

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**FRIDAY, 11 AUGUST 1922**

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FRIDAY, 11 AUGUST, 1922.

The SPEAKER (Hon. W. Bertram, *Maree*) took the chair at 3.30 p.m.

QUESTIONS.

DECLARATION OF PERTH LABOUR CONVENTION—  
“NO ANNEXATIONS AND NO PENAL INDEMNITIES.”

Mr. COLLINS (*Bowen*) asked the Premier—

“1. Has his attention been drawn to the cabled report of a statement contained in a note issued by Great Britain to the Allies and America regarding war debts and reparations, to the effect that:—‘Britain is prepared, subject to the just claims of other parts of the Empire, to abandon all further rights to German reparations, and all further payments from her Allies, provided this renunciation is part of the general plan, believing that a general settlement will be more valuable to mankind than the most successful enforcement of legal obligations’?”

“2. Does not the above prove that the Federal Labour convention, which sat in Perth in 1918, was on sound and just lines when it laid down as one of the bases of negotiations for peace that there should be no annexations and no penal indemnities?”

“3. Was not the attitude of the Perth Convention in accord with the views expressed by the late Hon. W. E. Gladstone, when he said: ‘I painfully reflect that, in almost every political controversy of the last fifty years, the leisured classes, the educated classes, the wealthy classes, the titled classes, have been in the wrong. The common people—the toilers, the men of uncommon sense—these have been responsible for nearly all of the social reform measures which the world accepts to-day’?”

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

“1. Yes.

“2. Yes.

“3. Yes.”

CURTAILMENT OF WEATHER BUREAU REPORTS.

Mr. KIRWAN (*Brisbane*), in the absence of Mr. Forde (*Rockhampton*) asked the Premier—

“1. Has his attention been drawn to the paragraph which appeared in Wednesday’s ‘Courier,’ in which it is stated, *inter alia*:—‘Notwithstanding protests in Parliament and elsewhere, the Commonwealth Government is proceeding with its plan of curtailing the useful weather services rendered to the public and particularly to the man on the land’?”

“2. Is he aware that, from yesterday, the local weather bureau proposes to discontinue the usual daily forecasts to Childers, Clermont, Boulia, Cooktown, Chinchilla, Cooroy, Croydon, Jandowae, Jericho, Ilfracombe, Warwick, and Thargomindah, which is a farcical and camouflaged effort at economy?”

“3. Will he make suitable representations to the Commonwealth Government with a view to having these useful services restored immediately?”

“4. Is he aware that the ‘book’ saving that will be effected by the discontinuance of useful telegraph weather reports is infinitesimal in comparison with the waste of public money by the Commonwealth Government at Cockatoo Island Dockyard, at Canungra, and other places?”

The PREMIER replied—

“1. Yes.

“2. Yes.

“3. Yes.

“4. That is a matter on which I have no information.”

MONEY INVESTED THROUGH TOTALISATOR AT ALBION PARK.

Mr. MOORE (*Aubigny*) asked the Attorney-General—

“1. What amount of money was invested through the totalisator at Albion Park from 1st July, 1921, to 30th June, 1922?”

“2. How much of the amount was received by the Government?”

“3. How much of the amount went to the proprietors?”

The ATTORNEY-GENERAL (Hon. J. Mullan, *Flinders*) replied—

“1. £193,101 5s.

“2. £11,661 19s. 9d.

“3. This information is not supplied to the Justice Department.”

RETENTION ON ELECTORAL ROLLS OF NAMES OF DISQUALIFIED PERSONS.

Mr. GREEN (*Townsville*) asked the Attorney-General—

“1. In view of the fact that hundreds of names are retained on electoral rolls, often for very considerable periods, after the persons named have left the districts for which they are enrolled and have taken up residence in other districts, will he introduce legislation making such amendments in the present Elections Act as are necessary to bring about some degree of purity in the State electoral rolls?”

“2. If he will not introduce such amending legislation, will he issue instructions to all officers concerned that a strict compliance with section 25 (2) of the Act must be enforced in cases where it is known that an elector has taken up residence permanently in another district and is required to enrol for such other district?”

“3. (a) Does he consider that it is in accord with the spirit of the Elections Act that the following names, viz.:—

1101, Dash, John, Wills st., union secretary.

1102, Dash, Violet, Wills st., domestic duties,

306, Bland, Lily May, Wills st., housemaid—

should be retained on the roll for the Townsville district, when, as it is well known, these persons have resided in Brisbane for nearly two years, and are enrolled on the Brisbane Federal roll? (b) Will he issue instructions for the prosecution of these persons for failure to comply with section 25 (2) of the Act?”

"4. On whose instructions, and by what authority, were the following names reinstated on the rolls for the districts mentioned, after such names had, in accordance with the provisions of the Elections Act, been erased:—

Bowen Roll—

Kelly, John Joseph, Brandon Club Hotel, licensed victualler.

Charters Towers Roll—

Hayes, Margaret, Metropolitan Hotel, housewife,

Hayes, Thomas Augustine, Metropolitan Hotel, licensed victualler?"

The ATTORNEY-GENERAL replied—

"1. This question is based on incorrect premises. Any amendment of the existing electoral Act which this Government considers necessary will be made in due course.

"2. See answer to No. 1.

"3 and 4. The matter is being inquired into."

#### CIRCULAR ISSUED BY NORTHERN COUNTRY PARTY IN RE NAMES ON ELECTORAL ROLLS.

Mr. POLLOCK (*Gregory*) asked the Attorney-General—

"Has his attention been drawn to a circular, issued by the Northern Country party, and dated 23rd June, 1922, headed 'Urgent,' in which, inter alia, graziers and others are invited to forward a list of the names of those men who are working on their holdings, and especially to put a tick opposite the names of those who are believed to be supporters of the Northern Country party, in order that the latter body may remove Labour voters, and thus secure what would be a clean roll?"

The ATTORNEY-GENERAL replied—

"The circular in question, like many others issued by the Northern Country party, is part of a cunning scheme being operated for the disfranchisement of the nomadic population of this State; but the honourable member may rest assured that this Government's policy will be maintained—namely, that every citizen entitled to vote shall be afforded every facility so to do."

#### REDUCTION OF RENTALS IN CATTLE COUNTRY.

Mr. MOORE (*Aubigny*), in the absence of Mr. Morgan (*Murilla*), asked the Secretary for Public Lands—

"1. Has his attention been drawn to the fact that, owing to the slump in beef, pastoral rentals in the Argentine have been reduced by 50 per cent.?"

"2. Will he bring about a similar reduction in rentals in cattle country in Queensland?"

The SECRETARY FOR PUBLIC LANDS (Hon. J. H. Coyne, *Warrego*) replied—

"1. No.

"2. See answer to No. 1."

#### PAPER.

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

Report by the Royal Commission appointed to inquire into and report

upon a proposal to extend the Dawson Valley Railway from Baralaba, the present terminus, to Castle Creek, a distance of 53 miles.

#### SUPPLY.

FINANCIAL STATEMENT—RESUMPTION OF DEBATE.

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

Question stated—

"That there be granted to His Majesty, for the service of the year 1922-1923, a sum not exceeding £300 to defray the salary of the aide-de-camp to His Excellency the Governor."

Mr. VOWLES (*Dalby*): Last night we had the privilege of listening to the Treasurer delivering a fighting speech, which was really the climax of a dying Government.

Mr. HARTLEY: You want to look up the dictionary for the meaning of the word "climax."

Mr. VOWLES: That speech was a record of incapacity and ineptitude; it was a tragedy. We are told now that the Government, after having to study economy, after having broken all the promises they made to their supporters throughout the State that they would not retrench the public service—and having done so to the tune of about £300,000—propose to end their financial career with a deficit of £576,000. If ever the writing was on the wall, it is on the wall so far as the present Government are concerned.

Mr. PEASE: You have said that before.

Mr. VOWLES: I have said it before, and I say it now. When we find the very Labour organisations and the official newspapers of the Labour party telling the occupants of the Treasury benches that they no longer are fitted to be there, and calling upon them to do the proper thing—to get out and give the electors the opportunity to decide who has the right to occupy those benches—the climax has arrived.

Mr. DASH: You cannot read print.

Mr. VOWLES: Even the children in the street are talking about the Government, wherever you go. When you find a record, such as is disclosed in the Financial Statement which was delivered to us last night, being submitted to the people—in which we are told that we are going to have this year the biggest revenue on record in Queensland; when we are told that the public servants must be retrenched, and that they should be compelled to economise; when it is urged that the general public should be compelled to economise in all directions; and when, in the face of all that, we find that the only institution which is not going to follow that example is the Government, we must come to the conclusion that the cry of the people is a good cry, and that the time has arrived for the Government to retire. We are told that a revenue of £12,779,000 is anticipated for this year. We are told, further, that it is proposed to spend from loan moneys a sum of £4,929,000. The Treasurer is silent as to what amount of money is to be taken from Trust Funds, but I anticipate that during this financial year the Government will have the handling of, approximately, £20,000,000. The persons who are chiefly interested in the expenditure of that money are the provident and industrious people in the community; because,

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when all is said and done, those are the persons who, in the future, will be called upon to pay the interest on the money which is going to be expended, whether it is expended judiciously or otherwise. In the first year of office of the Labour Government they had a revenue of £7,671,000. To enable them to carry on the same services to-day they require £5,100,000 more than that amount. Last year the Treasurer estimated that the revenue would be £12,270,000. He actually received £12,331,000. He actually spent in addition the sum of £188,000, making a gross expenditure for that year of, approximately, £12,500,000. This year it is proposed to expend the sum of £12,779,540, which will be an increase on last year's transactions of £279,000, leaving a deficit of £576,000, which will have to be provided for in the future. I pointed out before that this would have been a record deficit had it not been that the Government saw fit during the last few months to better their position at the expense of the public workers of the State to the extent of £300,000. Interest is one of the big items that the Government have to make provision for. The amount of interest required annually is in the neighbourhood of £3,600,000.

Mr. GILDAY: Who brought that about?

Mr. VOWLES: I will show the hon. member how some of it was brought about. When the Government first took office the public debt of Queensland was £52,000,000, and to-day it is £85,000,000. In the last seven years the Government have spent £33,000,000 of borrowed money, a good part of which was borrowed at a very high rate of interest. When we come to analyse the per capita position, we find it is a rather serious one. If you go back to the time when the Government acquired the Treasury benches and look at those pamphlets which were referred to in this Chamber last night, more particularly the pamphlet entitled "The Great Loan Tragedy," for which the present Treasurer and his recent colleague, Mr. Fihelly, were responsible, you will find that they said—

"Do you know that a man, his wife, and family in Queensland owe £400, and do you know that a man, his wife, and family of four children pay £18 per year in interest in Queensland?"

Hon. J. G. APPEL: What does he pay now?

Mr. VOWLES: He pays now £27 a year in interest, and the family debt has increased from £400 to £672; and it is proposed now to expend a sum of money on a falling revenue which will be equivalent to £16 per head of the population. On the subject of borrowing, I would like to draw the attention of the Treasurer and this Committee to some of the statements that have been made on other occasions inside and outside of this Chamber by prominent gentlemen associated with the Government. Although the Treasurer has gone into a lot of detail, and although there is a lot of verbiage in his Financial Statement, there are many important matters which have been skilfully evaded. No reference has been made to our maturing loans. What is proposed to be done in respect to that matter? If you look at the Auditor-General's report for last year, you will find that in 1924 we have loans to the amount of £13,160,634 falling due.

The Treasurer: Nearly two years ahead.

Mr. VOWLES: In 1925 we have, approximately, £12,000,000, and in 1926 £313,000 of

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loans falling due. On the subject of loans, all we are told is that the Government have been successful in securing money in America at a high rate of interest, and that out of that money they have discharged a debt to the Bank of England of £1,000,000, for which arrangements had been made and which was overdue. The quotations I desire to make in respect of the subject of borrowing will be found in the records of this House in many cases. In the pamphlet to which I have referred the present Treasurer and the late Treasurer stated, amongst other things, that finance was the test of government. They also made other statements which I desire to emphasise, because during a recent by-election campaign the Secretary for Mines took up a definite attitude so far as taxation was concerned, and impressed upon the electors of Paddington that the workers were not the persons who bore the responsibilities of loans, but that it was the capitalists who were responsible.

Several hon. members conversing audibly,

The CHAIRMAN: Order! I appeal to hon. members not to conduct their conversation in such a loud tone. The leader of the Opposition is making what I presume is an important speech from his point of view, and I hope that hon. members will do him the courtesy of giving him an opportunity to deliver it. Further, I would like to speak again on behalf of the "Hansard" staff. Hon. members should render what assistance they can to the staff, not to mention the representatives of the public Press (Hear, hear!)

Mr. VOWLES: Thank you, Mr. Kirwan. In that pamphlet it says it is the workers who suffer and the producers who pay. I want to draw attention to statements which were made during the 1915 election by the then leader of the Labour party, the late Mr. Ryan. He said—

"The ideal of a white Australia was not respected, and Liberal faith, Liberal science, and Liberal culture could only find expression in the raising and spending of huge loan moneys, which were very often expended wastefully, and in the end left to posterity to redeem."

A good deal of history has been written since then in the records of the Labour Government, and I will ask how Mr. Ryan's words apply to-day, in view of the record we have before us in this Financial Statement delivered by his successor, the present Premier and Treasurer. The present Treasurer, speaking in 1912 (vide "Hansard" for that year, page 1244), said—

"It seems to me that here is an avenue for great reform regarding our finances. The hon. gentleman never looked at it in that light before. Hon. gentlemen opposite cannot get away from the old borrowing policy. They always want to go home to some other people—

It was not America in those days—

"and some other land to borrow money for the construction of works in our country.

"If our taxation was adjusted a little better, we would be able to raise sufficient revenue to carry on the necessary public works out of revenue at the present time. We could build over 200 miles of railway in a year at a cost of a little over £1,000,000."

I wish to goodness we could.

"I consider that £1,000,000 could easily be raised by a slight adjustment of taxation."

The Government have raised more than double that amount, but they have not used it on reproductive works, but have squandered it.

"We could have a fairer adjustment of the income tax and we could have something in the nature of a land tax."

"Mr. Denham: I do not want to increase taxation."

"Mr. THEODORE: You do not want to increase taxation on your political friends."

"Mr. Denham: They are the only ones who are paying it now."

This is the point. Listen to the hon. gentleman's reply, and compare it with the attitude of Mr. Ryan. He said—

"Everyone in the community is paying, because it is being passed on. The consumers are really paying the tax; it is passed on to them."

That is true. The consumers do pay the tax, and they indirectly suffer all the impositions that are put on industries and on primary producers, and in other directions. The consumer is the man who has to carry the baby, because the tax is undoubtedly passed on to him. The late Mr. David Bowman, speaking of the surplus in 1915, said—

"Speaking for myself—and I know that a number of members agree with me—while we are prepared to support a borrowing policy for reproductive works, we should be careful in the amount we do borrow. We should only have restricted borrowing. . . . I think it would be a big mistake for this Government or any other Government to go in for borrowing indiscriminately."

Mr. FORDE: Why not make a speech on present-day finance?

Mr. VOWLES: I wish the hon. member and his party would follow that lead. I read a good deal of the hon. member's trash. I have even found him going back to the days of black labour and the kanakas.

Mr. FORDE: You bring up dead men.

Mr. VOWLES: Is the Treasurer dead? I am contrasting the hon. member's remarks with those of his colleagues—the gentlemen who said that the consumer does not bear the burden of taxation. I have just quoted something from this Treasurer, who said they do, and that was supported by the late Mr. David Bowman and the late Mr. Ryan. If you read the circulars of the Labour party and the records of "Hansard," you will find them full of the same arguments, and those arguments are true. For these reasons I say that we should be careful in our borrowing, and careful as to the directions in which the money is spent, because in many cases the money is being wasted. It is all very well to say it is all right, and that somebody else has to pay it. That person pays it, but he passes it on in the majority of cases to the working man or the general consumer.

Now, I will show to what extent taxation has increased in Queensland. I have here a table which has been taken from the Auditor-General's report for last year, and which has been brought up to date.

The TREASURER: You ought to read the Auditor-General's reports very well, and digest them—especially last year's report.

Mr. VOWLES: There are many facts in the Auditor-General's report which ought to be digested by the hon. gentleman. This is the record of this extravagant Government, who, we were told, were only going to borrow money for reproductive works. They have borrowed £33,000,000 in the last seven years.

The TREASURER: I thought you said last night that we had no credit. How could we borrow £33,000,000 if we had no credit?

Mr. VOWLES: It is the credit of the State that is doing it, and not the credit of the Government. The Government had the security of the State behind them. If you want any evidence about the credit of the Government, you can find it in the fact that they have to pay the highest rate of interest of any Government for their loan money.

The TREASURER: You are wrong. New South Wales paid a higher rate.

Mr. VOWLES: When a bad time comes, if a man is under suspicion or has a bad record when he goes to his banker for an overdraft, he is refused in the first place, or he has to pay a higher rate for his accommodation. That is what happens in the case of a private banker, and it was so with the Government, because they had to pay a higher rate of interest.

The TREASURER: The Queensland loans were the most favoured of any loans raised in New York.

Mr. VOWLES: What is really the position in regard to those loans? We are told that the Premier made a wonderful coup. For the time being, on account of the appreciation of the dollar value, there may be something in the argument of the Treasurer; but what will happen if the value of the dollar should fall? The money has to be found at any time that the American money-lenders require it, but they do not require it at the present time. It is all right so long as the dollar value does not fall below normal.

The TREASURER: That is not a condition at all. The stock is above par.

Mr. VOWLES: I know it is all right so long as the value of the dollar is going up; but what is going to happen if the value goes down?

The TREASURER: That has nothing whatever to do with the Sinking Fund arrangement.

Mr. VOWLES: The Sinking Fund has to be invested here, and the Americans do not need to take the money unless they wish to.

The TREASURER: They have not any option if it is above par.

