight the unfortunate dependants through all the courts, trying to cut them down. The State Insurance Office paid that claim immediately. We are not concerned about premiums, except that we have to look at the ultimate result to be given to the unfortunate dependants and to injured workers. When the leader of the Opposition advocated private companies——

Mr. BEBBINGTON: He did not advocate private companies.

Mr. BRENNAN: He must have been advocating private companies when he quoted New South Wales. There is no fixed amount of £562 10s. in New South Wales. There would be £2 a week paid for a certain time, and then the man would be asked to accept a lump sum of £100 or £150. The State Insurance Department pays £562 10s. immediately in a lump sum, because the schedule provides for it. The whole object of the Act is to treat the dependants of the worker in a just and right method. That is the whole ambition of the Government. The Opposition want to abolish this Act.

Mr. BEBBINGTON: No.

Mr. BRENNAN: If we reduced the premiums down to danger zone, we would have to reduce the payments to the injured workers. Private companies are doing that. In some cases private companies may charge smaller premiums, but, as soon as an accident happens, it is the employee who suffers, and not the employer. When the employer pays his premium his liability ceases, and he does not care what happens to the worker. He sends his certificate to the company, and the company sends its representative along to beat the worker down. For that reason I think the leader of the Opposition was quoting private companies as against the State, which has done so much for the worker. If the hon. member went to the State Insurance Department, he would see the large number of claims that are being paid and the number of people receiving attention daily. If he had gone along there, he would not have said what he said to-night.

Mr. ELPHINSTONE (*Oxley*): Amongst the avalanche of State enterprise failures, it is quite a treat to have a few minutes to discuss what I might term the white-haired boy amongst the State enterprises. During the last few weeks hon. members opposite have continually referred us to State insurance success when we have been discussing State enterprises. Where a monopoly exists and where compulsion exists, it stands to reason that an enterprise of that sort must succeed. For my part, with many years of experience in insurance business, I believe in State monopoly of workers' compensation insurance, and I believe in compensation insurance, and I believe in compelling the insurance of all employees. The workers' compensation insurance is different from the ordinary class of insurance, in that it is in the administration of that particular class of insurance that the success lies, and where you have an institution like the Government, who have officers all over the State—medical officers, police magistrates, and petty sessions officers—it stands to reason that this organisation that the State controls must, of necessity, be conducted in a more effective and a more economical way than it could be conducted by private companies in competition with one another. Therefore I am a defender of the State monopoly of workers' compensation insurance, but only of that particular branch. I think that the whole question that arises for discussion just now is a matter of administration, and not the question of the principle of workers' compensation as monopolised by the State. I want to make it clear that it was not this Government that introduced workers' compensation insurance into Queensland. Workers' compensation insurance was introduced into this country by Governments long before this Government came into office. We admit that the present Government have made it compulsory and extended its operations, but that is just ordinary evolution. Every country has improved the conditions under workers' compensation insurance, and I can assume that this House is unanimous in its opinion that all benefits which can accrue to the injured employee should be granted, so long as there is not sufficient inducement to cause malingering, which, of course, is the one bugbear associated with workers' compensation insurance. When this Government took over workers' compensation insurance, and monopolised it, one of their planks was that the employers were being exploited by private companies, and the Government promised to reduce the premiums which the employers would pay. At that time the Government adopted the workers' compensation insurance rates then ruling, and those rates have never been reduced since then.

Mr. GLEDSON: Yes, they have.

Mr. ELPHINSTONE: The rates that are being charged by the Government in the State Insurance Department to-day are exactly on a par with what were charged when private companies were operating in this

State. I am quite prepared to admit the benefits have been increased. So they should. When you compel people to insure, it stands to reason that the expenses in conducting the business should be negligible; but I make bold to say that there is a great amount of room for improvement in the administration of this department, and that the costs associated with the conduct of workers' compensation insurance can be considerably reduced. In saying that I am not casting any reflection on anyone. With ordinary efficiency there is considerable room for reduction in the costs associated with this business. One has only to look at the overstaffing that exists in the department.

The TREASURER: You will admit that we have doubled the benefits without increasing the premiums, and that there must be some more efficiency.

Mr. ELPHINSTONE: I have already admitted the department has increased the benefits to the worker. There is nothing wonderful in that. The Government should have saved enormously in the expenses of conducting that business by reason of their monopoly, and by reason of compelling the people to insure. It is a very different thing opening your doors and compelling people to bring business to your counters as compared with paying agents and keeping an organisation going to seek business in competition with forty or fifty others. There is no credit due to the State Insurance Department for having increased the benefits. We do not begrudge the worker the increased benefits that he receives under this scheme. Five years have passed since the Government took over this insurance business, and wages have increased in Queensland in the interval some 80 per cent. The rates of premiums—with the exception, perhaps, of the domestic servant class, which is based on a per capita payment—were based on the then existing rates of pay, and the premiums have not been reduced one iota. Does it not stand to reason, therefore, that the premiums which this department have received must have been enormously increased? Does it not follow that the benefits should have been increased likewise, particularly when they have not given the employers any reduction in premiums? The rate of premium has remained as it was five years ago, whilst wages have increased 80 per cent. and the hours have been decreased by 10 per cent. Does it not follow that there is an enormous tax on the employer class, and is there not a further drain on enterprise and on the successful conduct of business in this State?

The TREASURER: With the private companies previously it cost them 44 per cent. for working expenses, where it costs us 12 per cent.

Mr. SIZER: Is that not a reason why you should reduce your premiums?

The TREASURER: We have doubled the benefits.

Mr. ELPHINSTONE: The hon. gentleman has pointed out what I know to be a fact. The high expenditure with private management was caused by reason of the reckless competition that existed between companies in their endeavour to secure business. You are not going to make me believe for one second that our State insurance officers are any more competent than those employed by private companies. It is because the element of competition is eliminated so far as the State insurance is concerned, and because men are compelled to insure, that makes for the success of the State institution. The State is free from a lot of necessary expense which private companies have to incur, such as inspectors, doctors, and sundry other agents and officials. All these are obviated under the State. I want to show what a burden this is on industry. Instead of the employers securing the benefit promised them under the State, they have kept the premiums at the old rate, although wages in Queensland have increased by 80 per cent. and the hours of work have been reduced by 10 per cent. In 1917 the premiums received by the State Insurance Office amounted to £183,000, and last year under the same head the amount increased to £315,000. Taking Knibbs's figures, the number of employees in factories in Queensland was practically the same in 1917 and last year, and yet the premiums charged against employers have increased by £127,000. It is a burden upon industry and is having an effect on the cost of living. Might I ask the Minister why we have not got the report of the Insurance Commissioner at this late period of the year?

The ATTORNEY-GENERAL: You shall have it before the session closes.

Mr. ELPHINSTONE: To-day we have had a number of measures put through all their stages in the one day. Ministers introducing these Bills are specialising in their work and have plenty of opportunities of going through their Bills before introducing them. We have not got those opportunities. The Opposition are getting fagged out. We sit here from 11 o'clock in the morning until 11 o'clock at night, passing six or seven measures in a day. We are called upon to attack those measures without even getting the assistance of the reports or figures from the departmental heads. I make bold to say that the report of the Insurance Commissioner is in the House at the moment. We should have the report of the permanent head in our hands before we are called upon to criticise these measures. This is a scandalous state of affairs, and how long the people will tolerate it I do not know. How is it possible for the Opposition to criticise these undertakings? The marvel to me is how we stand up under the strain. The next point I might mention is in connection with the rates of premiums. There are cases where a few employees on a job are engaged in a more hazardous task than others. In the absence of competition the Commissioner levies a premium on the whole business which should only apply to a portion of it. This to a small extent accounts for the £128,000 per annum more than it was in 1917. We have no objection to the employees getting increased benefits. To take the Minister's own statement, the Insurance Office made a profit of £50,000 out of workers' compensation every year. In 1917 the margin between claims and premiums amounted to £97,000, in 1918 the margin was £116,000, in 1919 the margin was £107,000, and in 1920 the margin was £99,000. We know that it does not cost that much to conduct this business. They have not got to meet a lot of the expenses which private companies have to pay. Nevertheless, they have that margin between claims and premiums. The Minister states that the profit is £50,000 per year, and I would like to know why that £50,000 is not returned to the men who are burdened with increased

premiums by reason of the increased wages they have to pay. That is only a fair proposition. Hon. members opposite are not likely to do that. Once these gentlemen opposite get their hands on a profit, it requires a Scotchman and a Jew combined to extract it from them. (Laughter.) I think that those who contribute the premiums should get the £50,000 profit.

Mr. DUNSTAN: Would you wipe out the reserve?

Mr. ELPHINSTONE: No, I would not wipe out the reserve. They know what the reserves are at the beginning of every year.

The TREASURER: Do you think our reserves for the first year should be sufficient for all time?

Mr. ELPHINSTONE: Workers' compensation insurance requires that a certain percentage of premiums be set aside each year for unexpired risk. That is why with an increasing income their reserves are increasing in proportion. The Minister points out that the State Insurance Office is making a profit of £50,000 a year, and I therefore ask him if that does not belong to the policyholders—to the men who paid £315,000 in premiums last year as against £188,000 in 1917. I consider that they should receive some rebate on the premiums they pay out of the profits for the year.

The TREASURER: We are the only fire insurance office in the world that gives a bonus.

The ATTORNEY-GENERAL (in reply): It is not usual for the Minister to occupy the time of the House in making a second speech on the same Bill, but the statements made to-night were so extraordinary and of so defamatory a character that it is necessary for me to say a few words in refutation of the attack made upon the State Insurance Department by the leader of the Opposition.

Mr. CORSER: He only gave you the truth.

The ATTORNEY-GENERAL: The hon. gentleman is not a judge of what the truth is. He is the last man in this House whose opinion will be taken to prove what was the truth.

Mr. MOORE: I would believe him before you.

The TREASURER: That is why you are over there.

The ATTORNEY-GENERAL: The leader of the Opposition might at least have been fair to a State institution. He might have been patriotic enough to Queensland to have stated what might be said in its favour, instead of taking advantage, under cover of a statement of an outsider, to make the remarks he did in this House.

Mr. VOWLES: You should reduce your premiums.

The ATTORNEY-GENERAL: The hon. gentleman made a comparison between New South Wales and Queensland. But he did not tell this House that in New South Wales the private companies do not pay a compassionate grant. He did not tell the House that the tables he quoted made no provision for miners' phthisis.

Mr. VOWLES: I did.

The ATTORNEY-GENERAL: The hon. gentleman did not tell the House that under the insurance law carried on by private companies, if we had the same law in existence in Queensland when the Mount Mulligan disaster took place, the Chillagoe Company would have only been covered to the extent of £5,000. If it had not been for the State Insurance Office having a monopoly of workers' compensation insurance, the Chillagoe Company would have had to pay the men much more than £5,000, and they would have been ruined financially. The leader of the Opposition pointed out in his statement that the claim rate in Queensland was 70 as against 50 in New South Wales. Why should it not be higher in Queensland, seeing that we pay higher benefits? I am glad that the claim rate is higher in Queensland, because it is intended to be higher. What is the good of having State insurance if we cannot pay more compensation? I ask the hon. gentleman did the gentleman whom he quoted—Mr. Walton, president of the Institute of Insurance in New South Wales—know that, prior to the State establishing insurance here, for every £4 collected from the employers for workers' compensation insurance only £1 went back to the workers? Can Mr. Walton explain why it is that under State insurance in Queensland the worker receives to-day £3 out of every £4 collected?

Mr. MOORE: I suppose it is carelessness.

The ATTORNEY-GENERAL: That is the kind of interjection I might expect from the hon. gentleman. Prior to the establishment of the State Office in 1916, the worker used to receive 6s. 8d. out of every £1 collected from the employer. To-day the worker receives 15s. out of every £1 collected. Can Mr. Walton and the leader of the Opposition say that that is because the State Insurance Office is not efficiently conducted? You cannot compare the conditions in Queensland with those in New South Wales. In New South Wales the employer has to pay for workers' compensation insurance the sum of £2 11s. 2d. for what he can get for £1 4s. 5d. in Queensland. There is no mistaking those figures. I will take the hon. gentleman's own ground—the ground of rates. He went out of his way to quote what Mr. Walton said. I will take over 100 of the principal rates of Queensland and New South Wales, and give you a comparison between the two.

I will take a three-year period—the years 1916-17, 1917-18, and 1918-19—for comparison. The wages collected in over 100 of the principal industries in Queensland, in that period, amounted to over £47,000,000. The premiums paid on that amount at the Queensland rates were £561,392, and the premiums at the New South Wales rates would be £593,307, or over £30,000 more in New South Wales than in Queensland for that period. In the aggregate, our tables are lower than they are in New South Wales. I hope that the leader of the Opposition, when he comes along with an authority again, will bring somebody higher than Mr. Walton. Mr. Speedy, the controlling officer in Australia of the Commercial Union Insurance Company, who is one of the leading
[8 p.m.] insurance men in Australia, called at my office after Mr. Walton's figures were published, and expressed his regret that that gentleman had made such a stupid speech. That ought to dispose effectively of Mr. Walton and the figures quoted by the leader of the Opposition.

Mr. CORSER: Mr. Speaker,——

The SPEAKER: Order! The Minister having replied, the debate is closed. The

hon. member had an opportunity of speaking before the Minister replied.

Mr. CORSER: This is a new way of gagging us.

The SPEAKER: Order! I ask the hon. member to withdraw the expression "gagging"?

Mr. CORSER: I told the Minister that it was a new way of gagging us.

Mr. VOWLES (*Dalby*): I rise to a point of order. I submit that we have unlimited rights of debate until such time as the last member in the House has spoken.

The SPEAKER: Order! The hon. member is wrong.

Mr. VOWLES: I would like an authority for that. If that is so, the Minister, if he wanted, could get up after, say, the third speaker in the debate, and then the debate would be closed.

The SPEAKER: Order! I am of opinion that hon. members have had an ample opportunity for discussion, and it was only because I was satisfied that hon. members did not desire to speak that I allowed the Minister to reply. I will now put the question.

Hon. W. H. BARNES: This is only another form of "gag."

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

In division.

HON. W. H. BARNES: As a matter of privilege, I submit that the usage of the House has always been that any hon. member who has not spoken has the right to speak, provided the "gag" is not applied in the usual constitutional manner. Consequently, I submit, Mr. Speaker, with all due respect to you, that your ruling is out of order.

AYES, 35.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
,, Dash	,, Riordan
,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. F. A. Cooper and Mr. Dash.

NOES, 31.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Barnes, W. H.	,, Maxwell
,, Bebbington	,, Moore
,, Bell	,, Morgan
,, Brand	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H. C.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Walker
,, Fry	,, Warren
,, Jones	

Tellers: Mr. Clayton and Mr. Logan.

Resolved in the affirmative.

The ATTORNEY-GENERAL (Hon. J. Mullan, *Flinders*): I move—

"That the consideration of the Bill in Committee be made an Order of the Day for a later hour of the sitting."

Question put; and the House divided:—

AYES, 35.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
,, Dash	,, Riordan
,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. Ferricks and Mr. Forde.

NOES, 31.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Barnes, W. H.	,, Maxwell
,, Bebbington	,, Moore
,, Bell	,, Morgan
,, Brand	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H. C.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Walker
,, Fry	,, Warren
,, Jones	

Tellers: Mr. Kerr and Mr. Sizer.

Resolved in the affirmative.

POSTPONEMENT OF ORDERS OF THE DAY.

The PREMIER: I move—

"That Orders of the Day Nos. 7 and 8 be postponed until after the consideration of Order of the Day No. 9."

HON. W. H. BARNES: I submit that no order of the Day should be considered, because the previous decision was quite contrary to parliamentary usage, and this House is entitled to go back to the Order of the Day which was being debated prior to the division. I am prepared to admit that, generally speaking, after a reply is made, no speeches follow, but again and again that course has been broken, and I submit that we have no right to pass to another Order of the Day. You will admit, I think, Mr. Speaker, that the House, owing to some misconception, has not been treated fairly.

Mr. TAYLOR (*Windsor*): I rise to support the remarks of the hon. member for Bulimba. I certainly consider that the practice which has been followed in this House during the last fortnight was broken to-night when the debate was stopped. When the Secretary for Railways was discussing the Estimates he spoke, not once, but half a dozen times.

The TREASURER: That was in Committee.

The SPEAKER: If the hon. member consults the Standing Orders, he will find that the Minister was right in so doing.

Mr. TAYLOR: Notwithstanding that, I think that the usage which we have followed in this Chamber during the last few days was broken into when the debate was pulled up in the way it was by yourself. I do not think it was fair to the Opposition.

The SPEAKER: Order!

Mr. SIZER (*Yundah*): Mr. Speaker——

The PREMIER: I beg to move—

"That the question be now put."

Question—That the question be now put—put; and the House divided:—

In division,

Mr. VOWLES: I ask that the vote of the Secretary for Railways be not counted. He came under the bar after it had been put down.

The SPEAKER: Did the hon. the Secretary for Railways enter the Chamber after the bars were down? (Interruption.)

GOVERNMENT MEMBERS: No.

OPPOSITION MEMBERS: Yes.

The SPEAKER: I ask the Secretary for Railways if he entered the Chamber after the bar was down?

The SECRETARY FOR RAILWAYS (Hon. J. Larcombe, *Keppel*): I entered simultaneously with the closing of the bar.

OPPOSITION MEMBERS: Oh!

Mr. SIZER: You will say anything.

The SPEAKER having named the tellers for "Ayes" and "Noes,"—

Mr. BELL and Mr. COSTELLO, who were called as tellers for the "Noes," remained in their seats.