Mr. VOWLES: Exactly. It is not a fair thing to assume what the interest is on those loans to-day. You will have to imagine what the interest will be for the whole term of the loans because of the problematic dollar value.

The TREASURER: The figures I quoted were checked by an actuary.

Mr. VOWLES: But they are present-day values. You cannot look into the future and say what the value will be in future. When the Treasurer interrupted me I was dealing

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with the increase in taxation generally. In 1914-15, the amount of money received from income tax in Queensland was £517,273. Last year we raised under that heading no less than £2,194,361—an increase of £1,677,000. In 1914-15 there was no land taxation in Queensland. Last year the Government received £480,518 from that direction. There was even an increase in the taxation from the totalisator, which brought in £27,421 in 1914-15, and last year brought in £53,390—an increase of £25,969. Under the heading of stamp duties, death duties, etc., there were £321,404 raised in 1914-15, and £604,739 last year—or an increase of £283,000. The receipts from licenses were practically the same for both periods—roughly, about £85,000. The total increase in taxation has been from £954,457 in 1914-15 to £3,420,296 last year—or an increase of £2,465,000. I will admit that it is necessary that taxation should be imposed, but it should be imposed within reason.

OPPOSITION MEMBERS: Hear, hear!

Mr. VOWLES: If you are going to borrow money for reproductive works, then you have got to meet the interest during the time those works are being constructed and until such time as they become reproductive.

[4 p.m.]

The SECRETARY FOR RAILWAYS: There is no poll tax, anyway.

Mr. VOWLES: There is a poll tax at the Trades Hall, which every worker has to pay before he has the right to work.

The TREASURER: The lawyer has to pay one.

Mr. VOWLES: No, he does not.

The TREASURER: Do you not pay fees to your union?

Mr. VOWLES: No. If we qualify, we pay our fee for admission.

Mr. BRENNAN: Quite enough, too.

Mr. VOWLES: Yes, it is quite enough. The hon. member and I have agreed on many things of late. To return to the question of deficits, this is not the only deficit that the Government have brought before Parliament, and the astonishing thing is that whereas the previous Government had a record of eleven years of surpluses, the present Government have had a record of nothing but deficits.

The TREASURER: That is wrong.

Mr. VOWLES: The hon. member can say it is wrong, but I say it is right. I say that the figures have been manipulated from time to time to show surpluses, but the Auditor-General has distinctly pointed out that they did not exist. The Treasurer showed us a credit of £30,000 on one occasion, but the Auditor-General proved to us very plainly that, had he carried out the practice of previous Treasurers—

The TREASURER: Which practice he said was wrong. Turn to page 13 of the Treasurer's tables.

Mr. VOWLES: These tables, of course, are in accordance with the Financial Statement; but when the Auditor-General criticised the surplus on that occasion, he told us that it was bogus or false. The Government's record has been one wholly of deficits, and we have got to that stage where the present Treasurer estimates a deficit this year of no less than £576,840, and possibly it will be a great deal more. At any rate, the Government hope to complete the twelve

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months ending 30th June next with a deficit of that amount, which would mean an accumulated deficit of £1,528,000, for a large proportion of which no provision has been made. Let us compare Queensland with Victoria on the point of per capita taxation.

The SECRETARY FOR PUBLIC INSTRUCTION: Do you not consider population?

Mr. VOWLES: I am talking about taxation and not territory—I am dealing with per capita taxation. If you are dealing with double the number of people, then the ratio is double against you the other way. Queensland has a population of approximately 720,000; Victoria a population of 1,531,000. The amount of direct taxation in Queensland, with a smaller number of people, is £3,420,000; the amount of direct taxation in Victoria, with double the number of people, is £3,944,000, the per capita taxation in Queensland being £4 10s. 3d., and in Victoria £2 6s. 11d. My reason for giving those figures is to impress on the Treasurer that, when he came into occupation of the Treasury benches, the taxation per capita in Queensland was £1 8s. per head, whereas now it is £4 10s. 3d.

The TREASURER: We are the lowest taxed people in the world.

Mr. VOWLES: There are countries in the world which bore the burden of the war, and where the direct taxation had to be increased on account of national debts incurred for the war; but will the hon. member say that Queensland had to pay one penny towards the cost of the war?

The TREASURER: The aftermath of the war is affecting Queensland as much as any other country.

Mr. VOWLES: We are not dealing with the aftermath of the war. European countries are carrying on economically, and with the taxation which they are carrying they are cutting down their public debts; but in Queensland we are not reducing—we are increasing—the burden, both in respect of capital and interest. Queensland did not spend one penny on the war. Queensland actually made money out of the war on account of her railways carrying the troops and the supplies required for the camps.

That naturally leads one to the subject of our railways. Here we find that in their state of financial ruin they are going this year to be £1,722,400 behind. That is a deplorable state of affairs, particularly when one comes to consider the history of the railways in Queensland. The accumulated railway deficit to-day and the charge on the general public since this Government took control is £8,436,000. How are they going to carry on? Here we have got to the breaking point of taxation. We have got no markets for some of our products—beef, butter, and in many other directions, more particularly our minerals—and income tax will not be available because there are fewer transactions.

The TREASURER: How would you deal with the deficits?

Mr. VOWLES: In what way?

The TREASURER: Would you pay for them out of the general revenue?

Mr. VOWLES: The hon. member brought in special legislation one year providing for a super tax, which was to bring in £450,000 to wipe out the accumulated deficit, and the Auditor-General told us that up to the 30th

June of that year the hon. gentleman collected £330,000 and applied it to some other purpose—in other words, misappropriated it. That is the term that would be used in ordinary business if money were raised for specific purposes and diverted to other purposes. I have on other occasions quoted the opinion of the Treasurer that moneys should be devoted to the specific purposes for which they were levied. The Auditor-General's report, however, will show that they were used in other directions, and taxation had to be increased in order to get that £330,000 and other moneys, and to-day we have accumulated deficits amounting to £1,528,946. You will find in the Treasurer's own Financial Statement this year, page 7, how the hon. gentleman pays his deficits. He says—

“On 1st January, 1922, Treasury bills amounting to £1,124,750, which were originally issued to cover revenue deficits in the years 1900-1901, 1901-1902, 1902-1903, became due, and, as provision had to be made to meet them, it was decided in October last to make a conversion offer to the holders of the bills.”

That is the way deficits are paid off—by borrowing from the public.

The TREASURER: Deficits incurred by your Administrations.

Mr. VOWLES: That is the way deficits are paid off. You borrow money, and then you have to renew the bills from time to time. It is the old story of the man who signed a promissory note and said, “Thank God, that's paid.”

The TREASURER: They were Philp Government deficits.

Mr. VOWLES: It does not matter what they were. The Treasurer collected money for specific purposes and applied it in other directions.

The TREASURER: That is a misstatement.

Mr. VOWLES: It is not. I will show you the Auditor-General's report.

The TREASURER: You have distorted it.

Mr. VOWLES: I have quoted it here before. The Auditor-General drew special attention to it.

The TREASURER: He did not say it was misappropriated or misapplied.

Mr. VOWLES: He said the Government showed a deficit of £171,000, and it should have been £483,000. Is not that correct?

The TREASURER: No.

Mr. VOWLES: I will get the report for the hon. gentleman in a moment. To be correct, I think he said it should be £485,000. He goes on to quote the hon. gentleman's statement that he was going to impose a super tax for the specific purpose of paying off these deficits for which no provision had been made, and then the Auditor-General says that the money was collected and used in other directions.

The TREASURER: The Auditor-General said it could not have been used in any other way.

Mr. VOWLES: That is not the point. It could not have been shown in any other way, but it could have been used in another way—it could have been used honestly.

The TREASURER: How could it have been used?

Mr. VOWLES: The hon. gentleman had money in hand, and in his usual spendthrift way he had to get rid of it. Some of it was used to boost themselves for electioneering purposes, to help along their “pals” by giving them jobs, and in other directions. At any rate, the money went. Possibly it appears under the heading of “Unforeseen Expenditure,” of which we never get any particulars.

The TREASURER: You always get all the details.

Mr. VOWLES: There is an item of £5,000 here, of which there are no particulars. We are told that, because there are vouchers for these amounts, and the auditors have passed the vouchers, we should be satisfied. We never get access to those vouchers to see to what account they are paid. We have found that included in these moneys in the past have been payments given to members of Parliament to go out of Queensland to carry on propaganda work in other States. We find that certain newspapers have been subsidised at election time, both within and without the State; and certain individuals, who have been glorified by being put in another Chamber and being allowed to frequent the precincts of this House, have received sums of money in mysterious ways—journalists who were paid only for the purpose of boosting the Government.

The TREASURER: There is no such thing as “members of another Chamber” in Queensland.

Mr. VOWLES: I am talking about another time.

The TREASURER: You are relating past history.

Mr. VOWLES: I am talking about the Government's record, and referring to a sum of £485,000. That was at the time when we had another Chamber. That is where some of that money was spent. How much did Randolph Bedford get out of it? We discovered that he got certain moneys.

The SECRETARY FOR RAILWAYS: You spent thousands of pounds in subsidising the “Courier” and other newspapers.

Mr. VOWLES: Advertising in any newspaper is a reasonable thing; but the boosting up of unknown periodicals and journalists of very doubtful reputation by giving them special work to do on behalf of the Government because they must have some means of subsistence to enable them to live in Brisbane and occupy a position in the Upper House, is going a little bit “over the odds,” even for a Labour Government.

I was referring to the Railway Department when the Treasurer interjected; and was stating that there is a deficit of £3,436,000 in that department.

The SECRETARY FOR RAILWAYS: That was the amount which your Government handed over to the present Government as a legacy. Their railway deficits totalled over £3,000,000.

Mr. VOWLES: Over a period of fifty-five years. With an increased population, with double the revenue, with higher rates and higher fares, the hon. gentleman built up the same amount in deficits in seven years that it took another Government to build up in fifty-five years.

The SECRETARY FOR RAILWAYS: We have been reducing fares and freights lately.

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Mr. VOWLES: The Government have been doing quite a number of things lately—I will show some of them. We have reached the stage in the Lands Department where it is possible to get out of the payment of rent assessed on a property by the Land Court, and make special arrangements.

Mr. FORDE: We got £150,000 for the Rockhampton district to-day.

Mr. VOWLES: I would not be surprised. If we could only get rid of the hon. gentleman for £150,000 and put him into Federal politics, it would be money well spent.

Mr. FORDE: If I cannot do half as well as you, I will resign immediately.

Mr. VOWLES: The hon. member had better resign straightaway—that is what we are looking for. In the Financial Statement reference is made to the money which has been expended by the Government in connection with the soldiers. In paragraph 2, on page 7, the Treasurer says—

“It will, therefore, be apparent that for a portion of the money, for which the Commonwealth are charging £7 5s., less a rebate of £2 10s. for five years, the State receives £3 10s. in interest and bears all the losses.”

We do not know what those losses are. The hon. gentleman proceeds—

“I merely mention this matter, as some persons seem to be under the impression that the Commonwealth Government shoulder the entire financial responsibility of settling returned soldiers upon the land.”

I would like to have a statement made as to the amount of that money which has been lost in the Kingaroy district recently; I understand it is a matter of about £10,000.

The TREASURER: A certain amount.

Mr. VOWLES: I understand that £10,000 has been lost there through mismanagement—it can be called nothing else. Although one individual is being blamed for it, it must be a particularly bad system which will permit the existence of the state of affairs that I understand exists there, and for the practices to take place which we understand have taken place.

The TREASURER: That is a reflection on the Soldiers' Settlement Committee.

Mr. VOWLES: I do not care on whom it reflects. The people of Queensland are responsible for this money; the Commonwealth Government have given it to us on trust.

The TREASURER: No.

Mr. VOWLES: They find the cash, and we have to repay it; we get a certain amount for management.

The TREASURER: We get a certain rebate of interest.

Mr. VOWLES: Whatever the arrangement is, we eventually find the cash. If £10,000 has been lost in that one direction, the time has arrived when a Commission should be appointed to inquire into the transactions and the supervision which is being exercised in connection with soldier settlement. I do not say that this applies to every settlement and every supervisor; but it must be a particularly lax method which will allow sufficient time to pass for between £5,000 and £10,000 to go astray.

The TREASURER: I remind the hon. members that that case is sub judice.

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Mr. VOWLES: I do not care whether it is sub judice or not. I am not talking on the merits of the case itself; I am talking about the culpability of the Government and the department in not exercising better supervision, and in allowing that state of affairs to exist. No financial institution would allow it; it could not possibly be done under their system.

The TREASURER: A financial institution did allow it—that is the difficulty.

Mr. VOWLES: What is the financial institution—the State Advances Corporation?

The TREASURER: No—a public bank.

Mr. VOWLES: The Queensland National Bank in Kingaroy?

The TREASURER: Not the Queensland National Bank.

Mr. VOWLES: The point is that certain moneys can be issued under the authority of one individual for a lengthy term—because, I understand, it has been going on for twelve months.

The TREASURER: I suggest that all those things should be thrashed out in the court.

Mr. VOWLES: The proper place for me to deal with them is here.

The CHAIRMAN: Order! I think it is recognised parliamentary procedure that, when a case is sub judice, it should not be discussed. I hope the hon. gentleman will realise that that is not quite the thing to do.

Mr. VOWLES: I am not dealing with the case; I am dealing with the practices of the department. I say the department is culpable. If the system is wrong, it should be looked to immediately, to ensure that there shall be no leakage in the future.

It is very interesting to learn from the Financial Statement, too, that—

“It is impossible, at this early date, to furnish complete information in regard to the financial results of the enterprises for the year just ended, but every endeavour is being made to expedite the presentation to Parliament of the report of the Commissioner for Trade on the various activities.”

Is it not a funny thing that, every time we ask for information in connection with State enterprises, we are refused it? We cannot get reports from the Commissioner for Trade. We naturally cannot get a report from the Auditor-General until such time as he has in hand the report of the Commissioner for Trade. We could get, and we should be entitled to have, the information which is asked for from time to time by hon. members from the Minister in charge of that department. If that hon. gentleman wilfully and consistently refuses to give information, he has only himself to blame if we in Parliament put upon his attitude the construction which is being put upon it by the public outside Parliament. We saw the evidence last night when the Treasurer became huffed. When the hon. member for Port Curtis, in dealing with State enterprises, was driving home the wedge and showing all the malpractices, mismanagement, and general incapacity of the Government in every direction, what happened? The Treasurer rose in his place, curtailed discussion, and closed down criticism by moving “That the question be now put.” Why did the hon. gentleman do



that? I remember on one occasion in this Chamber I asked the hon. member for Maree, as Speaker, to give me the right to discuss a matter of urgent public importance—the subject of unemployment—and he told me that he would not allow me to do it because we were dealing with grievances, and that I would have an opportunity at a later stage which I could take advantage of, knowing at the time—I do not know whether the Treasurer knew it also—that I had only that afternoon been requested to do that by a deputation of unemployed who had that day been turned down by the Treasurer. The hon. member for Aubigny had not spoken, and I asked him to handle the matter, and when he got up to speak he was promptly “gagged,” just like the hon. member for Port Curtis was last night. Whenever we are dealing with subjects that are open to criticism and are about to be exposed, the Government take advantage of the Standing Orders and apply the “gag.”

Mr. WINSTANLEY: Which you provided.

Mr. VOWLES: I did not provide it. A Government comprised of Nationalists and Liberals provided it long before I made my advent in Parliament. It was objected to on every occasion by hon. members opposite when they sat in opposition. The Government, in order to stifle discussion and close hon. members down—

The TREASURER: I am sure that we will never have a satisfied Opposition.

Mr. VOWLES: I do not think that any Opposition has more grievances than the Opposition which has had the misfortune to sit in opposition during the history of the Labour Government. No Opposition has ever been subjected to more brutal treatment than the present Opposition. On every occasion when it was possible for the leader of the Government for the time being to belittle the Opposition, to stifle discussion, and take away their privileges and the privileges of the people they represent, it has been done. There is such a thing as a Nemesis, and the time is fast approaching when I can picture hon. gentlemen opposite sitting on this side of the Chamber, and, when the “gag” is put upon them, standing up in their places in protest and righteous indignation at the treatment they are receiving; and nobody will be more loud in their protests than the Treasurer and the hon. member for Maree, who are now sitting together. We shall never get an opportunity of discussing State enterprises, and we know it. We know that, when the Estimates come along, we shall be again deprived of the right to discuss State enterprises. We have never yet had that opportunity, and we shall never have the material at hand—the Auditor-General's report, coupled with the report of the Commissioner for Trade.

The Treasurer, in his Financial Statement, says—

“This State is on the threshold of very important developments in land settlement and extension of our agricultural industries.”

That is perfectly correct. A very big scheme is being started, and huge sums of money are involved in connection with land settlement, railway construction, irrigation, water conservation, and in other directions. What on earth is the good of incurring this expenditure if the Government have not got some

well-defined policy of immigration in order to put settlers on that land when it is developed?

The TREASURER: Did you not say that you were to introduce a deputation of unemployed to me?

Mr. VOWLES: I was talking about three years ago. It is all very fine carrying out public works and giving employment to the unemployed. That is one of the functions of Government, and that is what a Government is expected to do within reason, but it should have some well-defined policy of immigration, coupled with land settlement and agricultural schemes.

The TREASURER: You adopt a very inconsistent attitude.

Mr. VOWLES: To-day we have an Agent-General, who is a very expensive gentleman, being paid a very high salary overseas, and, so far as I can see, all he is doing is going round the country looking for small boys to come out and act as farm labourers. The Trades Hall have told us that they object to immigration in any shape or form.

The TREASURER: Do you take notice of all the Trades Hall say?

Hon. J. G. APPEL: The hon. gentleman takes notice of them.