After a pause,

HON. W. H. BARNES: As a matter of privilege, Mr. Speaker, I want to say that it was perfectly certain that you yourself did not see the Secretary for Railways come in, but it is perfectly certain that he came in underneath the bar of the House—(uproar)—contrary to all parliamentary usage. (Renewed uproar.)

Mr. TAYLOR: I challenge the Minister to deny it.

The SECRETARY FOR RAILWAYS: In the first place, the hon. member lost his right to raise the question, because he did not take the point at the time. Secondly, you satisfied yourself, Mr. Speaker, and the incident then closed.

The SPEAKER: I put the question to the Secretary for Railways, and he assured me that he came in simultaneously with the lowering of the bar. If the hon. member came in after the bar was down, he certainly is not entitled to record his vote.

OPPOSITION MEMBERS: He did.

GOVERNMENT MEMBERS: He did not.

The PREMIER: You must accept the Minister's word.

Mr. TAYLOR: I ask you, Mr. Speaker, to ask the Minister whether he came underneath the bar. If he came underneath the bar, it is proof that he came in after the bar was closed.

Mr. PETERSON: Ask the bar attendant.

AYES, 35.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
,, Dash	,, Riordan
,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. Gilday and Mr. Hartley.

NOES, 31.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Barnes, W. H.	,, Maxwell
,, Bebbington	,, Moore
,, Bell	,, Morgan
,, Brand	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H. C.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Walker
,, Fry	,, Warren
,, Green	

Resolved in the affirmative.

Question—Postponement of Orders of the Day Nos. 7 and 8—put; and the House divided:—

The SPEAKER: For the last division I called upon the hon. member for Fassifern, Mr. Bell, and the hon. member for Carnarvon, Mr. Costello, to act as tellers for the "Noes," and they did not act.

Mr. CORSER: I was sitting pretty close, and I did not hear you.

The SPEAKER: I just want to warn the hon. members that, if they persist in that conduct, I shall name them and ask the House to deal with them. I call upon Mr. Gilday and Mr. Hartley to tell for the "Ayes," and Mr. Bell and Mr. Costello to tell for the "Noes."

AYES, 35.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
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,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. Gilday and Mr. Hartley.

NOES, 31.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Barnes, W. H.	,, Maxwell
,, Bebbington	,, Moore
,, Bell	,, Morgan
,, Brand	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H.C.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Walker
,, Fry	,, Warren
,, Jones	

Tellers: Mr. Bell and Mr. Costello.

Resolved in the affirmative.

[8.30 p.m.]

INCOME TAX ACT AMENDMENT BILL.

PROPOSED COMMITTAL.

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

> "That the Speaker do now leave the chair, and the House resolve itself into a Committee of the Whole to consider the Bill in detail."

Mr. SIZER (*Nundah*): Before you leave the chair, Mr. Speaker, I want to point out to you and the House generally that, with regard to the measure we have just been discussing, the Minister made a most important reply, giving a long list of figures.

The SPEAKER: Order! Order! The question is—

> "That I do now leave the chair, and the House resolve itself into a Committee of the Whole to consider the Bill in detail."

The hon. member must confine his remarks to that question.

Mr. SIZER: It seems to me, from the way the Government are conducting the business of this House within the last few days, that everything is being done to stifle discussion, and it is not fair and right in the interests of the electors we represent.

The SPEAKER: Order!

HON. W. H. BARNES (*Bulimba*): The Income Tax Act Amendment Bill is one of the most important Bills that we have had before this House, and I am sure you will see, Mr. Speaker, that it is very important that you should remain in the chair until we cool down a bit. (Government laughter.) The condition of the House is such that, unless we are in a proper frame of mind to deal with this measure, it is going, possibly, to have a very serious influence upon the community. You should remain in the chair rather than that the Chairman should be in charge of the House, which at the present moment is very disturbed. I think you will agree with me that it is highly in the interests of all parties that you should remain in the chair until everyone cools down and we are in a position to deal with the Bill that is to come before us. If you feel that you should leave the chair, I would suggest that, before any other business is taken, you should adjourn the House for a few minutes so that everyone will cool down and have the benefit of your cool atmosphere on that particular occasion.

Mr. TAYLOR (*Windsor*): It is very necessary and very wise that, before you leave the chair, Mr. Speaker, you adjourn the House for three or four days. We might then be in a fit frame of mind to discuss the Bill, which is chock-full of very important clauses. We prefer, under the conditions as they exist, that you should remain in the chair rather than that the Chairman of Committees should take your place while we are discussing this Bill. We think you are better qualified, especially in view of what has happened recently, to remain in the chair.

The PREMIER: I beg to move—

> "That the question be now put."

Question—That the question be now put—put; and the Committee divided:—

AYES, 35.

Mr. Barber	Mr. Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Pollock
,, Dash	,, Riordan
,, Dunstan	,, Ryan
,, Ferricks	,, Smith
,, Fihelly	,, Stopford
,, Foley	,, Theodore
,, Forde	,, Weir
,, Gilday	,, Wellington
,, Gillies	,, Wilson
,, Gledson	,, Winstanley
,, Hartley	

Tellers: Mr. Brennan and Mr. Pease.

NOES, 31.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Barnes, W. H.	,, Maxwell
,, Bebbington	,, Moore
,, Bell	,, Morgan
,, Brand	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H. C.
,, Costello	,, Sizer
,, Deacon	,, Swayne
,, Edwards	,, Taylor
,, Elphinstone	,, Vowles
,, Fletcher	,, Walker
,, Fry	,, Warren
,, Jones	

Tellers: Mr. Fletcher and Mr. Fry.

Resolved in the affirmative.

Question—That the Speaker do now leave the chair, and the House resolve itself into a Committee of the Whole to consider the Bill in detail—put and passed.

COMMITTEE.

(*Mr. Pollock, Gregory, one of the panel of Temporary Chairmen, in the chair.*)

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

Clause 2—"*Amendment of section 3*"—

Mr. ELPHINSTONE (*Ipley*): He hoped the Treasurer would accept his assurance that any comment he had to make regarding the Bill would be serious, and he had no intention of wasting time. He wished to call attention in regard to clause 2 that until the amending Act of 1920, the income of a trust estate was taxed as either income from personal exertion or income from property, according to whether the income of the trust estate was derived from personal exertion or property. Last year's Act enacted that "income received by a beneficiary from any trust estate" was all to be taxed as income derived from the produce of property, whether the beneficiaries worked in the business or not. The present Bill made an alteration in favour of the taxpayer by pro-

viding that where a trust business was carried on by trustees or personal representatives who were beneficially entitled to any part of the income of such business, the Commissioner should treat such part of the income as income derived from personal exertion.

The TREASURER: As a concession.

Mr. ELPHINSTONE: Clause 2 dealt with the definitions. His object in calling attention to it was that on page 7 they would find the actual machinery to put that into operation. Under the definition it was made retrospective to 1st July, 1918, and under the actual machinery clause it was not retrospective.

The TREASURER: I think you are wrong. If you are correct, I am quite willing to accept an amendment on that.

Mr. ELPHINSTONE: His reason for calling attention to it at this stage was to give the Treasurer an opportunity of ascertaining whether he (Mr. Elphinstone) was right or wrong, and, when they arrived at that stage he could move the necessary amendment.

The TREASURER: It was merely a concession—a very justifiable concession. If any beneficiary in an estate actually worked, he should have the income from that estate classed as personal exertion and not property. If there was any subsequent section or anything at all that made it doubtful, he would have it amended. In the meantime, the Commissioner for Taxation would look into it.

Mr. VOWLES (*Dalby*): This was an important matter, and it should be made clear right away. It seemed to him that this was having the effect of taxing income from property which was carried on by an executor or a trustee, except in the case where the beneficiary himself was a trustee.

* The TREASURER: It is merely a concession. It is just when the person happens to be a beneficiary conducting the business his income will be rated as personal exertion, and not income derived from property. It is a loss of revenue.

Mr. VOWLES: Retrospective to 1918?

The TREASURER: It is a loss of revenue. It is a fair thing.

Mr. VOWLES: Had large sums of money been paid under protest?

The TREASURER: It is a purely concessionary clause.

Mr. VOWLES: Why make it retrospective?

* The TREASURER: If the hon. member moves an amendment to make it 1920 or 1921, I will accept it. We are simply helping those beneficiaries who happen to conduct the businesses.

Mr. VOWLES: He wanted to know the reason. The Minister had said it was a concession he was giving. He could understand a concession applying to the future. If any money was paid under protest and held by the Government because they were in doubt as to the interpretation of the clause, there should be no retrospectivity. It appeared to him that the money was being held up pending this decision. This was one of the cases where the Government decided that they were going to forego some revenue. He wanted to know whether any cases had cropped up since 1918.

The TREASURER: I told you I would be willing to make it this financial year, if you wanted to.

Mr. VOWLES: He did not want to interfere with anyone's rights.

The TREASURER (Hon. J. A. Fihelly, *Paddington*): The hon. gentleman who is leading the Opposition obviously misunderstood the clause. This was an amendment whereby they wanted to give some small concessions to those beneficiaries who were actually working in the estate under which they benefited. Hitherto they would be counted as profit, but it was now decided to count it as income derived from personal exertion. He was quite willing to take it back to 1918.

Mr. VOWLES (*Dalby*): Members were always talking about having one authority for many things, but they were not bringing the income tax laws into line with the Federal income tax laws. He would like to know from the Treasurer why he proposed to go back to the 1st day of July, 1918.

The TREASURER: I will amend it if you wish.

Mr. VOWLES: He only wanted to know the reason, because there must be some reason.

Clause 2 put and passed.

Clause 3—"*Amendment of section 7*"—

Mr. ELPHINSTONE: This was a big clause, and, as he had amendments to move, he would like the Chairman's ruling as to whether they could take it subclause by subclause.

The TEMPORARY CHAIRMAN: I am not prepared to do that.

Mr. KERR: He rose to move the deletion of subclause (4).

Mr. VOWLES: He had a prior amendment to the hon. member for Enoggera.

The TEMPORARY CHAIRMAN: Order! I suggest that hon. members find out where their amendments come in and move them accordingly.

Mr. VOWLES: His amendment was in line 25. If they were given proper time, they would have their amendments ready and have them circulated. They only got the Bill the previous night, and they had not had time to consult the Parliamentary Draftsman and send the amendments to the Government Printer. He noticed there was a provision inserted that the maximum amount of land tax to be deducted from a taxpayer's income tax for any one year should not exceed £100. They knew that land taxation could be deducted from income tax so far as primary producers were concerned, but there was never a limitation before, and he would like to know why the limitation was inserted now.

The TREASURER: Big companies.

Mr. VOWLES: Surely the law was the same for the big companies as the small people, and they should be protected the same!

The TREASURER: Originally, this was a concession given to the small man, but the big companies were getting the benefit of it.

Mr. VOWLES: The dairymen last year did very well, and they would have to pay big income taxes on that amount, but in the ensuing year there might be a drought and their incomes would be less.

The TREASURER: We have a clause later on that will enable them to carry over their losses.

Mr. ELPHINSTONE (*Oxley*): He noticed a new provision which provided that all taxable incomes in excess of £4,000 should pay 3s. in the £1 on every £1 in excess of £4,000.

The TREASURER: We are not collecting one cent more than we have received already.

Mr. ELPHINSTONE asked if it were a fact that the Commissioner of Taxes collected income at the rate of 3s. in the £1 on all amounts over £4,000, and that those taxpayers claimed they should only pay 2s. 6d. in the £1. Was it because of the misunderstanding between the Commissioner and the taxpayers that this amendment was introduced?

The TREASURER (Hon. J. A. Fihelly, *Paddington*): The hon. member for Oxley had grasped the position fairly well, yet inaccurately. The intention of the Legislature last year was perfectly obvious, but they were introducing a clause now to correct any misunderstanding. Anyone who read the Treasurer's speech last year would see that the intention of the Legislature was clear. Legally, all incomes of over £4,000 per year should pay 3s. in the £1, but to make it clear they were putting the amendment in its present form. The Government were not asking for one shilling more than they had already received. They only wanted what the Legislature intended to grant them.

Mr. VOWLES (*Dalby*): There was a bungle somewhere.

The TREASURER: Yes, there are too many lawyers here.

Mr. VOWLES asked if certain persons paid large sums of money under protest which were now lying at present in the Treasury. The Commissioner knew that, if he went to law under the Act as it stood to-day, he would be compelled to disgorge that money.

The TREASURER: As an ex-Attorney-General, I give my legal opinion that I do not think so. (Laughter.)

Mr. VOWLES: The hon. gentleman was not prepared to test it in the court. These people were going to be deprived of their rights. He knew of one case where a fair amount of money was involved, but he would not mention the name. The Government had bungled their legislation and had got in a certain amount of money which they did not want to give back.

Mr. KERR: He rose to move an amendment.

The TREASURER: I beg to move—

"That the question be now put."

Question—That the question be now put—put; and the Committee divided:—

AYES, 34.

Mr. Barber	Mr. Gledson
,, Bertram	,, Hartley
,, Brennan	,, Huxham
,, Bulcock	,, Kirwan
,, Collins	,, Land
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Riordan
,, Dash	,, Ryan
,, Dunstan	,, Smith
,, Ferricks	,, Stopford
,, Fihelly	,, Theodore
,, Foley	,, Weir
,, Forde	,, Wellington
,, Gilday	,, Wilson
,, Gillies	,, Winstanley

Tellers: Mr. Forde and Mr. Gilday.

NOES, 30.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Bebbington	,, Maxwell
,, Bell	,, Moore
,, Brand	,, Morgan
,, Cattermull	,, Nott
,, Clayton	,, Peterson
,, Corser	,, Petrie
,, Costello	,, Roberts, J. H. C.
,, Deacon	,, Sizer
,, Edwards	,, Swayne
,, Elphinstone	,, Taylor
,, Fletcher	,, Vowles
,, Fry	,, Walker
,, Jones	,, Warren

Tellers: Mr. Fry and Mr. Kerr.

PAIR.

Aye—Mr. Larcombe. No—Mr. W. H. Barnes.

Resolved in the affirmative.

[9 p.m.]

Question—That clause 3, as read, stand part of the Bill—put; and the House divided:—

AYES, 34.

Mr. Barber	Mr. Gledson
,, Bertram	,, Hartley
,, Brennan	,, Huxham
,, Bulcock	,, Kirwan
,, Collins	,, Land
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Riordan
,, Dash	,, Ryan
,, Dunstan	,, Smith
,, Ferricks	,, Stopford
,, Fihelly	,, Theodore
,, Foley	,, Weir
,, Forde	,, Wellington
,, Gilday	,, Wilson
,, Gillies	,, Winstanley

Tellers: Mr. Foley and Mr. Pease.

NOES, 30.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Bebbington	,, Maxwell
,, Bell	,, Moore
,, Brand	,, Morgan
,, Cattermull	,, Nott
,, Clayton	,, Peterson
,, Corser	,, Petrie
,, Costello	,, Roberts, J. H. C.
,, Deacon	,, Sizer
,, Edwards	,, Swayne
,, Elphinstone	,, Taylor
,, Fletcher	,, Vowles
,, Fry	,, Walker
,, Jones	,, Warren

Tellers: Mr. Fletcher and Mr. Sizer.

PAIR.

Aye—Mr. Larcombe. No—Mr. W. H. Barnes.

Resolved in the affirmative.

Clause 4—"*Amendment of section 12A*"—

Mr. VOWLES (*Dalby*): This clause contained a very important principle to which he objected. It stated—

> "If the sale is of a business (including a mine) to a company and part of the purchase money is paid in shares of the company, the Commissioner shall assess the value of such shares."

Why should the Commissioner have absolute power to determine the value in a matter of this sort? Shares, as a rule, had the market value quoted on the Stock Exchange at the time. The Commissioner was not an expert in regard to the value of shares. He had to do it himself; the clause did not say that he should do it from information which he got. He had to decide the value of, say, shares in the Silver Spur Mine, or the value

of a partnership, or of stock—matters which might be quite foreign to him. He was put into an arbitrary position, and what he decided became law. The public objected to a lot of matters contained in this clause. Exception might be taken to the absolute discretion which was given to the Commissioner to determine the amount of capital which, in his opinion, contributed to the earning of revenue exempt from State income tax. It was a common fact that, usually, reserves of a company were utilised in investments outside of the business; consequently, the amount which earned exempt income should be treated, in the first place, as invested reserves, and not as part of the invested paid-up capital, particularly as the Act did not allow reserves to be regarded as paid-up capital. He noticed that further on in the clause reference was made to "walk in" and "walk out" sales. He did not know whether the Government had anticipated a decision which was recently given by the High Court, which was rather remarkable. He would like to know what the effect of this clause was in regard to that decision. He hoped that the Minister had taken that matter into consideration, and would be able to give his opinion upon it. A little further on in the clause, on page 6, it was stated—

> "Transfers of any property including live stock by any person to any other person by way of gift or for a nominal or manifestly inadequate consideration, or to any beneficiary under any will or in the distribution of any intestate estate;
>
> . . . . . .
>
> "shall be considered to be sales, and the selling price in the case of all such property other than live stock shall be the market price of the property transferred or taken over as at the date of transfer or death, and in the case of live stock shall be the price per head at which the late owner returned the same class of live stock in the last income tax return in which he returned his live stock on hand at the close of the year in respect of which such return was made."

That was assuming that a return of stock had been made. There was a class of taxpayers who came under the 1907 Act, who did not make any return of stock at all. It appeared to him that there was an omission there, and that sufficient provision was not made for that class of taxpayer. He presumed the Minister was aware of it. Then there was the objectionable principle in subclause (6), that the provisions of the previous paragraph were to be retrospective right back to 1915. That meant that they were going to attack all sorts of transactions which had been finalised on a definite basis, which was legal at the time, but was now going to be upset.