Mr. VOWLES: They are the boss of the Treasurer. Why should we incur these huge liabilities if we are going to have land opened up and we are not going to have people with capital ready to go on that land and work it and employ labour in the future? Almost on the eve of an election the Treasurer is going to send experts to the Maranoa district to discover if there is any land there suitable for wheatgrowing.

The TREASURER: The eve of an election twelve months hence.

Mr. VOWLES: The Maranoa is recognised as one of the best wheatgrowing districts in Queensland, and if there is any place that comes second to it in connection with wheat, barley, and lucerne growing, it is the Inglewood district. The hon. gentleman is now going to have experts sent to these two places to see whether there is suitable land there.

The TREASURER: We have had experts sent there.

Mr. VOWLES: The Treasurer, in his Financial Statement, says—

“With the object of increasing the area available for the cultivation of wheat, inspections are now being made by two officers in the Maranoa district and in the neighbourhood of Inglewood and Goondiwindi.”

I have been over that country, and they are three recognised wheatgrowing districts.

The SECRETARY FOR AGRICULTURE: It is all good wheat land in that district.

Mr. VOWLES: I know that. The Treasurer further states in his Financial Statement—

“The inspection will cover Crown land, freehold land, and land held under pastoral and grazing tenure, and if it is found advisable, action will be taken to resume such land as may be required and make it available for perpetual lease selection.”

You will see that the Government are talking about resuming Crown land; but let me impress upon them that we have adjacent to our existing railways in Queensland thousands

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of acres of freehold land to-day which can be resumed at a cheap price. Why not resume that land, which has all the facilities of roads and railways, and put selectors on it in districts which have proved to be good farming districts? Why are we building new railways into new districts when all these lands are available? I am afraid that one reason why the Government are not resuming freehold land is because it will be taking it out of the sphere of taxation.

Mr. WINSTANLEY: What about Jimbour?

The TREASURER: That is all leasehold now.

Mr. VOWLES: The trouble with Jimbour is the prohibitive price put upon it. The property was overloaded, and it did not matter how good a farmer was, if he encountered a bad season it was impossible, on account of the high capital price put upon Jimbour, as was done in the case of Jandowae, to make a success of it.

The SECRETARY FOR AGRICULTURE: Who was responsible?

Mr. VOWLES: The Land Court in Brisbane fixed the price. It was fixed on the evidence of experts, and that evidence turned out to be incorrect, because a series of seasons have shown that, although the quality of the soil was there, a fact that had been overlooked was that the annual rainfall was not suitably distributed for the purposes of cultivation, and that was where the trouble lay. The Treasurer tells us that under the State Advances Corporation—

“The loans granted for the financial year aggregated £514,747—namely, £282,283 to settlers, and £232,464 for workers' dwellings.”

I would like hon. members to look at page 81 of “Votes and Proceedings” for this session, where it will be found that the hon. member for Murilla asked a question only a few days ago with regard to advances to farmers other than soldiers, and [4.30 p.m.] he was told that the farmers who made applications for loans under the State Advances Corporation numbered 1,700, of which 482 were rejected, and that the amount approved was £514,374. That is the information given in “Hansard.” The hon. gentleman tells us now that the loans granted for the financial year aggregated £514,747, and that the settlers got £282,283; yet we were told the other day that they got £514,374.

The TREASURER: No; the answer to the question was that so much was approved, the other was so much advanced.

Mr. VOWLES: You are quite wrong.

The TREASURER: I may be, but I went by the figures I had.

Mr. VOWLES: You cannot reconcile the one set of figures with the other.

The TREASURER: I will look into the matter. The figures were supplied to me.

Mr. VOWLES: My point is that, whereas 482 men on the land who applied for advances were turned down altogether, in the cities only 8 out of 340 were turned down.

The TREASURER: It is all a question of security and conditions.

Mr. VOWLES: It is not all a question of security. Every day I practically come in contact with the State Advances Department in my business, and I know that the

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trouble is because the Government have no money. The department is absolutely dependent on the moneys that are repaid every quarter, or which they can extract from these people.

The TREASURER: You are entirely wrong.

Mr. VOWLES: They now have a new practice. On every sale of land the department ask the mortgagor to pay back to the State Advances Corporation a certain amount of his advance in consideration of getting their consent to the transaction. That is a method approaching pawnbroking. If the Government have to establish a loan fund in that direction, then it is nearly time the State Advances Corporation was closed up.

The TREASURER: There is no restriction placed upon the State Advances Corporation.

Mr. VOWLES: I am sorry that I have not time to answer interjections, as my time is nearly up. The hon. gentleman talks about the increase in receipts. He knows that wool is realising a big price, and he is hopeful of getting increased revenue from that direction. I would like to point out that, when he imposed taxation on what he called the “beef barons” in the past, the justification for doing so was that they were getting such high prices for their commodity that they could bear high taxation, both in regard to income tax and land tax. When they were getting high prices, there might have been some justification for the taxation; but, when the prices are reversed, and we are now back to pre-war prices for beef, I say the time has arrived when there should be a readjustment of the taxation so far as those products are concerned, if we want to encourage the industry. We are told that, if we are to compete with the Argentine, we shall have to improve our herds and the standard of our cattle. I ask how can our men on the land pay the hundreds of thousands of pounds which the Argentine people pay for bulls imported into their country in order to improve their herds, when the Commissioner for Taxes takes away from them the very money which could be used in improving their herds?

Mr. COLLINS: That is a reminder that they should spend less in “jazzing.”

Mr. VOWLES: I saw the hon. member coming out of the Queensland Club—the biggest Tory institution in Brisbane—smoking a cigarette. (Laughter.) I am very pleased to note that the Government are putting into their sinking fund the moneys which during war time were not paid in, and that this year we have put £220,000 into the fund. It is rather interesting to notice that in the very last paragraph of the Financial Statement the Treasurer draws attention to the fact that—

“It is intended to bring the Workers' Homes Act into operation, and the sum of £50,000 has been allotted to provide homes for persons who are not in a position to find the required margin of security applicable to workers' dwellings.”

That is being done as an afterthought. We have agriculture right through the Statement. It has been nothing but agriculture—pandering to the man on the land—up to date.

The SECRETARY FOR AGRICULTURE: No—doing things for them.

Mr. VOWLES: No, you are not doing things; you are pretending to do things; it is simply a policy of make-believe. You will never do anything. The legislation is all right, and the machinery is there, provided you have the right men handling it. If the Council of Agriculture assert themselves, and prove that they have the capacity which they are supposed to possess, then some good may come from that scheme; but, with the Minister at the head of the department carrying out a political line of policy, no good can come, because from the very beginning of that scheme it has been devoted to one purpose—and that is political.

The SECRETARY FOR AGRICULTURE: That is very unfair.

Mr. FERRICKS (*South Brisbane*): Hearing the leader of the Opposition, who has imported little or no vim into his speech, confirms the impression already existing in the minds of hon. members regarding the hopelessness of his case. We heard the hon. gentleman last night, and we shall presumably hear him again on Tuesday—in view of the fact that he has given notice of a want of confidence motion—and we can safely leave any reply to his criticisms or charges regarding the financial administration of the Government in the gentle care of the Treasurer. It is my desire to utilise the opportunity presented in the motion for the passage of this vote to express some views which I hold rather strongly regarding the working of a very important institution, not only in the State of Queensland, but throughout Australia as a whole—I refer to the workings of Arbitration Courts and the arbitration system generally. It is rather interesting at the present stage, in view of recent developments, to refer to this matter, and I take it that the presentment of views on such a question should be welcomed even by those who do not agree with them. The Arbitration Court and the arbitration system is a plank and principle of the Labour party. In following out the workings of that system we are operating in consonance with our platform and policy generally. I have always admitted that the arbitration system and Arbitration Courts have been very beneficial in their results to the wage earners, not only of this State, but of other States, in regard to the awards delivered in industrial matters. But it has been forced upon my realisation that the arbitration system which is being followed contains some outstanding imperfections, inasmuch as, in arriving at awards, the judgments, in my opinion, are not based on the best grounds.

I have previously spoken on this question. Nearly three years ago in another place I dwelt on the changes which I should like to see brought about in the method of the computation of the industrial awards of Arbitration Courts. The great defect that I see is that the employer and the workers who approach these tribunals are not subject to the same treatment, quite unconsciously, perhaps, by the Arbitration Courts or those administering the arbitration laws. I can best illustrate what I mean when I take the case of a party whom I might describe as an employer who invests the sum of, say, £20,000 in the erection of any business or works, or in some institution of manufacture or transport. The sum of £20,000 is invested in the foundation of that industrial institution, and, when the employer

who establishes that institution or industry goes before the Arbitration Court, the returns from the industry are computed somewhat on the following grounds:—A claim is lodged for the ruling rate of interest on account of the capital invested in the works or industry, and this is taken as being a prior claim regarding any financial results emanating from those works. In addition to that fact, another sum is knocked off for what is termed depreciation of plant or machinery, and, when those items have been deducted from what might be termed the gross takings of the industry, a further sum is deducted to cover working expenses, which might be said to embrace wages, cost of raw materials, stocks, rent, and other incidental charges. When all these deductions have been made from the financial results of that institution, what may be termed the net profit remains. If that profit is too high, in the opinion of those controlling the institution, further sums are knocked off and placed to what might be referred to as mythical reserves—a destination to which it is hard to trace them—but more often they are found to have been devoted to the creation of more shares, or to increase the capital of the company. In other words, the stock is watered, and the capital of the company is increased. When that employing concern goes into the Arbitration Court all these claims of interest on capital invested, depreciation to cover wear and tear and replacements of plant and machinery, and working expenses, are considered by the Arbitration Court. Under the arbitration system these things can be justifiably claimed, but there is this difference, that the original capital of £20,000 has been increased to £30,000 by the creation of new stock out of profits, or by the watering of stock, and interest on that £30,000 is claimed instead of interest on the original capital of £20,000. When that plant or machinery has been established and is in thorough preparation for commencing operations, it is of no earthly use in the world for wealth-production purposes until labour is applied to it.

GOVERNMENT MEMBERS: Hear, hear!

Mr. FERRICKS: Now, labour is the worker's capital. Until the worker applies his capital to the capital represented in that machinery, the machinery cannot turn out one iota of wealth.

Mr. KERR: You want to abolish one of them.

Mr. FERRICKS: I say that the two should be placed on parallel lines in the arbitration system, while that arbitration system continues.

Mr. KERR: It is the capitalistic system that you are against.

Mr. FERRICKS: Depreciation and working expenses are claimed by the advocates of the employing class before the Arbitration Court. I do not say that they are claimed and taken off, but they are included in the profits or dividends declared by that company. These items are weighed before the courts consider whether the industry is of average prosperity. When they are considering the depreciation and working expenses on the employer's side, what about the worker's side? Hon. members opposite may be curious to know how I arrive at any interest regarding the worker. I made the statement that the capital in that machinery

*Mr. Ferricks.]*

was of no use for production purposes until the workers applied energy or capital to put it into effective operation. So I say, from the workers' viewpoint, interest on capital is just as necessary, and just as justifiable to be taken into consideration, as interest on the capital invested in the foundation of any industry in Queensland or anywhere else. Regarding depreciation, it is always taken into consideration by the Arbitration Courts. It is admitted freely that there is depreciation of plant or machinery which is operating day by day or week by week; but is there no depreciation in human labour? The hon. member for Mount Morgan has repeatedly in this Chamber, in sad and impressive language, impressed on those who had the privilege of hearing him the ravages laid upon men by the infliction upon their system of that dreaded disease—miners' phthisis—through following mining operations. Those of us who have had any experience of North Queensland, remember the young men we knew in our day—lusty, young men, athletically disposed, prominent champions of football and other hard games, who were quite different when we met them again on their way to the Dalby Sanatorium or the Diamantina Hospital for Incurables. With that cheery optimism which the hon. member for Mount Morgan knows characterises these unfortunate men who are sorely stricken, they will, between their gasps for breath, express the opinion that they think they will be cured; but the hon. member knows, and the hon. member for Cook knows, and others of us who have met them know, that they will not. No provision is made on that account for any added remuneration to those men who are following mining operations, to be afterwards applied to the caretaking of their wives and children—possibly, their widows and orphans in many cases. In other occupations—seafaring callings, waterside operations, rock-chopping, timber-getting, scrub-felling—in which a number of men are pinned under falling trees—we realise that there is a heavy depreciation in human life; but under our system of arbitration no allowance is made for it. I understand that the principle has been recognised very slightly in the award for Water and Sewerage Board workers; that is to say, a very slight increase has been made in their wages on that account. Depreciation is not taken into consideration, I repeat, in respect of human labour, but the principle is accepted by the court in its application to plant and machinery. A carrying firm utilising a large number of horses will each year write off a sum for depreciation for replacing those horses when they break down or are killed outright. The court accepts that principle without any further consideration; but no provision is made for men who industrially fall by the wayside or are killed outright, because the employers know that, when a horse is killed outright, they have to buy another; whereas, when a man is knocked out, or has to retire, or is killed, they can easily get another from the clamouring crowds waiting for work. Those are aspects of the question which the Arbitration Court also does not take into consideration.

Mr. FLETCHER: In what way could they do it?

Mr. FERRICKS: In the same way in which they take into consideration, from the employing class standpoint, the questions of interest on capital invested and depreciation.

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They allow them as just claims in arriving at an award.

Mr. FLETCHER: Do you not think workers' compensation covers that?

Mr. FERRICKS: I am talking of the time before a man becomes incapacitated, when he is producing and when his services are of greater concern.

Mr. FLETCHER: I agree that they should receive compensation; but is not that a question for what we know as workers' compensation?

Mr. FERRICKS: If the court says that depreciation and interest may be allowed on machinery used in an industry, I say that interest and depreciation should be allowed in respect of the human life which is applied to that machinery.

Mr. FLETCHER: I cannot see how it can be done.

Mr. FERRICKS: The hon. member cannot see how it can be done, nor has the court seen how it can be done so far; but I say that the court should take it into consideration.

Mr. FLETCHER: You tell us how it can be done.

Mr. FERRICKS: Then, again, another sum is taken off the employers' returns for working expenses. The working expenses of the employee are constituted by his cost of living, and all the matters that are taken into consideration in his case are a bare subsistence for himself and his wife and up to three children. Under an award the workers have granted to them a sum to cover this bare subsistence, with ordinary every-day clothing, a few shillings thrown in perhaps for tobacco, and sundries such as lodge fees, necessary conveyance of himself from home to his work and back, with perhaps a luxury allowance to cover the cost of a weekly entertainment at a picture show. When the worker receives such an award as that he is expected to throw up his hat and shout, "Everything in the garden is lovely." Should anybody ask for more, he is accused of Bolshevism, communism—goodness knows what—whereas, before the Arbitration Court the employing section are privileged to deduct allowances for interest and depreciation and so forth which are denied to the worker. The court has power to consider all these things. Hon. members opposite smile. It is presumably a utopian idea from their standpoint.

Mr. MOORE: There would be no work without the capital and the machinery of the employer.

Mr. FERRICKS: There would be no wealth if the worker did not apply his capital to the machinery. I say that the court now has power to consider all these things. Sub-section (1) of section 7 of the Industrial Arbitration Act says—

"The court shall have all the powers and jurisdiction of the Supreme Court, in addition to the powers and jurisdiction conferred by this Act."

Mr. MOORE: It has more powers than Parliament.

Mr. FERRICKS: If the court only utilised those powers in its administration, they would be found to be wider than those of the Supreme Court, or as wide. If the hon. member's intelligence were sufficiently clear, he would see that I am offering views on the operation of the arbitration system, but

apparently they are Greek to him. The Act gives to the court power to remit any question upon which they may not have sufficient information or knowledge to a board of inquiry to find out particulars for them—as for instance, with respect to the dangers of the occupation, as was done to some extent in the award for Metropolitan Water and Sewerage Board workers, so that nothing should prevent the extension of that system. I have never read or seen in an award that the Arbitration Court has made any allowance on account of the danger of the occupation in an industry except in that case. If the basis on which awards should be arrived at were more firmly established, as I have endeavoured to show it should, there would be no necessity for any diminution in the standard of living, and no necessity for any reduction of the basic wage. I want to point out to hon. members that the court is operating under the Industrial Arbitration Act of 1916—a very excellent enactment, which has wrought a great deal of benefit to the workers—but that its administration is not carried out as I think it ought to be. I do not think it is necessary to alter the Act; but, even if it were necessary, it could be done. The people in one part of Asia once held that their laws were unchangeable, but the fallacy of that belief was exposed and it was shown that they, like all other laws, were subject to alteration. To show there is nothing very extravagant about these views, I might mention that they are based on the laws operating in our land to-day. Hon. mem-

[5 p.m.] bers will ask me how I would arrive at the capital value of the worker, whether he be a worker with a pick or a worker with a pen. I would remind them that they all make up income tax returns. Those of us who are family men are aware that there is an exemption of £26 per child up to the age of sixteen years, that being recognised by the law of the land as the yearly assessable value of that child; so that at the age of sixteen years that child represents a capital value of £416. Under the Federal Income Tax Act, an allowance of £30 is made for each child up to the age of sixteen years, which represents a capital value of £480, which, added on to the £416, makes a capital value of nearly £900 for each child at the age of sixteen years. That being so, during the next four or five years—from sixteen to twenty or twenty-one—when that youth has developed into the full vigour and strength of manhood, we could justifiably claim that another £900 should be added to the capital value of that individual.

Mr. FLETCHER: Do you consider that a youth of sixteen should get the same wage as a man of forty with three children?