The TREASURER: You know very well that it only means saving a number of useless lawsuits.

Mr. VOWLES: He did not know that it did.

Mr. FLETCHER: Will there be any supplementary assessments?

The TREASURER: No.

Mr. VOWLES: Then he could only assume that the position was going to be as it was before. Money had been paid in under protest, and the people who had paid that money were going to be deprived of their rights in regard to it. It was not as if the matter had been in abeyance for one year only; it had been in abeyance for years in some cases, and the matter was not finalised.

The TREASURER: Supposing what you say is correct, why have those people who are prejudiced not instituted an action against the department?

Mr. VOWLES: He would tell the hon. gentleman why. It was because, when they put in a notice of appeal, they were asked to withdraw it and put in a notice of objection. They were waiting month after month, and year after year, for it to be finalised. The Commissioner would like to settle it, but there was a principle involved—the principle of extracting more money out of the public, or of hanging on to the money which the Government had got and which did not belong to them. It would be very awkward to have to give it back, and sooner than fight it out legitimately the Government asked the Opposition to be a party to depriving them of their legal rights.

Mr. KERR (*Enoggera*): He would like to see subclause (1) deleted. It was rather an objectionable practice to allow the Commissioner to assess the value of shares. If shares had no market value they were not worth anything, but, if they had a market value, it was easy to obtain certificates from brokers on the Stock Exchange. The Commissioner could always get a certificate from the proper quarter.

Mr. PEASE: The Commissioner knows more than the "proper quarter."

Mr. KERR: He did not.

Mr. PEASE: Of course, he does—he is a specialist.

Mr. KERR: The information should be supplied by the taxpayer in the form of a certificate with his return.

The TREASURER (Hon. J. A. Fihelly, *Paddington*): There must be some authority to assess the value of shares, and it must be the Income Tax Commissioner or the Governor in Council. Many shares were not list-quoted shares, and they had no way of getting a valuation of them.

Mr. FLETCHER: How have you been getting it in the past?

The TREASURER: What they had been doing in the past they proposed to make legal now. A great consideration had been shown for companies which might be affected. One company, prominent in the business life of Queensland and perhaps Australia, had short-paid tax during the last couple of years to the extent of over £11,000 and under £12,000. Other well-known companies had short-paid tax to the extent of some few thousand pounds. He was afraid they would have to take some of them to court. After all, it was not so much a question of what the companies wanted as what the law demanded.

Mr. VOWLES: Why do you not fight it?

The TREASURER: They intended to. As to the point raised by the leader of the Opposition as to retrospectivity, they wanted no more than they had received.

Mr. FLETCHER: You want to hold what you have received illegally.

The TREASURER: They were giving concessions, and they intended to retain what had been rightly paid.

Mr. KERR moved the insertion, after the word "such," in line 19, page 5, of the

word "taxable." As the clause stood at present, in calculating the profit on the sale of a business, the department could go back to profits made before 1902.

Amendment negatived.

* Mr. ELPHINSTONE (*Oxley*): Subclause 2, on page 5, was evidently inserted to remove confusion in ascertaining the profit made on the sale of any share or interest in a business. From the amount realised by the sale there are to be deducted—

> "(*a*) The amount, if any, actually paid by the vendor for such share or interest; and
>
> "(*b*) The amount of any profit in the business attributable to such share or interest not drawn by him at the date of the sale or subsequent thereto, less any part of such profits on which income tax has not been paid."

No provision was made for any fresh capital put in by the vendor. This appears to be an oversight.

The TREASURER: It may so happen that you are right.

Mr. ELPHINSTONE: They had had a tremendous lot to criticise in clause 3, and the consequences of their discussion would have been far-reaching, but they were gagged, possibly because they were getting on dangerous ground and knew more about the subject than the Treasurer. He would like to know if the Treasurer, after consultation with his officers outside the bar, thought it necessary to make immediate application of the retrospective machinery of subclause (8) on page 7 in keeping with the definition of clause 2.

The TREASURER: The whole thing was covered by paragraph (*a*) quoted by the hon. member.

Question—That clause 4, as read, stand part of the Bill—put; and the Committee divided:—

AYES, 34.

Mr. Barber	Mr. Gledson
,, Bertram	,, Hartley
,, Brennan	,, Huxham
,, Bulcock	,, Kirwan
,, Collins	,, Land
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Riordan
,, Dash	,, Ryan
,, Dunstan	,, Smith
,, Ferricks	,, Stopford
,, Fihelly	,, Theodore
,, Foley	,, Weir
,, Forde	,, Wellington
,, Gilday	,, Wilson
,, Gillies	,, Winstanley

Tellers: Mr. Foley and Mr. Ryan.

NOES, 30.

Mr. Appel	Mr. Kerr
,, Barnes, G. P.	,, Logan
,, Bebbington	,, Maxwell
,, Bell	,, Moore
,, Brand	,, Morgan
,, Cattermull	,, Nott
,, Clayton	,, Peterson
,, Corser	,, Petrie
,, Costello	,, Roberts, J. H. C.
,, Deacon	,, Sizer
,, Edwards	,, Swayne
,, Elphinstone	,, Taylor
,, Fletcher	,, Vowles
,, Fry	,, Walker
,, Jones	,, Warren

Tellers: Mr. Brand and Mr. Elphinstone.

Resolved in the affirmative.

Clause 5—"*Amendment of section 15*"—

Mr. VOWLES (*Dalby*): The clause said—

> "In the first paragraph of section fifteen of the principal Act, after the word 'quarters' where it first occurs, the words 'in the residence of the taxpayer owned and occupied by him or occupied by him rent free' are inserted."

He would like to know exactly what that meant.

The TREASURER: It is purely a concession.

Mr. VOWLES: Could they deduct the value of the quarters if employees were living in bachelors' quarters or residences if they were not actually living in the homestead? The clause proposed to [9.30 p.m.] limit the deductions to men residing where the taxpayer resided. Was it the intention to deprive the taxpayer of the right to deduct for men who resided in another place on the station because of the fact that they did not live in the homestead?

The TREASURER: That is not so.

Mr. VOWLES: It looked like that. Was that the intention?

The TREASURER: The existing provision is there for a certain purpose.

Mr. VOWLES: Surely the employer was entitled to deduct for food and quarters; but the Bill was restricting the deduction to the actual residence of the taxpayer.

The TREASURER: Should the employer be allowed to deduct something in regard to rental where he does not live at all?

Mr. VOWLES: Would the taxpayer be deprived of the privilege of deducting what he was entitled to merely because of the fact that his employees did not live in the taxpayer's residence?

The TREASURER: He cannot deduct the rental when his employees are not occupying the place. We do not interfere with the existing section except to prevent any person who owns a building getting some deduction when he does not occupy it.

Mr. VOWLES: It meant that on outstations where there were bachelors' quarters the taxpayer would be unable to deduct the amount spent on "tucker," and also for quarters, which were legitimate deductions.

Mr. SIZER (*Yundah*): Was the Treasurer not going to give some information on the matter?

The TREASURER: I have given it by way of interjection.

Mr. SIZER: Was it absolutely essential for the employee to live in the residence of the taxpayer? The words "in the residence of the taxpayer" did not imply that he must actually reside under the roof of the taxpayer. If it did, it was going to create great hardship in the pastoral industry.

The TREASURER: We are asking the taxpayer to allow the employee to live in his residence. They cannot both have it.

Mr. SIZER: Assuming one had a house in which he resided and in which he had one or two employees, he would get a deduction. Assuming he had another house a mile down the street, in which other employees resided, but in which the taxpayer did not reside,

would he be allowed a deduction? Where employees were not under the same roof as the taxpayer, he should be allowed to deduct from the income tax the amount of food supplied, whether the man lived in a detached building or in the residence of the taxpayer.

The TREASURER: There is ample provision made for that. It is merely to prevent a man getting it both ways.

Mr. SIZER: Was it the intention of the Treasurer to allow a deduction irrespective of whether the employee lives under the same roof, or did he intend to confine it to the residence of the taxpayer?

The TREASURER: The intention is just to do the fair thing and no more.

Mr. SIZER: This was the first occasion on which a Minister had refused to clear up any misunderstanding on any Bill. The principal Act provided that the taxpayer could deduct for the amount of food and for quarters in which the employees lived. He took that to mean in any quarters, whether it was under the same roof or in another part of the station. The Bill meant the limitation of that privilege, and that the employee must reside in the residence of the taxpayer. If that was so, great hardship would be done.

Mr. MOORE (*Aubigny*): Surely the Treasurer was going to give some explanation. They had been deducting for food and quarters, and now the privilege was to be restricted to employees residing in the residence of the taxpayer! Surely they could make a deduction for a married man living in the country on a station! He hoped that the restriction proposed would not be brought about.