Mr. FERRICKS: The hon. member knows that under our Arbitration Court system the wages are based on certain conditions. The figures I have quoted show that the capital value of the individual is contained in our laws to-day—laws which received the endorsement of hon. members opposite. I would go further in regard to our laws. It seems a very far-fetched argument evidently to our friend opposite to say that these factors should be taken into consideration from the worker's standpoint. I would remind hon. members that we have on the statute-book a very excellent measure, and the hon. member for Bowen has very often given us proof of its effective results. I refer to the Regulation of Sugar Cane Prices Acts, 1915

to 1921. The sentiments which I have portrayed and the basis of what I am arguing is contained in that Act, and, when I say that there will be no need for any reduction in wages, it may be said by hon. members opposite that, if Queensland keeps wages up, it will be detrimentally placed as against the Southern States—New South Wales and Victoria in particular. They say that, if the wages come down in New South Wales, they must also come down in Queensland or we shall not be able to compete with that State. Queensland is entering into its stride, I believe, from a manufacturing viewpoint, and I am one of those who are very keen on the establishment of secondary industries, always believing that the people who establish industries of a secondary nature for the purpose of improving upon or transforming or extending any operation in connection with primary products are of equal, or, perhaps, of more importance even, than many of those who are producing some items of primary production—that is, when a commodity is new and adds to the value of the primary product. I may say incidentally that South Brisbane promises to be the industrial capital, or the manufacturing capital, of Queensland. While we realise that it will take time to build up these industries, one of the greatest obstacles will be the commencement of small industries which are sometimes handicapped by insufficient capital, sometimes by not enough knowledge on the part of those operating the concern, and sometimes by the fact that the financial value of the institution is not sufficient to warrant the introduction of the most up-to-date machinery. In consequence of these factors a small concern of that nature will be at a distinct disadvantage in competition with bigger or more powerful institutions established on modern lines and capable of a greater output, whether situated in Sydney or anywhere else. But I say that, so far as the Queensland trade is concerned, such an institution has an advantage over the Southern manufacturers by virtue of the fact that it is on the spot.

Mr. SIZER: Other factors counteract that advantage.

Mr. FERRICKS: I am merely stating some of the advantages. Assuming, for the sake of argument, that some sacrifice has to be made in these comparatively small industries established here in Queensland, has all that sacrifice to be made by the workers employed in that industry? Is not the man who is establishing the industry and who proposes to build it up expected, just as the worker is, to make some sacrifice in order to build up the concern, if not in the interests of the State, then in his own interests? But the Arbitration Court does not ask him to do so. The first thing the court does in fixing a rate of wage is to ascertain whether the industry is of average prosperity, and, if the industry is not of average prosperity, then the workers' wages must come down. That is the only basis that the Arbitration Court adopts in its practice. I will show the difference between the operations of the Arbitration Court and the principle adopted under our Regulation of Sugar Cane Prices Act. Under section 20 of that Act quite a number of factors have to be taken into consideration when a local board or the Central Board is making an award as to the price to be paid for sugar-cane. Under section 20, under the marginal caption of

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"Matters for consideration in fixing prices," these factors are taken into consideration by either the local or the Central Board—

"(a) The estimated quantity of sugar-cane to be treated at the mill concerned;

"(b) The estimated commercial cane sugar contents of the sugar-cane;

"(c) The cost of production of sugar-cane and the cost of manufacture of sugar."

I would like hon. members just to listen to this further matter which has to be taken into consideration before an award with regard to the price of cane can be made under the Regulation of Sugar Cane Prices Act—

"(d) The crushing capacity and efficiency of the mill concerned: Provided that the fact (if it be so) that the machinery or appliances of a mill are defective or not of the best kind, or that the mill is inefficiently worked or managed, shall not constitute any ground for lowering the price of sugar-cane."

If an obsolete or old-time sugar mill is in operation and is not capable, owing to the want of modern appliances, of getting a high extraction of sugar content from the sugar-cane, the miller has to pay the price all the same.

Mr. FOLEY: He would have to get a new machine.

Mr. FERRICKS: He has to pay the price for the cane irrespective of the sugar extraction. So he should. But in the Arbitration Court that is not done. If an industry is working with machinery which is not up to date, which is not sufficiently modern in its operations, the Court in its awards flies to the workers' wages and cuts them down. What I have said on these two points is in actual operation to-day under the laws of the land. If an amendment of the Industrial Arbitration Act were necessary, it would be no great request to ask that that amendment should take place. But amendment is not necessary, as the Act gives power to the Court in inquire into all these things. There are other factors which are taken into consideration in connection with fixing the price of sugar-cane. They are—

"(e) The labour conditions under which sugar-cane is grown, harvested, and delivered to the sugar-mill;

(f) The selling price of raw and refined sugar;

(g) Any other local conditions;

(h) Any prescribed matters."

I have ascertained, on inquiry at the office of the Central Cane Prices Board—and this is pertinent to what I have said in regard to the capital, interest, and depreciation aspects before the Arbitration Court—that the Cane Prices Board ascertains the capital which has been invested in the sugar-mill; and, on the other hand, they go to a farmer, or the combined farmers, and obtain particulars from the return he has to send in of the value of his land, his stock, his implements, whether he is paying rent or whether he owns his farm, the amount of land tax he pays, and the cost of labour. All those things are taken into consideration by a local board or the Central Cane Prices Board when they are fixing the price to be paid for sugar-cane. If it is good enough to apply that principle to the sale of sugar-

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cane—which is a commodity—is it not a fair thing that that system should also be applied in regard to the sale of labour—which is the worker's commodity?

GOVERNMENT MEMBERS: Hear, hear!

Mr. FERRICKS: In fact, the operation of the Cane Prices Boards goes one better; they do not even take into consideration strictly the original capital put into the mill. What they obtain periodically is a valuation of the assets of the mill as then standing; and, if the mill has depreciated, that is a matter for the owners of the mill and not for the sellers of sugar-cane. The boards take into consideration the value of the assets of the mill, and the value of the assets of the combined farmers. They do not take into consideration only the cost which the farmer pays in labour for the harvesting of his cane; they take into consideration the cost of feeding his horses, the purchase of his implements, renewals, and replacements. The Arbitration Court is taking a very restricted view when it considers only interest and depreciation from the employer's viewpoint, and does not look at the matter from the viewpoint of the employee.

Mr. CATTERMULL: The Central Cane Prices Board cannot bring those things to bear now, because the Federal Government, under the last agreement, have fixed a base price for cane.

Mr. FERRICKS: I think the hon. member will agree that the price fixed and ruling at the present time is sufficient—and I am pleased that it is—to cover all the items I have mentioned in regard to the farmer, in addition to the cost of labour.

Mr. CATTERMULL: That is not the point.

Mr. FERRICKS: It is the point. If the canegrower had taken into consideration only the cost of labour in the production of his sugar-cane, he would not be getting nearly as much as he gets now in the sum which is allowed between the sugar-mill and the grower.

Mr. CATTERMULL: Under the present agreement the Commonwealth Government have fixed the base price of 42s. for 12 c.c.s. cane, and, therefore, the Central Cane Prices Board cannot operate.

Mr. FERRICKS: That price, fixed on the 12 c.c.s., has been fixed, after obtaining evidence from the Central Cane Prices Board and other authorities, at such a figure as to cover all the items I have mentioned, and the hon. member knows it; he knows the award was not made to cover only the cost of labour put into the production of sugar-cane. If the hon. member does not know that, it demonstrates that he is very poorly endowed with perceptive powers. There is another aspect of this question: Who wants the Arbitration Courts to continue the policy of reductions in wages?

AN OPPOSITION MEMBER: The Treasurer does.

Mr. FERRICKS: The worker does not want it. The Government should not want it.

Mr. SIZER: They do.

Mr. FERRICKS: I do not know that they do. I think business people should not want it; because, if wages come down to the old pre-war level, hon. members must realise that the purchasing power of the public will be restricted. For that reason the

business people should not desire low wages. The producers in the country, some of whom elect hon. members opposite, should not cry out for low wages in the cities. I heard the leader of the Opposition last night making a complaint in regard to the price paid for primary products, and the high rate of wages paid in the city. If the hon. gentleman reflects, he will agree with me that wages must be retained at a proper scale in the larger centres of population to provide the money required to pay the primary producer a fair price for his commodities in what is absolutely the best market of the whole lot—the local market.

Mr. J. JONES: What about the price of beef?

Mr. FERRICKS: The hon. member knows that local conditions have no bearing on the price of beef at the present time. Hon. members representing country electorates will be pursuing a mistaken policy if in one breath they advocate high prices for primary products, and in the next breath advocate lower wages in the centres of population. It is to the interest of those who are sending commodities to market to have the people in the cities in a position, financially and industrially, to purchase at a fair price the commodities they produce.

Mr. BEBBINGTON: That is what we on this side say.

Mr. FERRICKS: That is not so. The hon. member will realise that those who advocate bedrock prices in anything are making a mistake. If the consumers in the capital cities—in London if you like—had stabilised prices for commodities all the year round, the consumer—the poor section of the community—would be far better off than enjoying cheap prices at one time and famine prices at another, because famine prices maintain the longest duration, owing to the manipulation of market-riggers, middlemen, trusts and combines, who have the special attention of many hon. members opposite. Those hon. members, in taking up the attitude they have, are pursuing a mistaken policy. There is only one power or interest that will be served by a wholesale reduction in the cost of commodities, in the standard of living, in wages and everything else, and that interest which would be served, and which would welcome an all-round reduction to half the present standard is those who control the money power. I will show why those controlling money desire to see a reduction in wages, in beef, butter, wool, hides, and everything else. The money power has its war-time profiteering millions invested at a high rate of interest. In many cases it is 6 per cent., and in some cases even higher. It has also got its pre-war money invested at rates as low as 3 per cent.,  $\frac{3}{2}$  per cent., and 4 per cent. Queensland has some of it. In regard to money invested in pre-war times and drawing 3 per cent. interest, do you not see that the investors are only receiving in interest for those millions at 3 per cent. half the amount of butter, wheat, wool, hides, metals, and of living generally, because the prices of these commodities are higher? In regard to the millions invested at 6 per cent., if you reflect for a moment you will see that, while the prices of commodities and the standard of living is high, those controlling or owning these millions will only receive in interest half the value in commodities that they would receive if

the money was reduced to 3 per cent.; so that by returning to a low standard of living—even lower than pre-war times—those who have invested their millions at 3 per cent. would be back to the old order of things, and those who have invested their profiteering war-time-made millions at 6 per cent. would virtually receive double the amount of interest with commodities at half the price they are at the present time. In fact, their capital would be doubled. A man who had £2,000,000 invested would receive commodities to cover interest on £4,000,000. That is the power that wants the reduction in wages, a reduction in the standard of living, and a reduction in the price of commodities; and that is the power that pipes to the tune of the capitalistic Press which supports hon. gentlemen opposite, and which creates an atmosphere which is gulped in by the employers, and given a second's thought probably by some wage-earners who should look further into the question and should know better. It is an atmosphere which creates an influence unconsciously, and perhaps no less surely on the Arbitration Court to operate in the interests of the employing classes in connection with Arbitration Court awards, because people read day after day and with every issue of a newspaper that wages must come down. They begin to say, "Yes, there is something in that." I say that atmosphere has been created deliberately by the money power through the capitalistic Press, with the very aim of making an atmosphere effective in result to bring about a reduction in wages.

Mr. WARREN: What about the reduction by the Government?

Mr. FERRICKS: The hon. gentleman has mentioned the reduction by the Government. If his Government were in power, I would like to know what their attitude would be.

Mr. BEBBINGTON: You will soon see.

Mr. FERRICKS: It is not the attitude of this Government in going to the court that caused me to fear. My concern in regard to the Government was not altogether so far as the public servants were concerned, but was in regard to a great body of workers outside of the public service. There are men engaged in all industries, and I fear that the Government, having taken certain action, the Arbitration Court will continue the policy of further wage reductions. Now that the wages of the public servants have been brought into conformity with the wages awarded by the court and ruling outside, we can visualise this—that by March next there will be further applications to the Arbitration Court by the employing class. Now that the Government have reduced the salaries of public servants, the outside employing class will go a step further in application, and the court will again cut down the wages outside, and then the public servants' salaries must come down further; so that the policy of the destruction of the standard of living will continue, and, if that is followed out, I am not going to blame the Treasurer or the Cabinet. I say the responsibility is on this party, and not on the Treasurer or the Cabinet. This party is composed of a majority in this Committee, and, unless the Arbitration Court alters its basis of computation in arriving at the awards, then I very much fear that there will be further wage-slashing outside the

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public service early next year; and it behoves this party to take steps to see that it does not occur, and, even if it means that the Industrial Arbitration Act must be amended to make that power mandatory in the administration of Arbitration Court jurisdiction, then action should be taken. If this downward tendency is to continue further, I shall be quite candid and say that the Government will not deserve to come back to power again if it tolerates it.

Mr. FLETCHER (*Port Curtis*): Although I would like to deal with some features contained in the Treasurer's Financial Statement, I nevertheless propose to continue my speech which I was prevented from making last night when dealing with the report of the Commissioner for Trade for the financial year ended 30th June, 1921, and in connection with which I was developing a grave charge against the Government when the Treasurer applied the "gag." I said that the Government wilfully kept back the Commissioner's report from distribution until after the last session had ended, and the reason they gave as to why the report could not be furnished earlier was that they wanted to be quite sure that it would be a true and correct one, and that they were sending their station manager round to make a personal inspection of all the stations, and that he had one station yet to visit, and, pending that, they would defer the issue of the report. That was a most trivial and frivolous excuse.

Hon. W. FORGAN SMITH: The report was furnished in accordance with the Act.

Mr. FLETCHER: What would the station manager do? Would he count the cattle? That excuse is proved to be frivolous when we see the dishonest and fraudulent report that has been furnished. As I said last

[5.30 p.m.] night, the report is full of inaccuracies, inconsistencies, contradictions, and specious statements, made to wilfully mislead this House and the people as to the true position of affairs. I say that the Government have been most culpable. I do not know that any Government could do anything more reprehensible than the furnishing of an untrue report to wilfully mislead. I do not know of anything more blameworthy than that.

Hon. W. FORGAN SMITH: Some of your statements are more blameworthy.

Mr. FLETCHER: The hon. gentleman will know what to make of my statements before I have finished this afternoon. To bring my remarks into their proper perspective, it is necessary to say that £1,400,000 was spent on the State stations, and with other working expenses the outlay has reached £1,644,000—a tremendous sum when you think that practically three parts of it has been wasted. As I pointed out last night, the Government proved most negligent and incompetent in purchasing the State stations. When you know that those men had some degree of mentality, you see that it is impossible to acquit them of the gigantic blunders made, for they could not be put down to negligence. In adducing these facts, one is justified in asking whether there has not been some other object which blinded their judgment and swept away from their minds all thought of cheap food for the people, because from those purchases it was an impossibility for them to give cheap food to the people without tremendous losses. Even if there had been no slump in the price of cattle they must

have made tremendous losses on those stations. As I have said before, I do not wish to deal with the loss made, as we have had that before, and the gigantic blunder that has been made. I wish to deal with a more damaging thing—the deceitful and deceptive report and balance-sheet. The profit and loss account which was submitted shows a loss of £58,000, and includes reserves of £135,000 built up in the past, making a total loss of £194,000. As I pointed out last night, it is altogether wrong to include reserves in a profit and loss account for a year, and especially so when you know those reserves are not sound, but false and fictitious, and do not exist except in the imagination of some hon. members opposite. When I was "gagged" last night I was explaining that last year the Minister inflated the stock prices by 8s. 1d. per head to make a more respectable-looking profit for the year. That was absolutely irregular. You cannot increase the value of the goods on hand to enable a profit to be shown. No business man would tolerate such a thing as that—and yet the Government did it. The Minister thought fit to adopt that plan, and this year he reduced the value of the cattle on hand by 9s. 4d. per head, or just a little more than he raised them last year. Last year, when he increased the value by 8s. 1d. per head, he said he had done it to bring up the value of the cattle to their true market value at that time, and, no doubt, for the same reason he reduced the value of the cattle by 9s. 4d. per head this year. That was the system adopted. It is his system—not mine. Now, let us analyse it. We find that there are 203,277 cattle on the State stations, which are taken into account in the "Profit and Loss Account," at £4 16s. 6d. per head, notwithstanding the fact that at that time fat bullocks on the stations were not worth more than £4 per head. They took in those 203,277 cattle—including 42,000 calves born during the preceding twelve months—at £4 16s. 6d. per head, when fat bullocks were only worth £4. In proof of that statement, I am going to quote from the Commissioner's report, and this is where some of those extraordinary contradictions come in. The manager, Mr. Barr, in his report dated 7th October last, says that the value of fat bullocks declined to 17s. 6d. per 100 lb., and in another place in his report he says that the price ruling at the meatworks at that time was 18s. 6d. per 100 lb., which makes fat bullocks only equal, on the average, to £4 per head. In another part of the report it says that the values declined since the beginning of the year by over 40 per cent. It further says—

"The extraordinary position which has existed since March last has caused a very big slump in values."

The Minister, when speaking in reply to me in the debate on the want of confidence motion last year, on 17th August, said—

"No one could have foreseen at the time that balance was brought up that there would have been the slump there is to-day in cattle."

Notwithstanding those statements and the figures quoted in the report mentioned, in the "Profit and Loss Account" submitted in November, the value of the cattle is taken as £4 16s. 6d. per head. To be perfectly clear, let us dissect those figures. First of all, there were 42,999 calves branded during the

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year, and their true value at that time was 10s. per head. That means that those calves were worth £186,000 less than they were taken into account at. If you add that on to the £194,000 shown it makes the loss £380,000. If you take the 150,000 head approximately, between calves and fat bullocks, which would be worth about £2 16s. 6d. per head—which is a generous valuation—it leaves an over-valuation of £2 per head, which totals £260,000, and that brings the loss up to that stage to £640,000. The bullocks estimated at, say, 30,000 head, we will leave at £4 16s. 6d. So much for the cattle.

Now the improvements, plant, and the leases are valued in the books at £431,471—altogether too high a valuation in the first place, but in the face of the slump it is a ridiculous valuation. The cattle on all the stations, with improvements, plant, and leases, are not worth any more than that to-day, if they are worth as much. We find from the report that there is written off from the leases, plant, and improvements for the year the miserable sum of £19,000. If you take the slump in the value of cattle into account, the aggregate value of those leases, plant, and improvements should show a reduction of approximately £200,000. If you add that on to the £640,000 that I have just mentioned, it makes the loss on the stations £840,000.

Now just imagine that! It is something stupendous, is it not? To put the thing in a nutshell: If you went up to North Queensland to buy a cattle station with 10,000 cattle on it and paid £2 per head, that would mean £20,000, and everything would be thrown in. That is the custom adopted in the industry. When you say to-day that you buy a station for £2 a head it means everything included. In North Queensland to-day, in places more accessible and in better districts than the stations owned by the Government, you can buy stations at £2 a head with all the cattle and with all the improvements and everything else thrown in. Taking the 203,000 head of cattle on the Government stations, they are only worth £2 a head, whereas they have been taken into account as if they were worth £7 a head, so that the loss in reality and in actuality to-day, working on the same system as that taken up by the Minister last year, is £1,000,000. The system the Minister adopted last year was altogether wrong. He inflated values then. He adopted the same system this year, although he deflated values to a small extent. No doubt he titivated the report a lot when it was going backwards and forwards to the Government Printer. No doubt after a consultation with the Commissioner for Trade, he said, "We will add a few shillings to the value and increase the profit." The system adopted by the Minister means that he or the Commissioner for Trade or anyone administering this department can make the profit what they like. The whole thing is unsound and ridiculous, and should not be tolerated for a single moment. Just imagine if the Estimates and the Financial Statement were submitted in such a state as that. They are a credit to the various departments, just as this report is a disgrace, and should not be tolerated for a single instant. In addition to that loss of £1,000,000 which we are suffering—and the loss is unquestionable—we have in addition the great loss that the State is suffering indirectly through having the stations. In addition there are the retrospective rents and the increases in rents that would have

been inflicted on private owners, and which have not been charged against the State stations at all. I have not gone into the figures, but I roughly estimate them to amount to between £100,000 and £150,000. In addition, if these stations had been owned by private people during the first four years of the Government ownership, the State would have received at least £100,000 in taxation, and the Federal Government would have received £150,000 in taxation. That has all been lost to the State and to the Commonwealth. In addition, there is a fair amount lost in interest, because we know that a good deal of the money invested in the State stations carries  $4\frac{1}{2}$  per cent. and 5 per cent. interest, whereas it cost 6 per cent. to procure. All these losses mean an aggregate loss of something like £1,500,000 to this State.

Hon. W. FORGAN SMITH: What did you say the interest charges were?

Mr. FLETCHER:  $4\frac{1}{2}$  per cent.

Hon. W. FORGAN SMITH:  $5\frac{1}{2}$  per cent.

Mr. FLETCHER: I know it is  $4\frac{1}{2}$  per cent. for a great deal of it. We know that £750,000 worth of debentures bearing interest at the rate of  $4\frac{1}{2}$  per cent. were paid for some of these State stations, and these debentures will have to be redeemed in 1926. I contend that where the Government made a tremendous mistake was in buying the stations at all, but it is the duty of the Government to put a plain and fair statement before this House of the exact position of the State stations, instead of trying to cloak it and disguise the position by issuing false and faked reports. They are false, there is no question about it.

The CHAIRMAN: Order!

Hon. W. FORGAN SMITH: Who do you say "faked" the reports? Do you say that I "faked" the reports?

Mr. FLETCHER: I say the reports are "faked."

Hon. W. FORGAN SMITH: I say you are a liar.

The CHAIRMAN: Order!

OPPOSITION MEMBERS: Withdraw!

The CHAIRMAN: I hope the Minister will withdraw that statement.

Hon. W. FORGAN SMITH: In deference to you, Mr. Kirwan, I withdraw the statement, as it is not parliamentary. The hon. member for Port Curtis is very loose in his statements and does not place any value on facts. I ask you to direct him to moderate his language. He has been accusing the Government, the department, and myself of publishing false and "faked" reports.

The CHAIRMAN: If the hon. member for Port Curtis says that the Government presented a "faked" report, he is not in order.

Mr. FLETCHER: I said that a false report has been issued, and I would not be speaking the truth if I said otherwise, so what am I to do? I said last night that it was most difficult to deal with this matter and keep within parliamentary language.

The CHAIRMAN: Order! I hope the hon. member will keep within parliamentary language.

Mr. FLETCHER: I will stick to the truth. The directors of any company would

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not have the temerity or hardihood to submit a report like this to their shareholders.

Hon. J. G. APPEL: They would be kicked out if they did.

Mr. FLETCHER: The position regarding these stations has now got out of hand. They have to admit the losses. The Premier, speaking at Rockhampton, said that a blunder had been made, and that there would be some losses in connection with the stations, but he did not say how much.

Hon. W. FORGAN SMITH: No one ever denied that there was a loss.

Mr. FLETCHER: When the Premier was speaking at Rockhampton, someone in the audience called out, "You cannot head them all the time, Ted," and "Ted" said, "No, we have to lose sometimes." But the fact is that "Ted" has never headed them at all in connection with these State enterprises.

The CHAIRMAN: Order! I hope the hon. member will refer to the Premier by his proper title.

Mr. FLETCHER: I am only quoting what the man said in the audience at Rockhampton. I have here the figures showing the losses on the State enterprises according to the last report issued. The loss on the State Produce Agency was £27,734; on the State Cannery, £29,741; State Fishery, £9,807; State trawler, £2,599; "Douglas Mawson," £10,656; arsenic mine, £4,797; Baralaba Coal Mine, £1,387; State steel and iron works, £16,286; Chillagoe smelters, £48,075; Irvinebank treatment works, £18,307; State store at Chillagoe, £726; making a total loss of £170,115 on the State enterprises for the year. Quite apart from the losses on the State stations. The Treasurer comes forward and says that there has been a deficit of £188,000, that being the excess expenditure over revenue, but he does not take into account those tremendous losses out of the trust and loan funds that have been inflicted on the community by these State enterprises.

Hon. J. G. APPEL: No wonder that he has to reduce wages.

Mr. FLETCHER: The Budget read by the Treasurer last night is misleading unless you take into account these losses from State enterprises. I feel more strongly concerning the report issued by the Commissioner for Trade than I do about the balance-sheet, because of its deceitful nature.

Mr. RIORDAN: You are the last man who should talk about deceit after the way you deceived the Nationalist party.

Hon. W. FORGAN SMITH: That is some more of his parliamentary language.

Mr. FLETCHER: I believe we should have a true and unvarnished report regarding our State enterprises. According to the Act, the Commissioner must present a report to Parliament; but what is the good of issuing a report if he tries to deceive the House?

The CHAIRMAN: Order! If the hon. gentleman makes the charge that the report is issued for the express purpose of deceiving Parliament, he is out of order, and he must withdraw that statement.

Mr. FLETCHER: Wait until I deal with the report, Mr. Kirwan, and you can judge for yourself.

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The CHAIRMAN: Order! I ask the hon gentleman to withdraw that statement.

Mr. FLETCHER: In deference to you, I withdraw, but I will leave you to judge from the report itself. In one place the report reads—

"I regret that circumstances compel me to submit an unsatisfactory financial return for the past year, particularly as in the two previous years the figures presented were highly satisfactory."

Now, we know that these highly satisfactory figures showed in the case of the State stations for the year to which he referred a profit of £25,000, but in reality the loss was £130,000, because the result was altogether false, inasmuch as the price of cattle, as I have said, was inflated by 8s. 1d. per head, which alone made a credit in the account of £75,000. A credit note was put through in October for a sale of cattle, to take effect from the 30th June—an unheard-of thing—when the cattle were still on the station and undelivered. With that and other smaller things they reduced a loss of £130,000 to a credit balance of £25,000. That is what he calls a satisfactory return; but it is satisfactory simply because the figures for the previous year were so misleading and untrue. Quite a deal of space is taken up in trying to justify the returns for this year, endeavouring to evade the issue, seeking to draw a red herring across the trail, and in replying to statements I made—although the report does not mention my name—by making irrelevant statements that are absolutely unsound. A good deal of space is occupied in praising themselves for the efficient way in which the department is run.

Now, here is a rather interesting passage. Under the head of "Wages" there is this remark—

"An increase of approximately £3,000. This is mainly accounted for by additional expenditure incurred during July to September, 1920, and also relates to the undermentioned facts—

1. Record brandings."

Well, the brandings were 20 per cent. more; but you know that to brand you have to muster the whole run, whether it is small or great, so that the increase in the wages would not be very great from this source. They may be trifling, and I give him that in. The second cause is described as—

"More regular dippings."

Now how many dips have they, and how many cattle have they dipped? There are practically no dips on those stations, and very few cattle are dipped. Increased dippings, indeed! The whole thing is ridiculous. The increased dippings would not make any difference in the cost of wages, except to a most infinitesimal extent. The third reason is the one I particularly want to deal with—

"The large number of fairs turned off the various properties at different times of the year, which necessitated additional mustering and droving camps."

How many cattle did they sell during the year? They sold 1,041, including cattle and horses. And the increase in wages of £3,000 was mainly on that account!

Hon. J. G. APPEL: £3 per head!

Mr. FLETCHER: Yes. Why is there this increase? Simply because they were busy

all the year delivering the 14,867 head that were put into the previous year's accounts quite unjustifiably. That transaction acts like a boomerang on them. One would certainly be justified in asking how they came to get anywhere near the increase in wages which they say occurred if they only sold 1,041 head. One of the reasons they give is that they had this terrific branding—42,999 calves. I do not wish to question the number of brandings, but we would be better pleased and surer of the numbers on the runs and of the brandings if the manager were less verbose in his statements. He makes most voluminous reports, and, as it were, apologises for the brandings being so numerous, as if the number were open to doubt. Well, we certainly doubt anything that appears in connection with these State stations. The whole report conveys a very bad impression. It goes on to say—a most extraordinary thing—referring to the £8,000 additional wages—

“The department will ultimately benefit to a great extent on account of this expenditure.”

How are they going to benefit? Those are mere words which, to the uninitiated, sound big and fine. The benefit is absolutely unreal, and such statements should not be tolerated by an intelligent House for a single moment.

I have not particularly picked out these points with which I am dealing. I have taken twelve, and one could pick another twelve just as inaccurate and unsound. The next thing I want to mention is the statement as to the liabilities and assets. The statement gives a long list of liabilities and a long list of assets, and shows that the former are only £39,000 over the latter. Did you ever hear anything more ridiculous than that, in the face of the position of the State stations alone, which discloses distinctly a loss of £1,000,000, of which they knew at that time, since the Minister had stated on the 17th August that this loss had taken place, and the report comes along in October and gives false figures?

Hon. W. FORGAN SMITH: Do you say I gave false figures?

Mr. FLETCHER: I said the report gives false figures—untrue figures.

The CHAIRMAN: The hon. member is not quite within his rights in making these statements. They are a reflection on a high public officer. The hon. member, I am sure, is capable of criticising the report without using unparliamentary language. I hope he will withdraw his statements regarding a public officer.

Mr. FLETCHER: I did not say anybody was false. I said the report was false.

The CHAIRMAN: Order! The hon. member is not going to shuffle in that way.

Mr. FLETCHER: I withdraw the statement in deference to you, Mr. Kirwan, but I do not know how else I am going to describe it. Another statement the report makes is this—

“In reviewing the operations of State enterprises it must be remembered that they were established and are being carried on in the interests of the people of Queensland.”

How many cattle from the State stations have gone into the State butcher shops? A fractional number—a mere fleabite, in comparison with the total amount of meat sold

in the shops. How ridiculous to make the definite and distinct statement that these enterprises have been of immeasurable benefit to the people of Queensland, when they have been the very reverse? Is it not wrong to allow such a statement as that to be put before this House. We have to go on with these enormous losses in annual trading, and we and our children and our children's children are going to be inflicted with the taxation necessary to pay for them. It is because of these huge losses in these enterprises that have been of immeasurable benefit to the people of Queensland, that the Minister the other day had to be a party to the reduction of wages, thus breaking a pledge he made to the electors.

OPPOSITION MEMBERS: Hear, hear!

Mr. FLETCHER: I say distinctly that the hon. gentleman broke a pledge by reducing wages, and on the other hand he has been exploiting the workers by selling them dear meat that he was buying cheap.

OPPOSITION MEMBERS: Hear, hear!

Mr. FLETCHER: Again, in connection with the State butcher shops, the report says—

“Undoubtedly this enterprise has proved of immeasurable benefit to the people of this State, who have secured by its establishment a stability in prices which would not otherwise have obtained.” Nothing could be more absurd than that because the people, during the lengthy period of this Government's administration, have been absolutely exploited by the Government and while the Government have been exploiting them, they have, under the [7 p.m.] guise of doing the workers a good service, told the people of this State that the enterprise was a great benefit to the people, and in this report they endorse that statement. Up to about the beginning of 1921, they supplied commandeered meat to the butcher shops—commandeered under forced contracts with the meat companies.

The SECRETARY FOR AGRICULTURE: What do you call “forced contracts”?

Mr. FLETCHER: The meat companies were forced to make contracts under a threat of a commandeer. During that period the meat shops may have been of some little advantage to the workers, but from February, 1921, up to 30th June last the workers have been absolutely exploited. While cattle have been coming down in price from 40s. per 100 lb. at the commencement at 1921 to from 12s. to 13s. per 100 lb. at the end of June last, they have kept the prices up with the full intention of making big profits to cover their huge losses in their trading in meat—losses quite apart from the State station losses. This is apparent by the Commissioner's report, for on page 9 it says that the butcher shops in their trading made a profit of £27,760, but this was absorbed by a loss of £36,000 in their trading in meat—on their shipments of meat home and the like. During this year just the same thing is going to obtain, because huge profits must have been made out of the trading of the butcher shops themselves, but the whole lot will be absorbed by the losses on dealings in meat. We know that on one shipment of beef home to England they made a loss in the region of £30,000, and that loss has to come out of the profits of the workers of Brisbane and other towns, who are charged a dearer price for

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their meat. That is what the Government have been doing. To prove that higher prices have been charged than were necessary and that the people were exploited, I would like to quote the reply to a question that I asked last session, when I asked if the prices in State butcher shops in September, 1921, were not considerably dearer than those charged in March, 1918, although the price of beef in the former period was 21s. per 100 lb. as against 46s. to 60s. in 1918. This is the answer I got—

“In March, 1918, rump steak was 7½d. per lb. as against 8½d. in September, 1921; corned round was 5½d. in March, 1918, as against 6d. in September, 1921; legs of mutton were 7d. in March, 1918, as against 7d. in September, 1921; shoulders of mutton were 4½d. in March, 1918, as against 5d. in September, 1921; chops were 7d. in March, 1918, as against 7d. in September, 1921.”

In one period, when they were selling the meat dearly, they were buying beef at anything from 18s. to 21s. per 100 lb. When they were selling the meat cheaply, beef was costing from 46s. to 60s. per 100 lb. That is borne out by the Minister's reply, and is sufficient proof that what I say is absolutely correct. It is not right that the people should be misled in this fashion; they should know exactly where they stand. The Government should be honourable in all their dealings, and state exactly the true position of all their transactions. Up to June, 1922, the prices of beef were wilfully kept high, and the butchers of Queensland were making huge profits. Had there been legitimate competition, had the State shops been out of the way, the people would have got cheaper meat, and the butchers would have made a normal profit. The Commissioner of Prices was inactive where the meat shops were concerned, because the Government did not want the price to come down. In Gladstone and in other places the local butchers felt so ashamed of the profits they were making—(Government laughter)—that they felt compelled to reduce the price of beef; and the State butcher shops had to follow suit two or three weeks afterwards. During the period from February, 1921, to June, 1922, the people should have been getting beef at a price from 33 per cent. to 50 per cent. lower than that which they were being charged. Since June, 1922, what an extraordinary change there has been! Prices have come down, and I do not suppose the butchers have ever been selling the beef so cheaply. The Government have opened new shops. I know a young man who spent all his capital in starting a shop, only to find some weeks afterwards that the Government had put up a shop opposite to him. Such action is most damaging to private enterprise, because no one knows where he stands. Why is it that prices were kept up until June, and since then have been reduced to such an extent? There are three reasons. One is that the results of the trading of the State butcher shops since 1st July will not be known until October, 1923—after the election—when it will not matter to hon. gentlemen opposite. Secondly, they see an election in sight, and they want to justify the existence of these shops by giving cheap meat to the people. Thirdly, on the State stations and the State enterprises generally the Government have lost such tremendous sums of money that they have become like the gambler who has

become so hopelessly involved that he does not care if he loses everything. The Government have reduced prices to such a level that they must be losing money by their trading in the State butcher shops since 1st July, 1922.

A little further on, under the heading of “Values placed on cattle at 30th June, 1920,” in an attempt to justify the Minister's reply to my criticism, the following paragraph appears:—

“I had before me the late general manager's (Mr. McGugan) certificate that the valuations were fair, and that the stock, if sold, would realise the valuations set against them.”

There is a mass of other apologetic stuff. If that were the argument to be used for previous years, it should apply to this year also. Does anyone think that the values put against the cattle at 30th June, 1921, would have been realised? Not within £1,000,000 would they have been realised. That shows the falsity of the whole of the statements made in this report and their absolute absurdity. One would think the Minister thought he was dealing with a lot of children and simpletons. He will find that he is very much mistaken. The report goes on—

“In an agreement between the meat companies and the State butcher shops it is provided that all beef treated by the companies from State stations shall be used exclusively in the State shops.”

The report states—

“This arrangement was agreed to by the department in order to endeavour to carry out the policy of the Government in this regard.”