Mr. FERRICKS (*South Brisbane*): The Opposition were placing a very narrow interpretation on the clause. "Residence" did not mean only residence under the same roof as the employer.

OPPOSITION MEMBERS: We want to know that from the Treasurer.

Mr. FERRICKS: Hon. members had stated the case of station-owners as employers. He took it from reading the Act that "residence" did not mean living actually in the same domicile as the taxpayer who was employing him.

Mr. CORSER (*Burnett*): He could not agree with the hon. member for South Brisbane. The clause would apply harshly in country districts, particularly on grazing farms and stations, where the employer could not house all his employees under the one roof. He had to have bachelors' quarters, where cooks were provided. He agreed with the hon. member for South Brisbane that the residence of the taxpayer did not mean his domicile, where he and his family were housed under one roof. It meant any part of his premises; but the Treasurer should explain it and make it clear.

The TREASURER: I think the member for South Brisbane outlined the case very well.

Mr. CORSER: If the hon. member for South Brisbane were handling the Bill, he would be quite satisfied with what he said, but it was contrary to what the Treasurer said. The Treasurer only included those who were housed with the taxpayer. The Treasurer did not wish to express himself at all. He just sat mum and would not liven himself up and answer any questions at all.

Mr. CATTERMULL (*Musgrave*): He hoped the Treasurer would clear the matter up because it was a very important matter to a grazing farmer. The man on the land provided house accommodation for his employees, and that should be allowed as a deduction from income tax. The Minister should explain the matter and support the remarks made by the hon. member for South Brisbane. They would then know where they stood.

Mr. GLEDSON (*Ipswich*): The Treasurer, by interjection, made the position perfectly clear, and he did not know why the Opposition were proceeding in the manner they were at all. The taxpayer was already allowed a deduction for his house. The matter was perfectly clear. The taxpayer could only get a deduction for quarters provided in the house he resided in.

Mr. SWAYNE (*Mirani*) asked the Treasurer to let them know the position of a taxpayer who provided quarters for his employees.

The TREASURER: The hon. member for South Brisbane put it very succinctly.

Mr. SWAYNE: If a taxpayer had employees and provided quarters for them in different places, what was his position?

The TREASURER: He can deduct for the lot.

Mr. SIZER (*Yundah*) repeated that the Treasurer was not treating the Opposition with the courtesy to which they were entitled. He made a sarcastic interjection that the hon. member for South Brisbane put the position rightly, but the Treasurer did not rise to his feet and inform the Committee himself.

The TREASURER: I will make an affidavit about it if you like.

Mr. SIZER: In the last few days they noticed the extraordinary procedure in connection with the conduct of Parliament. Members of the Opposition were treated in a contemptuous sort of manner, and Ministers ignored the position.

Mr. MORGAN (*Murilla*) asked the Treasurer to give a definition of the words "in the residence of the taxpayer."

The TREASURER: As they had reached a stage where they were meeting with obstruction, he moved—

"That the question be now put."

Question—That the question be now put—put; and the Committee divided:—

AYES, 35.

Mr. Barber	Mr. Hartley
,, Bertram	,, Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Riordan
,, Dash	,, Ryan
,, Dunstan	,, Smith
,, Ferricks	,, Stopford
,, Fihelly	,, Theodore
,, Foley	,, Weir
,, Forde	,, Wellington
,, Gilday	,, Wilson
,, Gillies	,, Winstanley
,, Gledson	

Tellers: Mr. Forde and Mr. Weir.

NOES, 31.

Mr. Appel	Mr. Logan
,, Barnes, G. P.	,, Maxwell
,, Barnes, W. H.	,, Moore
,, Bebbington	,, Morgan
,, Bell	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H. C.
,, Costello	,, Roberts, T. R.
,, Deacon	,, Sizer
,, Edwards	,, Swayne
,, Elphinstone	,, Taylor
,, Fletcher	,, Vowles
,, Fry	,, Walker
,, Jones	,, Warren
,, Kerr	

Tellers: Mr. Fletcher and Mr. Sizer.

Resolved in the affirmative.

Question—That clause 5, as read, stand part of the Bill—put; and the Committee divided:—

AYES, 31.

Mr. Barber	Mr. Hartley
,, Bertram	,, Huxham
,, Brennan	,, Kirwan
,, Bulcock	,, Land
,, Collins	,, Larcombe
,, Conroy	,, Mullan
,, Cooper, F. A.	,, Payne
,, Cooper, W.	,, Pease
,, Coyne	,, Riordan
,, Dash	,, Ryan
,, Dunstan	,, Smith
,, Ferricks	,, Stopford
,, Fihelly	,, Theodore
,, Foley	,, Weir
,, Forde	,, Wellington
,, Gilday	,, Wilson
,, Gillies	,, Winstanley
,, Gledson	

Tellers: Mr. Bulcock and Mr. Hartley.

NOES, 31.

Mr. Appel	Mr. Logan
,, Barnes, G. P.	,, Maxwell
,, Barnes, W. H.	,, Moore
,, Bebbington	,, Morgan
,, Bell	,, Nott
,, Cattermull	,, Peterson
,, Clayton	,, Petrie
,, Corser	,, Roberts, J. H. C.
,, Costello	,, Roberts, T. R.
,, Deacon	,, Sizer
,, Edwards	,, Swayne
,, Elphinstone	,, Taylor
,, Fletcher	,, Vowles
,, Fry	,, Walker
,, Jones	,, Warren
,, Kerr	

Tellers: Mr. Fry and Mr. Maxwell.

Resolved in the affirmative.

[10 p.m.]

Clause 6—"*Amendment of section* 16"—

The TREASURER (Hon. J. A. Fihelly, *Paddington*) moved the omission, on line 56, of the word "completed," and the insertion of the word "made" in lieu thereof.

Amendment agreed to.

Mr. VOWLES (*Dalby*): There were several matters he wished to refer to. In the first place, it appeared that a lessee had the right of deducting the purchase money for a Crown lease made after 30th June, 1918. What was the reason for that proviso being inserted? On the next page, there was an interference with existing deductions in a proposed new paragraph (xi.), viz.:—

> "Any expenses incurred in earning income exempt from taxation: Provided that, if in the opinion of the Commissioner this cannot be accurately determined, an amount of one-half per centum on the income so received shall be disallowed as a deduction from the taxpayer's taxable income."

That appeared to him to be objectionable. Paragraph (xiii.), which was an extraordinary new proposal, said—

> "Any depreciation in the value of stock-in-trade (including live stock) below its cost price, unless with the approval of the Commissioner."

That meant that they could not get any deduction for live stock. He had a copy of a letter, which was sent from the Brisbane Chamber of Commerce to the Premier, handed to him. He would like to know if the hon. gentleman had given consideration to it.

The PREMIER: No; I have not seen it yet. I will see it in the morning.

The TREASURER: I have seen the letter.

Mr. VOWLES: The Premier should give proper consideration to a letter coming from such an important body as the Brisbane Chamber of Commerce. The letter contained the following statement:—

> "1. That a system of stocktaking which is based upon any other than cost or actual market value of stock, whichever is lowest, would show a fictitious result and misrepresent the position of the trader, thereby making it impossible for him to obtain necessary financial assistance by destroying the confidence of bankers and [or] other creditors in the figures presented to them.
>
> "2. That the present method of taking stock is fair both to the business community and to the Government, for if one year's profit is reduced by absolutely necessary writing down of values, the following year's is correspondingly increased by the profit made possible on goods by such writing down. Thus, whatever taxation the Government may lose in one year it would gain in the next, and there would be no disturbance of the relations between traders and their bankers or other creditors."

People had bought on a rising market, and there had been a sudden slump in values; and was it not invidious that those men were not entitled to reduce their stock to the true market value, except with the approval of the Commissioner? They knew very well that goods could be imported from the old country now at much lower prices than during the war. If men had goods marked up at £1 5s., and could not sell them, it was wise to bring them down to £1. Although that showed a loss on the transaction, a man was getting back his money.

The TREASURER: There is no objection to a fair depreciation.

Mr. VOWLES: Why should the Commissioner have to be consulted in every case?

The TREASURER: The "rag" merchants have had to write down extensively during the last eighteen months, and the Commissioner has not objected. The provision protects the legitimate trader.

Mr. VOWLES: They had worked well in the past without it. When they saw extra powers given to the Commissioner, or to the public service generally, they began to wonder why it was. He was not referring to

the present Commissioner personally, but he would not be there always. They might find a member of the Cabinet occupying that position in the future. The Treasurer might want to take that position himself.

The TREASURER: I am not ambitious.

Mr. VOWLES: If they did not take the opportunity of getting this principle deleted from the measure now, it would be too late. A little further on, there was the wonderful privilege which the Treasurer told them he was going to grant to the agricultural and dairying sections of the community.

The TREASURER: Not I, but the Government.