That is absolutely contrary to fact. I happened to be one of the representatives of the meat companies that dealt with the Government on that occasion, and the meat companies had to force the Government into agreeing to this, for the reason that the Government used to make a contract with the meat companies for, say, 10,000 or 20,000 tons of beef, and then they would go and export all the beef from the State stations and accept the world's parity for it while they were getting it for a cheaper price for trading in their own shops. If the companies could be forced to supply beef under a contract of that sort, we should certainly have the bullocks from the State stations for the trade of the State shops, and we insisted upon a provision being put in the agreement that an equivalent number of bullocks from the State stations should be allowed for by the Government before anything was taken under the contract from the meat companies. We insisted upon that, yet the report states, in an apologetic way—

“This arrangement was agreed to by the department in an endeavour to carry out the policy of the Government in this regard.”

Did you ever hear anything so futile as that? It is not right that such a statement should be permitted. One would not imagine that a statement of that sort would be submitted to Parliament for intelligent men to deal with. The report goes on—

“It was arranged to take over and acquire a quantity of meat, approximately 14,000 tons, to be stored in John Cooke's works at a price below the retail market at that time.”

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Did you ever hear of the Government buying anything below the retail price at that time? The trouble was that they made a huge blunder in that purchase. Anyone who knew what they were doing would recognise that a huge blunder had been made, but the Government persisted in it, and, instead of recognising their blunder and rectifying it straight away, they kept the meat in store for something like eight months, on which they paid cold storage charges, and then shipped it to England, and it was on this transaction that they suffered an estimated loss of something like £30,000, which has to be provided for out of the sale to people from the State butcher shops in Brisbane and elsewhere. Now we come to the gem of the whole lot. You could have no greater example of sophistry than this. The report says—

“Whereas the State shops in the past have been a great benefit to the consumer and to the people generally, I anticipate that the slaughter-yards just established will also be of much assistance to the producer, the objective being to so manage both yard and shop as to be able to give the producer a fair price for his cattle and supply meat to the consumer at a most reasonable rate.”

(Opposition laughter.) Did you ever hear anything like that? Can you not see the producer taking lighter steps and adopting a brighter air and going about as though he was made by the installation of slaughter-yards and shops by the Government? Do you think the producer got any benefit? Not the slightest! The Government bought their cattle in competition with other people, and they ground the producers down as far as they could. They did not go to the small primary producer, as they infer in this report, but they went to anyone who would sell meat the cheapest, whether he be small or great, and it is too ridiculous for words to think that they could put such stuff and such arrant nonsense into a report and try to get away with it. Then he goes on to say—

“Already many of the cattleowners, particularly in outlying districts, can thank the State butcheries for having been able to realise much better prices for their cattle than they otherwise would have done.”

The SECRETARY FOR PUBLIC LANDS: Hear, hear!

Mr. FLETCHER: The hon. gentleman says “Hear, hear!” but the small primary producers who may happen to read this speech will not say that. This is the point: Have we not always heard the Minister, when dealing with these matters, refer to the great benefit accruing from the State stations, and as to how meat was going into the State butcher shops? We see nothing of the meat going to those shops from the State stations. He is talking about meat going from the private producers. What are the State stations for if they are not to supply meat to the people in the cities? That bears out my contention that the State stations are so far away as to make it impossible to supply meat to the cities. Mr. Barr, in his report, gives a case as being typical of others. I say that the whole report is a mass of irrelevant padding, and does not carry any conviction.

The SECRETARY FOR AGRICULTURE: It is like your speech.

Mr. FLETCHER: The report states—

“In reviewing the position, and having in mind the large percentage of marketable bullocks, and also the increased quality of State station cattle owing to the introduction of high-class bulls, I contend that my valuations are fair and just.”

Owing to the large percentage of marketable bullocks he considers his prices fair and just. What about the 42,999 calves which were branded that year? Are they not to be taken into consideration? They represent a far greater number than the bullocks on the stations, so that that statement is nonsense. Then he mentions the introduction of high-class bulls. We know that it is only just recently that they have started buying bulls. How many bulls have been spread over the stations? It is only the last year or so that they have been supplying these bulls to the stations. How can the introduction of the bulls referred to improve the value of marketable cattle in twelve months? It takes that time to breed a calf, let alone benefit the whole herd. The thing is absurd. He contends that his values are fair and just. I have pointed out how ridiculous that is. He says—

“Notwithstanding that at that time the price was 17s. 6d. per 100 lb. at the works.”

The Commissioner for Trade must have forgotten that when making his report, because he stated that the whole of the cattle were worth £4 16s. 6d. a head. Bullocks were only worth £4, and how many fat bullocks are there in a herd? That shows the erroneous statements which are made; and so it goes on all through the piece. Just to give an illustration of them, the manager, in his report says—

“If the freight was reduced even a farthing per lb., it would make a very considerable increase in the value of the cattle.”

How much increase will it make? He could not have considered what he was saying when he wrote that. It would only make a difference of 2s. per 100 lb. on fat bullocks, which is most inconsiderable when you consider the value of all the cattle. Then you see in big black letters—the only black letters in the report—the statement that they have paid interest to the Treasurer—that they have paid so much in interest to the Treasurer since the inception of the stations. That is grossly misleading, because, although they may have paid the interest, they have incurred huge losses which have not been shown. This year they will have to carry forward an enormous loss, or else the Cabinet will have to decide to write off something like three-quarters of a million. I say that, even if cattle go up considerably in price, the State stations will have great difficulty in making a profit. It is practically an impossibility. What the Government will decide to do I do not know. The Minister, when replying to my statements last year, made all sorts of irrelevant remarks. He quoted a lot of figures which did not apply to my statements at all. I made one statement and he made another, but there was no connection between the two statements. Anyone reading his speech would think that he made a very effective reply to my speech; but I say that anyone who reads my speech and

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the hon. gentleman's reply will find that he did not connect his speech with my remarks. Judging by his defence last year, I say that he would apparently declare that black was white while defending the Government's enterprises. We saw what the position was the other afternoon when the leader of the Opposition asked some genuine questions concerning the State stations, and he got a similar reply to the one I received to my statements. He received an evasive reply—a cheeky reply—a reply quite unworthy of the Minister.

The CHAIRMAN: Order!

Mr. FLETCHER: I say the reply was quite unworthy of the Minister.

The CHAIRMAN: Order!

Mr. FLETCHER: And the Premier connived at these evasive replies.

The CHAIRMAN: Order! I hope the hon. gentleman will obey my call to order. I have already pointed out to the hon. member that he is certainly not in order in making statements of that kind about Ministers of the Crown.

Mr. FLETCHER: I do not know where my statements were not in order.

The CHAIRMAN: I hope the hon. gentleman realises what he is saying. I hope he knows what he is saying to the Committee.

Mr. FLETCHER: I will withdraw anything that is not parliamentary.

Mr. STOPFORD: Withdraw the lot.

Mr. FLETCHER: I say that the Premier connived at the Minister's evasive reply.

The CHAIRMAN: Order!

Mr. FLETCHER: The Premier said "Hear, hear!" when the Minister finished, which shows that he approved of the Minister's reply. I do not think it is unparliamentary, Mr. Kirwan, to say that that was unworthy of the Minister. I ask the Minister, in replying to my speech to-night, if he thinks it worth a reply, to deal with the facts.

Hon. W. FORGAN SMITH: They are not worth replying to.

Mr. FLETCHER: I want him to deal with the figures where the people were exploited from February, 1921, to June, 1922. I do not want a mass of figures about any other period than that particular period. I want him to deal with the statements which I have made to-night, and not deal with other figures. I want him to confine himself to actual facts. I hope anyone who reads the Minister's statements will read my statement also and compare the two. The Minister made some extraordinary statements when he spoke before.

Hon. W. FORGAN SMITH: I take second place to you.

Mr. FLETCHER: The Minister did not reply to my speech at all, but he gave an hour's soapbox oration on the subject. That is not a reply you would expect from a Minister. I hope the hon. gentleman will turn over a new leaf. He should, even at this the eleventh hour, lay his cards on the table, and say, "We are going to clear up the position." The Minister should admit that there was a huge loss and say that they will write off that loss and start afresh. That would be the most worthy and best thing for him to do. But, if he is going to defend his

position, let him stick to the facts. I am not talking so much about the actual loss on the stations, because we knew as far back as May, 1921, that there was a loss on the stations. I dealt then with the loss. What I deal with to-night is the dishonest and fraudulent report.

The CHAIRMAN: Order!

Hon. W. FORGAN SMITH: Withdraw and apologise.

The CHAIRMAN: I ask the hon. member for Port Curtis to withdraw that statement.

Mr. FLETCHER: I withdraw.

The CHAIRMAN: I can assure the hon. gentleman that, if he offends again and does not obey my call to order, I will deal drastically with him.

GOVERNMENT MEMBERS: Hear, hear!

Mr. FLETCHER: I am quite sure, anyhow, that the Treasurer or anyone else who has been listening to what I have been saying will recognise that what I have said is the absolute truth. I have given absolute facts.

Mr. PAYNE: It is all "bosh."

Mr. FLETCHER: It is all "bosh" to the hon. member because he has not got enough intelligence to understand it. (Government laughter.) I cannot conceive anything so reprehensible as the stooping of the Government to such things as are stated in this report. I cannot understand what the object can be. They must have thought that by presenting so voluminous a report they were going to disguise the position, and that in the length of time between last session and this session their deeds would be forgotten. If they issue such a report as that to which I have been referring in regard to their State enterprises, what can we expect from them in other directions? It may be the same in everything else, and it will be very difficult to place any reliance on anything they do, because they are not ingenuous; they are not open or frank; and I say that what we stand for, above all things, is honesty of action and honesty of expression. (Government laughter.) That is what I have been dealing with—not with the loss on the stations, which has gone by and cannot be helped. I say that, if the Estimates and Financial Statement were drawn up as this report has been drawn up, it would be absurd. If these reports were drawn up in a fair and honest manner, it would be quite different.

A GOVERNMENT MEMBER: There you go again.

Mr. FLETCHER: When one considers all the things that the Government have done, one wonders where it is going to end. One has heard the expression that hon. members opposite are nothing but a band of political adventurers, and I consider that it is justified when one considers the things to which they have stooped to get out of the position in which they find themselves. I can see nothing more serious than this report, because there is no excuse for it. There are no extenuating circumstances. One could understand their buying stations and making a mistake, because everybody makes mistakes; but nobody should make a report of this kind with a view to disguising the true position; and I say that it is so serious that you, Mr. Kirwan, as an honourable man, would be justified in voting against the Government on the want of confidence

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motion that comes forward on Tuesday next. (Opposition cheers and Government laughter.)

Mr. PEASE (*Herbert*): Before dealing with the Financial Statement, I desire, on behalf of the electors I represent, and in accordance with a large number of telegrams I have received, to express regret at the illness of the Home Secretary. From throughout North Queensland many messages have been sent to me, and I hope and trust that it will not be long before he is restored to health. (Hear, hear!)

I wish to take this opportunity of correcting some misleading statements that have been made by hon. members during this debate, and also by the leader of the Nationalists at the official dinner of the National Democratic Council. The latter statement was as follows:—

“To attempt to legislate with the aid of the casting vote of the Speaker or Chairman is not right or proper.”

The hon. gentleman's statement is not correct, because at the general election the Government received the endorsement of thirty-eight constituencies, whereas the combined Opposition parties received the endorsement of only thirty-four; so that any legislation brought in by members on this side has the endorsement of thirty-eight constituencies and a majority of four of the electorates of the State.

The leader of the Opposition spent a good deal of his time in trying to cloud the issue as to the policy of this party. I have never seen or heard the policy of the Country party, but I am going to direct some attention to the policy of the Nationalist party as expounded by the leader of the party at Bundaberg, where he is reported to have said—

“The Nationalist party policy, so far as State enterprises are concerned, with the exception of State Insurance, is that they shall cease operations as early as possible.”

No wonder the hon. member for Port Curtis has been doing his best to depreciate those enterprises. Here is some more of their policy—

“The repeal of the Fair Rents Act is necessary. Decontrol of industry by and large should operate as soon as possible. The Nationalist party are in favour of a vigorous immigration policy.”

[7.30 p.m.]

No doubt, they are. Speaking at the Petrie Terrace Girls' School during the Paddington by-election, the leader of the Nationalist party attacked the old-age pensions, and said—

“Pensions and doles were handed out, and this was becoming an intolerable tax on industry.”

Mr. KERR: He did not attack the old-age pensions at all.

Mr. PEASE: He did; I heard him myself. In the Commonwealth Parliament the Federal Treasurer has already introduced a measure to reduce the maternity bonus, and in introducing it he said—

“It is an expensive travesty.”

No doubt, the old-age pensions, as foreshadowed by the Nationalists in their policy, will also be reduced. There is no doubt that the attacks going on throughout Australia

to-day on the old-age pensions and maternity bonus will be carried out in Queensland once this Government are out of power. Look at what the Fuller Government have already done in New South Wales. I took part in the New South Wales campaign, and I heard a lot of promises made on behalf of the anti-Labour people. Look at what they have already done! Already they have abolished the Fair Rents Court; already they have abolished the Anti-Profitteering Court; already they have abolished the forty-four-hour week; and they are abolishing the maternity outfits to poor mothers; they are reducing the State aid; and they are excluding public servants from the Arbitration Court. It is true they are also removing the super tax, but what are they putting in its place? They are providing for £500,000 taxation from the ordinary people in the State by reducing the exemption from £250 to £150. What they are giving away in the abolition of the super tax will be taken from the wage-earners in New South Wales. Right throughout this debate members on the Opposition side have tried to gull the workers. Every appeal made on an anti-Labour platform right through the Paddington by-election was an appeal to the workers and not to their own people. I attended a good many Nationalist meetings during the Paddington by-election, and every appeal they made was an appeal to gull the workers; and I now ask the workers of Queensland to look at what the Nationalists of New South Wales have already done. I ask them to look at the abolition of the maternity bonus, to be followed by the attack on the old-age pensions, and I say that is sufficient justification for keeping this Government in power; because, once we are gone, God help the workers of Queensland.

The hon. member for Bulimba, who is an ex-Treasurer, said something about the test of government being finance. I am quite prepared to test the present Government on their finance. It is a good thing for Queensland that at this critical period of finance throughout the world there is a capable Government in charge in this State. I will prove this by comparison. The Commonwealth Bureau of Science and Industry figures show the total bills, cheques, etc., that pass through the clearing-houses, and the figures I have got show the transactions in Queensland from 1914 to 1920. In 1914, under the administration of the hon. member for Bulimba, the total transactions amounted to £34,925,000, while in 1920 the total was £160,539,000. I have not got the figures for 1921, because I have to quote from something I can produce; but in 1920 the figures were practically double what they were in 1914. These figures show the amount of money that passes through the banks of Queensland. I want now to show the position of the banks in Queensland in 1915, when the Opposition controlled the Treasury benches, as compared to what it was in 1921. The total assets of the banks in 1915 amounted to £27,197,542, and in 1921, the assets had increased to £50,938,968. If the test of Government is to be finance, these figures prove what a good Government Queensland has. The Federal Treasurer, as reported in the Commonwealth “Hansard,” page 12069, quoted an official return showing a comparative statement of administrative expenditure of the States of the Commonwealth during the financial years 1917-1918

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and 1920-1921, and the figures quoted prove Queensland to have been more economical than either Victoria, New South Wales, or Tasmania. I want hon. members to understand what this means. It means that the Federal Treasurer had a table prepared by experts which was read by him in the Federal Parliament, and this table proves that Queensland, based on the 1920-1921 Budget, with an expenditure of £12,500,000, effected a saving, as compared with New South Wales, of £2,337,500. Compared with Victoria, Queensland effected a saving of £487,500; and, compared with Tasmania, it effected a saving of £1,050,000. I say, again, that, if the Opposition claim that the test of Government is finance, these figures prove that Queensland has had a good Government. We have proved that there is more money in circulation and more assets in the banks, and we have proved that the Government of Queensland, in comparison with the Governments of New South Wales and Victoria, have effected a saving in their administrative expenditure. What would this mean to a private business?

Mr. BEBBINGTON: Ruination. (Opposition interruption.)

The CHAIRMAN: Order!

Mr. PEASE: If the hon. member for Townsville obtained a balance-sheet in regard to his chemists' shops, and the manager of his shop at Innisfail saved more money in administration expenses than the manager at some other branch, he would not sack the manager at Innisfail; he would give him a rise in his "screw." The Opposition are unfair in regard to the increased expenditure. They do not tell the people the reason for this increase, which could not have been avoided whatever Government were in power. I notice the hon. member for Bulimba did not quote any figures. He just made a rambling statement. He knew very well that, if he quoted figures, they could be attacked, and he would not quote them. He was too clever. He understands the political game too well. The hon. member made an attack with nothing in it at all. I was surprised to hear an ex-Treasurer make such a statement. The interest on the public debt in 1914-1915, as compared with the interest on the public debt that had to be found by this Government last year, shows an increase of £1,255,705.

Mr. BEBBINGTON: Who ran up the debt?

Mr. PEASE: I am going to justify the borrowing. I am quite prepared to justify the borrowing. (Interruption.)

The CHAIRMAN: Order! Order!

Mr. PEASE: This is not the time to mark time. If this Government shut down on public works, where would we all be? Let the hon. members who are interjecting travel throughout Queensland, as the Premier and members of this party have done, and see for themselves.

Mr. BEBBINGTON again interjected.

The CHAIRMAN: Order! I hope the hon. member for Drayton will respect my call to order. Might I suggest that he cork up his interjections and give them in the form of an intelligent speech? (Laughter.)

Mr. PEASE: I justify the borrowing of the Government because this is the time that Queensland wants development. Look at the

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amount of money in the banks of Queensland. It is necessary to find outlet for that money. How can we improve Queensland if we do not spend money? Since 1915 the expenditure on school buildings has been £318,390. Will the hon. member for Drayton say that that money should not have been spent? I notice deputations from the Opposition repeatedly go to the Department of Public Works and ask that more money be spent on school buildings. On public works this Government spent £976,221, and on railway construction the expenditure was £5,548,000; and I am very glad to see that, on the Estimates now before the Committee, provision is made for the completion of the North Coast Railway.

The capital invested in the railways increased by over £11,000,000, and the increased mileage was 961 miles. We have heard a lot about the wages of the public servants, but not one hon. member has said anything about the increases which have been granted to public servants by this Government. In the railway service alone, as the Treasurer pointed out last night, the increased wages amounted in 1921 alone to £423,792. The Auditor-General's report for 1921 stated in regard to railways that the increased wages and extra cost of coal and stores meant an additional expenditure for that year of £725,106. The Secretary for Railways quoted those figures last session when dealing with the estimates of his department. Members of the Opposition are not fair enough to tell the people outside those facts. During the Paddington by-election, I attended meetings held in support of the Nationalist candidate, and I never heard the leader of the Nationalists tell the people how we had expended this money. The hon. gentleman used to say, "Look at this extravagant Government! Look at the amount of money they have spent." He did not say we had spent over £5,500,000 in railway construction. That hon. member also is very fond of applying to this Government the term "No Wage Party." The expenditure has been increased by nearly £5,000,000 since this Government came into office in providing increases in the wages of public servants awarded by the Arbitration Court. That shows the hypocrisy of hon. members opposite in regard to the public servants. Their troubles about the public servants! All that hon. members are worrying about is the ousting of this Government; that is their only concern; and they are quite prepared to use anybody to effect their purpose. In the Paddington by-election they appealed to the workers, and the workers gave them their answer. I heard the leader of the Nationalist party say that after the Paddington by-election there would be another Government in power.

Let us look at the way in which the Government have to protect the people of Queensland from the junta that controls hon. members opposite. Sundry prosecutions undertaken by the Department of Labour during the year 1st July, 1920, to 30th June, 1921, show that the number of prosecutions under the Industrial Arbitration Act was—Brisbane 66, country 221. The number of prosecutions under the Factories and Shops Act was—Brisbane 41, country 39. The number of prosecutions under the Workers' Accommodation Act was 21. The total number of prosecutions was 388, and the total fines and costs, £801 4s. 6d. The arrears of wages secured by the department on behalf of employees during the twelve months ended



30th June, 1921, are astounding. I find that no less a sum than £13,428 12s. 2d. was collected in one year from employers who did not pay the rate of wage provided by Arbitration Court awards. If there had not been a Labour Government policing the Act, what would have happened? Yet hon. members come into this House, and get on the hustings and say to the workers, "We are your friends. Turn out this Government!" Those figures alone justify this Government's existence.

In 1919-20 increases were paid to 14,000 officials in the Railway Department totalling £361,775, while 9,543 officials in other departments benefited to the tune of £312,232. In one year alone this Government had to find in increased wages to the public servants no less a sum than £673,977. The Nationalist Government in New South Wales deprived the public servants of the right of approaching the Arbitration Court—that is how they are going to save themselves the trouble of finding the money. The increased salaries and wages in the Railway Department between the year 1915-16 and March, 1922, totalled £2,064,487. The salaries and allowances of primary school teachers in 1918 totalled £544,947; in 1921 they totalled £956,497. The gross expenditure on State education, exclusive of buildings, in 1914-15—when the hon. member for Bulimba was Treasurer—was £565,133; in 1921-22 the amount expended was £1,295,606. That is the way in which this Government are doing their work—they are protecting the people, and they are expending this money in trying to educate the children of this State. I claim that they are getting results. Compare the education figures in 1915 with those of 1922. In technical colleges in 1915 there were 7,500 students, and in 1921 there were 12,000 students. The candidates for scholarships and high schools in 1915 numbered 1,143, and in 1921 they numbered 4,264. Scholarships granted in 1915 numbered 515, and in 1921 they numbered 1,603. That goes to prove that the money which the Government are charged with wasting they are spending in an attempt to educate the children of this State. The Labour Government initiated rural schools, which in 1921 were attended by 340 children. The correspondence classes in the same year had 1,700 pupils. Those figures show the benefit of a Labour Government to the people. We do not ask the people to judge us on promises; we ask them to judge on results; and these are some results.

Mr. MOORE: You ask them to build their own schools.

Mr. PEASE: In connection with State children, look at what has been spent—in 1914-15 the previous Government spent a sum of £73,539, and in 1920-21 this Government spent £199,727. The expenditure on benevolent institutions in 1914-15 was £410,124, and in 1920-21 it was £923,796.

Mr. MOORE: That is nothing to be proud of.

Mr. PEASE: I am ashamed of the hon. member for daring to say that; it is a different tale to that which hon. members tell on the hustings. When members of this party quote any of these figures on the hustings, hon. members opposite say: "Do not trust them."

Mr. MOORE: Provided the people would work, they would not want all these doles.

Mr. PEASE: The assistance to mining during 1921 was £23,394. I wish to thank this Government, on behalf of the miners of Kangaroo Hills, for the money that was advanced to assist mining there. Kangaroo Hills is one of the finest tin fields in Australia; we only want to have the metal markets open again, and we shall have on that field hundreds of miners profitably employed.

The expenditure incurred by this Government to 31st March, 1922, in aid of returned soldiers was £2,923,931; and 4,473 discharged soldiers were settled up to 31st March, 1922. I listened to the hon. member for Enoggera making his attack on the people who are looking after discharged soldiers, and I am ashamed of him. At Maria Creek, in North Queensland, the soldiers on the soldier settlement are doing really well. I have letters from soldiers there who are quite satisfied with their conditions. I will quote a better authority than the hon. member for Enoggera in regard to the manner in which this Government have treated discharged soldiers. Brigadier-General Cannan said—

"He had no wish to criticise the Government in power; in fact, he had to thank Mr. Coyne (the Minister for Lands) for the good work he had done for the soldier settlers."

The hon. member for Windsor said—

"He was a member of the land settlement committee, which considered most exhaustive reports before making a decision. They would be surprised to know the number of complaints that were made by returned soldiers who had been settled on the land. The land settlement policy, however, was going to work out all right in the end."

I am quite prepared to take the opinion of Mr. Taylor in preference to that of the hon. member for Enoggera, or anyone else on the other side.

Mr. KERR: That statement was made three and a-half years ago.

Mr. PEASE: The hon. member for Bulimba complained of excessive taxation. That complaint was made during the Paddington by-election. The hon. member for Bulimba did not quote any figures, but I will. In 1920-1921 the taxpayers, other than companies, and including super-tax, numbered 27,936, who were assessed at £1,244,390. This works out at an average of £45 per capita. I want hon. gentlemen to understand what that means. The taxation rate on an income of £400 in Great Britain is £45 15s. Where is the excess of taxation there? Dealing with land tax, we find that 24,839 persons were assessed at an amount of £459,448, or an average of £18 10s. per head. Included in this amount is also land valued at £1,280 and over, which meant that 11,518 farmers were assessed at £18,659, or under £1 12s. 6d. per head. This session the Government have introduced the Bill to relieve the working farmers of that taxation. Where is the excessive taxation? For purposes of comparison I want to quote certain Commonwealth figures. I do not quote these figures as a carping critic, but for the purposes of comparison to show to this Committee that it does not

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matter what Government is in power the financial position would have to be faced, and I am going to show how the Opposition class of Government face it in the Federal Parliament. Up to the 30th June, 1922, the revenue of the Commonwealth Government was £64,913,035, showing increases as compared with 1920-1921 as follow:—

	£
Land tax ... ..	128,350
Income tax ... ..	2,439,237
Entertainment tax ... ..	25,845

We now come to indirect taxation. The profits made in connection with the coinage show an increase of £71,979, in connection with the note issue an increase of £867,466; interest on loans for soldier land settlement, an increase of £273,862. As the Treasurer pointed out the other night, this money for soldier settlement is not given to this Government, but they have to shoulder the interest and redemption. The repayment and State's proportion of pensions increased by £2,961, and the patent fees increased by £2,755, or a total increase in direct taxation for one year of £2,593,432, and in indirect taxation an increase of £1,219,023. In addition, too, in that year the Commonwealth Government received a windfall from the British Government on account of German reparations of £836,000, or a grand total increase in revenue for that year of £4,648,455. This Government, representing the class which the Opposition represent and who they say are the only people who can finance a country, in spite of an increase in revenue of £4,648,455 closed the year with a deficit of £205,180. Did I hear any hon. members opposite saying that that Government contained expert financiers? No. I am going to give some comments on those figures, not by Labour men, but by men whom, perhaps, the Opposition may take some notice of. Mr. Gibson, a Tory representative, on 24th July, 1922, said—

“The Treasurer disclosed what purported to be a deficiency of £205,180, but which was actually a deficit of £5,500,000.”

I will now quote the remarks by Dr. Earle Page, who, I am sure, many of us know. He makes some comment on the figures of a Government representing a class that hon. members opposite represent. He says—

“Commonwealth loans maturing in 1927 amount to £219,090,000. The renewal of the loans on the last basis would mean an increase in the annual interest Bill of £5,756,000.”

If the Opposition had an opportunity of being on the Treasury benches and of representing the class of people that that Government represents, our interest Bill, no doubt, would be increased. Dr. Earle Page further states—

“The Federal Treasurer was budgeting to a deficit of £2,800,000 and with increased taxation.”

The leader of the Nationalist party said, “Put us in power and we will reduce taxation.” You can only judge what sort of a Government they would be from what a Government of their class are doing in other States. Dr. Earle Page further states—

“The post office showed a profit of £1,800,000, which the Treasury had taken into general revenue, and then used over £1,000,000 of loan funds in postal expenditure.”

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Did I hear the hon. member for Port Curtis say something about “cooking” accounts? Dr. Earle Page further states—

“Last year the surplus was manufactured by cutting out new works, by failure to spend money on soldiers' graves overseas, by starving the air service, and by payment of one million pounds on expeditionary forces which had been charged to loan instead of revenue.”

Did I hear the hon. member for Port Curtis say “cooking accounts”? The pre-war expenditure on the permanent military forces was £408,000. Now the war is over and the expenditure provided by the Federal Budget is £984,625. Dr. Earle Page further states—

“£450,000 for the purchase of saw-mills in Queensland was not provided for in the budget.”

That is a statement that Queensland will have a great deal to think over. He did not say anything about closing those saw-mills. After all this the Labour party in the Federal Parliament moved to reduce the military vote by £500,000, and was defeated by 39 votes to 19, the Country party voting with the Government. Of course they would always do that. They are always anti-Labour, and against the interests of the people. This criticism followed all the fireworks display by the leader of the Government of the Federal House. Hon. members opposite talk about cracking the whip.

An OPPOSITION MEMBER: You know all about cracking the whip.

Mr. PEASE: I would not stand up and condemn a Government and then go and vote with them. The leader of the Labour party said to Dr. Earle Page, “We will give you an opportunity of turning this Government out of power,” but they voted against the people, as they always do. During the maritime strike the Federal Government paid £23,980 in relief. They were the very people who created the maritime strike by denying those people certain rights. The Federal Government appointed a Royal Commission to inquire into the basic wage which did absolutely nothing. During the hearing before the Commission representatives appointed by the Labour party “put it all over” the other experts. There was not one expert on the side of the capitalists who could stand up to the arguments adduced by the ordinary people's representatives. That Commission cost the people of Australia £10,000. In 1921 the lawyers got out of the people of Australia, in connection with a case trumped up by Mr. Hughes, no less a sum than £6,452. You would have thought that there would have been enough patriotic lawyers on the Government side to say in connection with this case, “We will do it for nothing.” The Commonwealth Government spent a lot of money in bringing unemployed

[8 p.m.] from Port Darwin into Queensland, because I know that not one ticket was issued for places beyond Brisbane. The unemployed in Port Darwin were dumped down here, and have been the cause of a lot of trouble. The Federal Government spent £1,223 of the people's money in bringing those unemployed here. In making exchanges of officers of the navy with Great Britain, the Federal Government spent £10,706 to send officers home for a trip. Hon. members opposite talk about

the expenses in sending the Premier home to arrange to carry on the affairs of the State, but the Commonwealth Government sent men with brass hats home—men like the hon. member for Enoggera. (Laughter.) The Federal Government spent £36,946 in giving jobs to their political friends in one year, in appointments re Commerce Act, and yet hon. members opposite complain of the expense incurred by the Premier's trip to North Queensland.

Mr. MOORE: We do not know what the expenses were—we want to find out.

Mr. PEASE: The Federal Government purchased a rain-making plant, which was an absolute failure—and they paid £440 for it. In regard to the immigration proposals they spent £94,500, and that has been a dead letter so far as Queensland is concerned. The Federal Government not only sent naval officers home to England for a trip, but also military officers; and it is no wonder that the hon. member for Enoggera, the hon. member for Kurilpa, and other ex-soldiers, want to get that done here, because they would like to get some of these trips. The Commonwealth Government spent £34,979 in sending their political friends home for a trip. They spent on Canberra, for a hostel to accommodate members of Parliament, £80,000. There is one item they cut out—they would not spend £40,000 to extend the woollen clothing factories at Geelong, but shut them up. I have twitted the hon. member for Enoggera every time he has got up with not saying something about Canungra, or about the closure of the woollen mills at Geelong. During the Paddington by-election I heard the hon. member for Enoggera tell the people, "Put us in power, and we will start woollen mills here."

Mr. KERR: You did not.

Mr. PEASE: The Federal Government closed down the woollen mills at Geelong because they were competing with their friends and could sell materials cheaper, and their friends said, "Shut them up." The returned soldiers' associations in other States have protested against this action; but the hon. member for Enoggera the other day, in a windy harangue, never said anything about the Federal Government closing down the mills at Geelong.

Something has been said about rushing legislation through the House under the "gag." I am showing what Governments of the class of hon. members opposite are doing at the present time. Last year, a Supplementary Appropriation Bill, with a schedule consisting of seventy-eight pages, was passed in the last few days of the Federal session of Parliament without discussion. It was introduced in the Senate after 11 o'clock at night. The Bill covered expenditure for the two years 1919-20 and 1920-21. The figures for the two years were submitted together.

The TREASURER: What was the amount?

Mr. PEASE: Some millions. Senator Wilson pointed out that they wanted the Auditor-General's report. We have heard hon. members opposite protesting about the Auditor-General's report being late, and the Auditor-General has replied in regard to that. Senator Wilson, in the Federal House, pointed out that the Commonwealth Auditor-General's report was eighteen months behind

time. That is the sort of thing hon. members opposite do when they get into power. They promise all sorts of things if they get into power; but let hon. members opposite take my tip—they are going to stay where they are for a long time. (Opposition dissent.)

GOVERNMENT MEMBERS: Hear, hear!

Mr. PEASE: I am going to refer to this session's Supply Bill in the Commonwealth Parliament. It was introduced in the Senate, and covered an expenditure of £2,500,000, and it passed all its stages in fifty-two minutes. There was no debate in the Committee stage in the House of Representatives, and why? Because a Labour Government were not in power. The Labour members were "gagged," although they tried to get up a discussion. The payments to charitable institutions by the Federal Government exceeded the Estimates by over £12,000. I want to ask how much of that amount is Queensland's share? The people of Queensland, in common with the other people of Australia, have to shoulder that taxation.

At 8.5 p.m.,

Mr. F. A. COOPER (*Bremer*), one of the panel of Temporary Chairmen, relieved the Chairmen in the chair.

Mr. PEASE: The Commonwealth Government expended on Canberra last year the sum of £200,000. I ask the people of Queensland to realise what will happen if hon. members get into power. I do not quote these figures as a carping critic, but for the purposes of comparison. I say that the world's finances are in a bad position to-day. I have shown where the Federal Treasurer has shown this Government to be handling the finances of the State better than either the Governments of New South Wales, Victoria, or Tasmania. The Federal finances are in the position they are in to-day entirely through the effects of war, and we are in the same position here. We have been twitted by the Opposition with the amount spent on railways. I was told during my election campaign that we should not go on with railway construction while prices are so high. It is the war which has caused those high prices. As I have said, the world's finances are in a very bad position. In Great Britain, for the first six months of 1921, there was a deficit of £67,250,000. She owed America £856,000,000, and accrued interest unpaid amounts to over £80,000,000. France has not met ordinary expenditure out of revenue in any financial year since the outbreak of war. In 1921 France owed America £610,000,000, and Great Britain £550,000,000, and has never paid any interest on these debts. The issue of paper money increased from 5,800,000,000 francs in 1914 to 37,365,000,000 francs in 1921. Italy owes America £330,000,000 and Great Britain £467,000,000, and has not paid any interest. Austria is insolvent and unable to meet any reparation payments, and is dependent on the Allies for food to keep the people from starvation. In Germany, in 1914 the paper currency was 2,000,000,000 marks, and in 1921 80,000,000,000 marks. The exchange value of the mark in London in 1914 was 10s., in 1921 ½d., and now it is 10 marks to a penny. In Russia, since 1917 paper roubles to the value of £120,000,000,000 have been issued, and this currency has no purchasing power outside Russia. European States owed America over £2,000,000,000 in 1921, and are not meeting interest payments. As a result,

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no further trade is possible, and the unemployed of America exceed 5,000,000. Opinion of experts in America is that the only way to place matters on a sound financial basis is by the cancellation of all war debts owing to America by these European countries. As at present it is not only impossible for the debts to be met, but the existence of the debts depreciates the exchange value of European money and renders it impossible for these countries to buy American goods. The only way these debts could be paid would be in goods, and this would mean the closure of American factories. These experts also regard it as essential to restore the world's finances that the cancellation of the German reparations must follow the general cancellation of the war debts of the Allies. It is just as impossible for Germany to pay thousands of millions to the Allies as it is for the Allies to pay America £2,000,000,000.

Mr. BEBBINGTON: We heard all that before.