Mr. VOWLES: It was in the Governor's Speech the year before last, but nothing eventuated. They were told then that they were going to be given the privilege of averaging all losses. This clause did not meet the case, and did not cover all the cases which should be dealt with. Why should they pick out the agricultural and dairying pursuits? The grazing industry should be included. Could they not include graziers owning a certain number of stock, or put in the amount of income? There was no one who was harder hit to-day than the small graziers in Western Queensland. They had had a run of bad luck. They had bought at the top of the market and were now landed with their cattle unsaleable. If anyone should have the privilege of averaging up his losses, it was the grazier, small and large. They were not asking for the privilege for the big pastoralist, but for the small man, whom the Premier said he was out to cater for. He was going to propose at a later stage that the word "grazier" be inserted. If the Minister would not accept that, he would have an amendment prepared to provide some limitation so far as grazing was concerned.

The SECRETARY FOR PUBLIC LANDS: Every pastoralist is a grazier.

Mr. VOWLES: He wanted to include all graziers whose taxable income did not exceed, say, £1,000. £1,000 to a man who had put his capital into a concern, and had practically lost 50 per cent. of it, was on a very small scale. He would like to see how far the Treasurer was prepared to go. They were determined to press him to fix some value, because they represented the small grazier equally with the agriculturist and dairyman. As a matter of fact, the dairyman was in a much better position than the small cattleowner, comparatively, because the latter's stock had not only been depleted, but his markets for cattle and by-products had gone down to a greater extent.

Mr. DUNSTAN: That does not obtain every year.

Mr. VOWLES: It obtained more particularly at the present time, but they wanted the principle recognised that the small man should be protected.

Mr. FLETCHER (*Port Curtis*): Paragraph (xiv.) was a very valuable amendment and would be appreciated by the agriculturist and dairyman generally, but it did not go far enough, and he hoped that the Treasurer would accept an amendment somewhat on the lines proposed by the leader of the Opposition. The small grazing selector was very severely hit—more severely hit than the dairyman. Some were in a very bad way, and would have very heavy losses this year and possibly next year.

The TREASURER: You will have to accept it on the lines of the leader of the Opposition. I do not like the £1,000 myself.

Mr. FLETCHER: He was going to suggest that they should apply the provision to all who had not averaged over £1,500 during the last three years, which it must be remembered were three good years. If they averaged them with the present and next year, the result would be probably not more than £700.

Mr. KERR (*Enoggera*): Paragraph (xii.) provided—

> "Any sum as a bonus or fee to a director or to a member of the family of a director in a company in excess of what the Commissioner considers a reasonable amount."

In a partnership such expenses were allowed as a charge against profits, whereas in the case of a company it was now proposed to deduct, after the ascertainment of profits—or on appropriation of profits, which are vastly different to a charge against profits. In the result there was a good deal of difference, although the shareholders—a numerous body—decided what the directors' fees were to be, and the directors had their work to do and their meetings to attend. He held that their fees were a legitimate charge against profits, and a company should be treated exactly as a partnership. Paragraph (xiii.) read—

> "Any depreciation in the value of stock-in-trade (including live stock) below its cost price, unless with the approval of the Commissioner."

Speaking more of manufacturers, they knew that, unless they wanted to create a fictitious profit—in which case the auditors, in the case of limited liability companies particularly, would want to know the reason why—they must take the cost price or market price, whichever was the lower. He was quite sure that the Commissioner wanted to get at the correct thing.

He could not see why paragraph (xiv.) should not apply to every industry. They had been going through great depression which had affected the community in the cities as much as the community in the country. There was a good deal of unemployment, the causes of which, to some extent, were charges against profits and excessive taxation, and, if they could average also, it was going to make the position a little better and it would be fairer from the employer's point of view.

An explanation was necessary in regard to the point raised by the leader of the Opposition in reference to the deduction from the purchase money of a Crown lease. He would think that leases had been granted prior to 30th June, 1918—the date fixed in the clause—and, perhaps, the owners had made arrangements for an annuity with insurance companies, and depreciation must be met, and so deductions should be made in those cases just as much as in the cases of leases made after that date.

Mr. CORSER (*Burnett*): He hoped the Minister would accept some amendment to the clause. He had thought it was intended to apply the provision as to setting off losses against profits to grazing farmers, who,

under their land laws, could not hold more than certain areas of land in each district. No section of the community had been harder hit than the unfortunate grazing farmer and pastoralist; but the pastoralist had few friends, although the fact that there were few of them and they were regarded as wealthy men, should not exclude them from a provision which should be applied to all primary producers. The clause did not provide for the averaging of incomes at all, even for agriculturists and dairymen, and it only provided for carrying forward losses after allowable deductions had been made.

Mr. MORGAN (*Murilla*): Paragraph (xiii.) provided that no allowance should be made for depreciation of live stock unless with the approval of the Commissioner. If a person paid £2,000 for some cattle and they depreciated by £1,000, he should be allowed to deduct that sum, irrespective of the Commissioner's approval. Why was
[10.30 p.m.] it necessary to obtain the Commissioner's approval? If he purchased £2,000 worth of cattle and they depreciated to the extent of £1,000, why should he not be able to show that depreciation?

The TREASURER: If you value land for taxation purposes, you must get the Commissioner's approval for depreciation.

Mr. MORGAN: The right to allow for depreciation should be conferred on the taxpayer by Act of Parliament. He moved the omission of the following paragraph:—

> "(xiii.) Any depreciation in the value of stock in hand (including live stock) below its cost price, unless with the approval of the Commissioner."

The TREASURER (Hon. J. A. Fihelly, *Paddington*): The Commissioner assured him that it only happened in one case in a hundred that a man would write down his property. The leader of the Opposition had mentioned horticulture and silviculture. They would come under the provisons of the Bill. He mentioned that in order that there would be no confusion in the mind of the Commissioner.

Mr. ELPHINSTONE (*Oxley*): He did not think it was fair to the Commissioner or the business community that the Commissioner should have the power to determine whether the taxpayer should value his stock at cost price or market value. It was quite conceivable that many softgoods merchants had indented stocks at prices very much in excess of the present market value. If the Government desired to rake in taxation from every section of the community, they could insist on the taxpayer valuing his stock at landed cost. The Federal provision dealing with the matter thoroughly met the situation. It was to the effect that stocks of material on hand were to be valued at cost price or market value, whichever is the lower.

At 10.35 p.m.,

Mr. F. A. COOPER, one of the panel of Temporary Chairmen, took the chair.

Mr. ELPHINSTONE: The best means for anyone to ascertain his financial position at the end of the year was to value it on a proper basis. One would take the cost price or the market price whichever was the lower, and the matter would level itself out the following year. The Government would be scraping round for revenue from taxation, and the Commissioner would be anxious to see the figures as high as possible, and, when he was allowed that latitude it would only be human if he utilised this discretion to the detriment of the taxpayer. The matter must be put beyond doubt, the same as the Federal provision put the matter beyond doubt. The time would arrive when it would be necessary to have a Taxation Appeal Board. The provision contained in the Federal Act was far preferable to placing the power in the hands of the State Commissioner. The business community were very much concerned on the subject.

The TREASURER (Hon. J. A. Fihelly, *Paddington*): At the present time the Commissioner had no authority to intervene where stock was written up or down. The Committee could rest assured that any authority that would be given would not be used improperly.

Mr. ELPHINSTONE: Why not adopt the Federal provision?

The TREASURER: The Bill was proof that the Government did not slavishly copy the Federal Government. They intended to allow the Commissioner to be the judge as to whether a matter was properly valued, particularly now when a large number of business places were writing down their stocks heavily.

Mr. FLETCHER: Would you accept an appeal board?

The TREASURER: There had always been an appeal to the Commissioner, then to the Minister, then to the Executive Council, and then to the courts.

Mr. PAYNE (*Mitchell*): He was in favour of allowing the small grazing farmers the same concessions as agricultural and dairy farmers. The definition dealing with the class of grazier the hon. member for Murilla desired to deal with should be carefully considered, or otherwise they would be exempting one man, and another equally entitled to be exempted would not be exempted.

Mr. FLETCHER (*Port Curtis*): There were arguments for and against the amendment by the hon. member for Murilla. He did not think that the taxation receipts were going to be anything like the Treasurer estimated. There was going to be a very serious reduction, and the Government would be looking round for revenue from taxation, and unless the Treasurer could give them some assurance on the question they were not justified in passing the clause. Until the Treasurer gave some information as to the necessity of the clause he would object to it being passed.

Mr. TAYLOR (*Windsor*): Any person who was at all conversant with business methods would know very well that no business man willingly or for the fun of the thing wrote down the value of his stock. Probably 80 or 85 per cent. of business people carried on with a small or large overdraft, and, if a man wanted to get an overdraft from his banker, he always showed the best value he could for his stock. If he showed that his stock had depreciated, it was a difficult matter for him to get an overdraft. He believed that the Commonwealth provision should be adopted in the State. They talked about economy by adopting the Commonwealth system in other departments, and they should

do it in their income taxation. The reason for a lot of the legislation was to raise more revenue to enable the Government to finance the country to tide them over their bungling.

The PREMIER: We will lose revenue by this Bill.

Mr. TAYLOR: The Government had never introduced a Bill yet which did not extract more money out of the taxpayers. If a man wrote down the value of his stock one year, he would have to increase it when values appreciated, and he would then have to pay the increased income tax on it. Men could not play with their stocks at all. It was generally the employee who took stock, and not the owner, and the Commissioner for Taxes could always see the invoices and figures. A man had to write down his stock sometimes, but he did not willingly do it, and, if the Commissioner were not satisfied with the returns, he could have a look at them himself.

Mr. WEIR (*Maryborough*): It was a business axiom that there was always a depreciation in stock and the owner would have to write down the value. All the Bill proposed to do was to compel merchants and others to put their proposals before the Commissioner for Taxes. It only gave the Commissioner power to see that the depreciation allowed was fair and reasonable. There was a marked tendency on the part of merchants and business people to dodge their income tax obligations and to show a depreciated profit due to the fact that they monkeyed with their assets. One of the weaknesses in the income tax law was that their officials did not have the power to stop people from monkeying with their assets. This clause would let the Commissioner see what business people were doing.

Mr. G. P. BARNES (*Warwick*): There might have been cases in the past where cases occurred which made it necessary to have this clause; but, when they looked at things as they were to-day, it was extremely unlikely that the Commissioner would be called upon to exercise himself under the clause. It was an important matter, and it was hard for merchants to know how they were going to keep their profits. Everyone wanted to maintain the stability of his business.

Mr. WEIR: They keep it in reserves.

Mr. G. P. BARNES: In these days of strenuous commercial life every man was put to it to do his best to keep things going. In every part of the world merchants were up against a slump in values, and Rylands, the biggest soft goods firm in England, had recently shown a loss of £1,300,000. They saw the balance-sheets of firms from the South. Merchants did not know how they were going to keep on the right side of things. Any business man taking stock now would not value his stock above what would show a profit when it was sold. A slump in values was taking place. The clause was not going to affect the revenue at all. No doubt the Commissioner would act discriminately in the exercise of his powers under the clause; but the powers it contained might be used viciously against people. No one knew what would take place in mercantile life in the next few years. He had been engaged in business all his life, and he knew how these things affected business people.

[*Mr. Taylor.*

[11 p.m.]

Question—That the words proposed to be omitted from clause 6 (*Mr. Morgan's amendment*) stand part of the clause—put; and the Committee divided:—

AYES, 32.

Mr. Barber	Mr. Hartley
,, Bertram	,, Huxham
,, Bulcock	,, Kirwan
,, Collins	,, Land
,, Conroy	,, Larcombe
,, Cooper, W.	,, Mullan
,, Coyne	,, Payne
,, Dash	,, Pease
,, Dunstan	,, Pollock
,, Ferricks	,, Riordan
,, Fihelly	,, Ryan
,, Foley	,, Smith
,, Forde	,, Theodore
,, Gilday	,, Weir
,, Gillies	,, Wellington
,, Gledson	,, Winstanley

Tellers: Mr. Forde and Mr. Gledson.

NOES, 30.

Mr. Barnes, G. P.	Mr. Logan
,, Bebbington	,, Maxwell
,, Bell	,, Moore
,, Brand	,, Morgan
,, Cattermull	,, Nott
,, Clayton	,, Peterson
,, Corser	,, Petrie
,, Costello	,, Roberts, J. H. C.
,, Deacon	,, Roberts, T. R.
,, Edwards	,, Sizer
,, Elphinstone	,, Swayne
,, Fletcher	,, Taylor
,, Fry	,, Vowles
,, Jones	,, Walker
,, Kerr	,, Warren

Tellers: Mr. Fry and Mr. Sizer.

PAIR.

Aye—Mr. McCormack. No—Mr. Green.

Resolved in the affirmative.

The TREASURER: Before the clause went through, he wanted to say that it was the desire of the Government to extend its benefits to the small grazier, so as to embrace most people who were making their living out of the land; and, if something could be evolved whereby a suitable amendment could be made, he was willing to recommit the Bill after the third reading on the following day. He had an amendment roughly drafted, but would prefer the Parliamentary Draftsman to go through it carefully.

Mr. ELPHINSTONE (*Oxley*): A farmer was allowed to deduct his land tax from his income tax. It was quite conceivable that a farmer would pay £10 in income tax and be called upon to pay £100 in land tax in the same year. His point was that in that year the farmer lost £90. Was he going to be permitted to carry forward that loss for the purpose of averaging his income under the clause?

The PREMIER: If a farmer had a farm of an unimproved value of £10,000 and only made a profit on which he had to pay £10 in income tax, it would be because of drought or some loss of that kind.

Mr. ELPHINSTONE: Or bad government. The position of farmers was going to be very serious, and he asked the Treasurer, in framing his amendment, to take such cases into consideration.

Mr. J. H. C. ROBERTS (*Pittsworth*): After all, the clause did not allow averaging, but merely the carrying over of losses against certain profits. He was pleased to hear the Treasurer say he was sympathetic towards

primary producers, and he moved the addition of the following proviso, to follow the word "made," in line 44, page 8:—

> "Provided that where a co-operative company dealing with butter, cheese, bacon, fruit, or wheat, or any other raw material used for food purposes, distributes within twelve months after the sale or export of any such products any funds held in reserve or otherwise for the purpose of ensuring regularity of price or for the purpose of distribution amongst its producing shareholders or solely for the purpose of extending its manufacturing and/or producing operations, tax shall not be levied on those funds in the hands of the company."

His reason for moving that was that he believed that many co-operative companies were finding it difficult to carry on. One small co-operative company, with a paid-up capital of £1,177, made a profit of £358, and, owing to the fact that that profit was at the rate of 19 per cent. or more, it was called upon to pay tax equal to 3s. 7d. in the £1. That company received £192 of that profit at the end of May or the beginning of June, and its balance was struck on 30th June. In the second week of July, £192 was distributed in the shape of a bonus to shareholders, and consequently, when it was called upon to pay tax, the biggest portion of the profit had actually been paid out in a legitimate way.

Mr. HARTLEY: It was paid in dividends, in the equivalent of bonuses.

Mr. J. H. C. ROBERTS: It was not paid in dividends. In that company there were about seventy or eighty suppliers of milk, and the £192 was paid out to shareholders who had supplied milk during the period in which the cheese which produced the profit was made—that was, the months of April and May. Seeing that the Treasurer was prepared to give the actual individual relief, he hoped he would go a step further and give the same concession to co-operative companies. He did not know whether they could come under the Industrial and Provident Societies Act of 1920, but he would like to have it definitely stated that they were going to get the concession contained in the clause, because nobody could say that they did not trade legitimately and fairly, and they were, after all, producing the foodstuffs of the State.

The TREASURER (Hon. J. A. Fihelly, *Paddington*): He was sorry that the hon. member for Pittsworth had not given notice of the amendment earlier, in order that he (Mr. Fihelly) might have studied it and submitted it to the Crown Law authorities. He thought, in the amendment, that everything asked for was incorporated in the Industrial and Provident Societies Act.

Mr. J. H. C. ROBERTS: I am given to understand it is not.

The TREASURER: If the Attorney-General introduced an amendment of that Act, he might perhaps be prevailed on to incorporate the amendment in that Bill, but it had nothing to do with the Bill now under consideration.

Mr. BEBBINGTON (*Drayton*): The co-operative dairy companies carried over certain amounts, but not as profit. They probably held deferred payments for shipments of cheese and butter that had taken place three or four months back, and when they got their return for the exports the amount would be distributed. Some of the companies did not pay interest on their shares.

Mr. WARREN (*Murrumba*): The amendment was most reasonable. Some little time ago the Murarrie Bacon Factory paid a bonus of a substantial sum, and it was not right that the shareholders should be taxed on that. There should be no need for co-operative companies at present registered to be re-registered. He hoped the Minister would accept the amendment.

The TREASURER (Hon. J. A. Fihelly, *Paddington*): He could not accept the amendment. He proposed to recommit the Bill on the third reading, and meanwhile he would look into the matter. He was inclined to agree with the amendment. It appealed to him in many ways; but, as it had been sprung upon him, it might have some signification that he could not see at present.

Mr. J. H. C. ROBERTS (*Pittsworth*): After the assurance given by the Treasurer, he would withdraw his amendment.

Amendment, by leave, withdrawn.

Mr. SIZER (*Wundah*): They were granting, under the Bill, some concessions to the primary producer. Every industry should receive consideration in regard to the question of averaging taxation. New industries were essential, and they should be exempt from taxation for a period of years. He hoped that when the Government recommitted the Bill on the third reading they would make some provision to allow the question of averaging taxation to have general application.

The TREASURER: You would abolish all taxation!

Clause 6, put and passed.

Clauses 7 to 15, both inclusive, put and passed.

The House resumed.

The CHAIRMAN reported the Bill with amendments.

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

The House adjourned at 11.28 p.m.