Mr. PEASE: I am stressing that point for this reason: The hon. member for Bowen pointed out, as the Labour people throughout Australia pointed out years ago, what would happen. The hon. member for Drayton says he heard all this before. The Labour people of Australia pointed out what the position would be, and just as they pointed out so it has happened. The Labour people at the Perth Conference told them exactly what would happen, and it has been repeated in this House and everywhere else. The position in Queensland is dependent on the cancellation of the war debts, yet the hon. member for Warwick asks what these figures have to do with us. They have a lot to do with Queensland, because Queensland is suffering as well as every other part of the world. We had to suffer when the war was on. The hon. member for Warwick did not say, "What has that got to do with us?" when the war was on. I take it he was one of those who went round impressing on the young men that they should go to the front. He told them that the war was on over there. I am speaking now about the effects of the war. Queensland has to shoulder her burdens of the war debts just the same as other parts of the world. Look at our position to-day. It is all the result of the war. I have heard members of the Fruit Growers' Association pointing out they had no markets. The hon. member for Warwick wants to know what these figures have to do with Queensland; but they have a lot to do with us, because our markets are affected. The only solution of the difficulty is the cancellation of the war debts. Until that is done Queensland will suffer. Mr. Winston Churchill speaking at Dundee, dealing with the question, summed up in these words—

"The machinery of world exchange is seriously impeded because the purchasing power of the debtor nations has been completely extinguished. The creditor nations had a great difficulty owing to the exchange in exporting to the debtor nations, because the latter already owe more than they can pay.

"The debtor nations are under obligations to make enormous exportations far beyond their capacity to the creditor nations, and these cannot receive the goods because it means stifling their own industries. The final result is an immense curtailment of the whole volume of international trade injurious to every country in the world."

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It is affecting the State of Queensland in just the same way, and it is left to this Labour Government to finance the State under the conditions which exist to-day. I am satisfied that the Queensland Government have done their duty far better than the Governments which consist of representatives of the party opposite. Mr. Lloyd George during the 1919 British elections said—

"We are not going to allow Germany to pay in such a way as to wreck our industries."

But this is happening; for instance, during the war England, France, and America developed a considerable dye industry, and over £200,000,000 was invested; but, to enable Germany to pay, this industry has to suffer, as dyes are one of Germany's chief industries, as are also potash, coal, etc. Germany now supplies France and Italy with coal, and the export of Welsh coal suffers. Arrangements also made for reparations in kind to France, and during the five years 1922 to 1926 £350,000,000 worth of machinery and building materials have to be supplied to France. The German reparations have been fixed at £6,600,000,000 in A B and C bonds carrying 5 per cent. interest and 1 per cent. additional as a sinking fund for redemption. Germany has to provide £100,000,000 yearly in quarterly instalments, and, in addition, has to levy an export tax of 26 per cent. Up to 1st May, 1921, Germany had paid off £250,000,000 in kind to the Allies in coal, cattle, raw materials, and ships.

All these things affect Queensland, although the hon. member for Warwick wants to know what it has got to do with Queensland. I will give the opinion of Herr Erzberger on the situation. This is what he said—

"The Allies won the war but are not able to win the peace. Europe at peace is in reality Europe at war. Poland is chaos, Austria is being strangled, and Czecho-Slovakia and Silesia seethe with unrest. . . .

"The industrial situation is that, while America and other countries are encumbered with raw materials, our artisans are idle because they cannot get the materials. . . .

"Germany's real economic hope is Russia, which will eventually be stabilised under German technical initiative, financed by British and American money."

The British and American financiers are out to stabilise Russia and Germany, and no doubt something will be done to open markets for our goods. Speaking on the same subject in a debate in the House of Commons, in July, 1922, Mr. Lloyd George stated—

"The question of the remission of war debts was most important. . . . It was impossible for Great Britain to contemplate proposals that Britain should forego her claims of £3,000,000,000 against the Allies without the remission of her own £1,000,000,000 of debts.

"Britain was willing to enter any international discussion with a view of obliterating the whole of her war debts, provided she received a benefit equal to that which she was prepared to confer."

Labour members urged the withdrawal of the army of occupation from Germany, and

that Great Britain should be relieved of the burden of this expense. The total cost to the Allies of the occupation then was £200,000,000. It is always left to Labour to initiate anything tangible. England has already converted £1,000,000,000 of national war bonds bearing  $3\frac{1}{2}$  per cent. and due 1st April, 1961, paying from £160 to £163 for each £100 bond due 1922 to 1925. The Chancellor of the Exchequer stated—

“This conversion was a necessary preliminary to funding war debts.”

The Commonwealth Government have also passed a funding arrangement Bill in connection with the advance of £50,000,000 from the British Government for expenditure on the Commonwealth troops in Europe. They pay a flat rate of 6 per cent., to include interest and sinking fund—in the majority of cases for thirty-five to thirty-six years. Australia has paid to the uttermost limit, as I have instanced. This included the payment of £60,000 as a bread subsidy on account of flour and bread supplied by the Imperial Government. I also draw attention to the fact that Australia had to pay the Imperial Government for the cost of the shot and shell used in firing a barrage over the Australian troops in France. If we examine Australia's war debt burden, we shall find that nine war loans were issued in the Commonwealth, totalling £259,993,400. It has taken the whole of the Commonwealth's revenue from direct taxation to meet the interest and sinking fund on the war debts. The hon. member for Port Curtis talked a lot about what our children's children would have to pay, but what about the children's children in this respect.

Last year the interest and sinking funds in connection with the war debts of Australia amounted to £21,082,555, whereas the direct revenue of the Commonwealth was only £21,150,000. How is this going to continue? I have already quoted the increased Federal taxation amounting to over £4,600,000. The total Australian taxation in 1912 was £12,000,000. In 1918 it had risen to £33,000,000, and in 1922 it was £70,000,000. How can the people of Australia stand up to this burden, which every year is going to increase? Mr. Bruce, the Federal Treasurer, said that salvation lay, not in economy, but that the national turnover must increase.

Mr. MOORE: Did he say anything about repudiation?

Mr. PEASE: Here is some more of what he said—

“There was little prospect of reduction of taxation for the present. Although a reduction in taxation at this juncture would be good policy, it could not be effected.”

He added—

“Australia was dependent on the rest of the world for markets. In 1919 Australia's exports totalled £140,000,000, and in 1921 only £120,000,000. If Europe was not going to recover, exporting could not be continued, because the nations overseas would not be able to pay for the goods.”

No doubt, members of the Opposition who were present when Mr. Bruce made that statement said, “Hear, hear!” When I quote some figures to show the position, they say, “What have they got to do with us?” The Press has shown them what it has to

do with them. Exactly the same opinion has been expressed in England. Look at the shipping position. Already the Peninsular and Oriental Company have sent eleven steamers from London to Australia with 68,000 tons of unfilled space, and have also laid up in the United Kingdom 1,250,000 of net tonnage. Reuters cabled on the 19th July of this year that over 10,000,000 tons of shipping were laid up in various ports of the world, and that the estimated idle tonnage was valued at over £100,000,000. That shipping is idle for the reason I have given. The war debts of the world are crushing Queensland as well as Australia. The Federal Treasurer has told us that, and the figures I have given have proved it. The financial situation in Queensland, as in the Commonwealth, is not going to be remedied till credits are established overseas for the nations, and the budgets are relieved of the heavy burden of war debts. The nations of Europe are starving for our products, and once credit is restored, the situation will be eased. Wool, meat, dairy products, metals, etc., are all needed. In Russia, Poland, Austria, and Germany 30,000,000 people are at present removed from the world's trade. This situation now looks brighter, and the question of war debts is under consideration, as has been shown. No Government in the world can ease the burden till the war debts are settled, and meanwhile all any Government can do is to face the situation. In this connection, the present Government have certainly merited approval. I am very glad indeed that the hon. member for Drayton and other hon. members on that side have been reading; because, no doubt, they will moderate their views, instead of merely getting up and carpishly criticising the Government, saying, “Look at the amount of money you have spent!” When the position is remedied at the other end of the world, this Government, in common with every other Government, will reap the benefit; but I have proved by the figures I have quoted that the Labour Government can and have handled the finances of the State for the benefit of the people of the State, and no other Government could face the position otherwise than as we have done. We are the only Government who have reduced any taxation. (Opposition laughter.) The New South Wales Government have reduced the super tax off the wealthy people, but they have increased taxation on the workers by reducing the exemption. This Government have handled the finances in an able way, and I commend the figures I have quoted to the members of the Opposition, because I am quite satisfied that, if they would examine them, they would find that no Government could have done better than we have done.

HON. W. FORGAN SMITH (*Mackay*): I have given a good deal of attention to the speeches that have been made by hon. members opposite during this session, and I want to say that it is a remarkable thing that any party claiming a right to govern this State should put forward ideas which can be characterised as nothing else but fatuous in the extreme. (Opposition laughter.) The party opposite, led by the hon. member for Dalby, are devoid of constructive criticism. He reminded me the other night a good deal of an ex-member for Burrum, Lieutenant-Colonel Rankin—

Mr. BEBBINGTON: The best man in the House when he was here.

*Hon. W. Forgan Smith.]*

HON. W. FORGAN SMITH: That member a few years ago said it was not the function of an Opposition to criticise; it was the function of an Opposition to condemn. Judged from that standpoint, I am satisfied that members opposite can be regarded as fairly successful; but, in addition to that faculty, it must be remembered that any party seeking to control the Government of this State should put forward something of a constructive character; that, no doubt, would be demanded by the people. But we find them indulging in a form of criticism that is not at all constructive, leads nowhere, and is liable to mislead the people, and render them very perplexed about the political situation. (Opposition interruption.) During the time this Government have been in office, they have been able to do great things for the people of Queensland. They have been able to place on the statute-book many of the planks of their platform. They have been able in perhaps the most difficult period of Queensland's history to legislate in a way that reflects credit on themselves and the Labour party generally. We find members opposite—members like the leader of the Opposition, who to-day gave notice that he is going to challenge the Government with a no-confidence motion—who have no conception of constructive statesmanship, whose criticism of this Government consists in referring to the removal of a school in his electorate. No doubt, from a parochial point of view, that is a very important matter; nevertheless, it is a thing that could have been easily fixed up by going to the Under Secretary of my department or the Under Secretary of the Department of Public Instruction. (Opposition dissent.) That is indicative of the general policy and criticism of hon. members opposite. The trouble is that they lack vision, they are unable to comprehend big ideas, they are incapable of grasping the possibilities of the State, and, consequently, they are not able to put forward a policy which is in any way calculated to interest the people of Queensland or secure their support. (Opposition dissent.)

Let me refer to one or two things that this Government have done of a constructive nature. During Exhibition week and for some few weeks previously, men have been speaking a good deal about the prospects of the cotton industry. During his flying tour through Queensland some time ago, Mr. Hughes referred in interesting terms to the prospects of that industry, and, listening to that gentleman, one would almost imagine that he was in some way responsible for building it up in Queensland. I wish to say here to-night that this Government are responsible for the development of the cotton industry.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: We nurtured it, we fostered it in every way, and we have shown a very large section of the population a means whereby their incomes can be augmented and the general prosperity of the community can be increased. The arrangement outlined some few weeks ago by the Secretary for Agriculture in respect of the continuation of the cotton agreement is generally indicative of the policy of this Government. It shows that we are capable of big ideas, and have sufficient vision to build on in the future. That is what has happened in the case of the cotton industry. For all time it will stand to the

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credit of this Government that, during a difficult period, during a period when members opposite were crying disaster and preaching a pessimistic doctrine calculated to injure the prosperity of the State, this Government came forward with constructive proposals to help to establish in it a new and valuable industry.

Let me now deal with the sugar industry—the greatest agricultural industry in the State, and, I venture to say, from the point of view of the Commonwealth, the most important industry in Australia.

Mr. VOWLES: What did your Government do for it?

HON. W. FORGAN SMITH: That interjection is very opportune. It is well to remind hon. members opposite and the people outside, whom they seek to mislead, what this Government have done for the sugar industry. When we took office in 1915 the industry was in a parlous condition. Owing to the operation of the Price Fixing Boards in the Southern States, and owing to a regulation issued by the then Prime Minister of the Commonwealth—a Nationalist in the person of Sir Joseph Cook [8.30 p.m.]—the price of sugar was fixed far below the economic value of the product, and below what was a fair price necessary to carry on the industry in this State. The Denham Government were helpless. We know that a delegation was sent down, but little or no notice was taken of that delegation. The Denham-Barnes Government stood idly by twiddling their hands in a helpless way, and were incapable of putting forward any constructive policy. The first thing that was done by this Government of an important character was to issue a proclamation acquiring the sugar of Queensland, and entering into an agreement with Mr. Fisher, the Labour Prime Minister of the Commonwealth, for its sale at a price to be fixed that was at that time considered adequate—a price which helped to stabilise the industry and gave confidence to the people engaged in it.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: From then, up to the present day, we have been in regular consultation with the representatives of that industry, and we have been able to build up that industry until it is now in a better position than ever it was before. The hon. member also referred a few minutes ago to one of his ex-colleagues, and asked what we had done for that industry. Let me remind the hon. member of the passage of the Regulation of Sugar Cane Prices Act—an Act which has been the means of putting, approximately, £2,000,000 into the pockets of the canegrowers—an Act which has made the canegrower a self-respecting member of the community, and has given him a say in fixing the price of his commodity. Under the Denham-Barnes Government, supported by members opposite, the canegrowers were compelled to take any price which the millers at the time dictated, and it was a price based on that which the least efficient mill in a district could afford to pay.

GOVERNMENT MEMBERS: Shame!

HON. W. FORGAN SMITH: It is quite true that one member of the party opposite introduced a Bill called the Cane Prices Bill, which had the germ of a good idea, but was in no way ambitious. We know

that that Bill was carried to its second reading stage, but, when the whip was cracked by the junta which controls hon. members opposite, we found the Bill was dropped, and it was never brought up again during the term of office of the Nationalist Government. One hon. member who was connected with its introduction received a portfolio for not being persistent in reintroducing the measure, and it was left to this Government, in the teeth of malicious and virulent opposition, to place upon the statute-book a measure which gives justice to every section of that industry.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: We have asked the Commonwealth Government to consider the position of the industry to-day, and we have advocated a renewal of the agreement for a period of five years. I had the honour of presiding at a conference representative of all sections of the industry. I met the representatives of the workers, of the canegrowers, and of the millers, and at these meetings a policy was drawn up dealing with the future of the industry. That policy has been advocated by this Government, and we have done everything in our power to secure a renewal of the agreement. We know that there has been a good deal of misrepresentation in connection with the sugar industry in the Southern States; that propaganda has been carried on of a very damaging character, of an anti-Australian character, and calculated to do injury to Queensland. We know that many people in the South imagine that the Queensland industry is receiving 6d. per lb. for its sugar.

HON. J. G. APPEL: The Federal Labour Party are trying to reduce the price of sugar.

HON. W. FORGAN SMITH: That interjection is also opportune, and is indicative of lack of knowledge on the part of the hon. member for Albert. We know that a reduction in the price of sugar can take place and justice be done to the Queensland sugar industry. We know that the price which prevails at the present time is due to the importations of sugar from other parts of the world, due in a large measure to a short-sighted policy on the part of the Federal Government, and we know that the agreement that the Queensland Labour Government are asking for—the agreement that the representatives of all the sections in the sugar industry are asking for—would do justice to every section of the industry in Queensland, and sugar could be sold to the people of Australia for 4½d. per lb. Certain adjustments no doubt require to take place. We know that the freight, provision for bags, and other charges in connection with the industry, could be reviewed, but we know that justice could be done to the Queensland industry and at the same time that the people of Australia could get sugar for 4½d. per lb.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: That is the position, and hon. members opposite, by that class of interjection, are playing into the hands of the people who allege that Queensland is getting 6d. a lb. for her sugar, while the actual facts are that the price paid works out at 3½d.

I wish to refer to some of the remarks of the leader of the Opposition with regard to State enterprises. He complained of the form in which I replied to one of his questions, or to a number of them.

AN OPPOSITION MEMBER: To all of them!

HON. W. FORGAN SMITH: I always give information when it is asked for in the public interests.

MR. BEBBINGTON: To suit yourself.

MR. VOWLES: You are the judge.

HON. W. FORGAN SMITH: Yes, I am the judge. If hon. members will look up the Standing Orders, they will find that Ministers of the Crown are the judges as to whether questions shall be answered or not. There is nothing in the Standing Orders that calls upon me to give an answer to any question, but questions asked in the public interests I have always replied to with the utmost courtesy. Let me deal with the question which the hon. member so particularly complained of. His question was a series of statements calculated more to give wrong information or to circulate propaganda than to elicit information from me. Any point that was contained in the question was this: He claimed that State enterprises should be debited with the income tax that private enterprise would have paid had it been carrying on those industries.

MR. VOWLES: Nothing of the sort.

HON. W. FORGAN SMITH: If his question meant anything, it meant that. My reply then was, and is to-night, that it would be of no advantage to the community to receive a sum of money in income tax if the payment of such tax were rendered possible by the exploitation of the people of Queensland. That is an effective and fair reply to the question. We know it would be of no advantage to allow people to charge any price they like for meat, bread, and other necessary commodities. We know that, if they were allowed to charge any price they liked, they would be in a position to pay a certain amount in income tax. The payment of that tax to the State would be nothing compared to the advantage that is given directly to the people of the State by reason of the low prices that are charged in the various State enterprises.

MR. BEBBINGTON: You tax private enterprise so that they cannot compete with you.

HON. W. FORGAN SMITH: I wish to refer to some of the statements which have been made by the hon. member for Port Curtis. I do not propose to give that hon. member the honour of a categorical reply to the long series of assertions which he made this afternoon; but there are certain points that I must make in justice not only to myself, but to honourable officers in the department who are not in a position to reply for themselves. The hon. member, in the course of his remarks this afternoon, attacked the bona fides of the report of the Commissioner for Trade.

MR. BEBBINGTON: Of your report.

HON. W. FORGAN SMITH: Time and again the hon. member used language which was unbecoming in the extreme when applied to a public servant who had no chance to reply for himself.

MR. FLETCHER: Nothing of the sort; I attacked the report only.

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HON. W. FORGAN SMITH: In the State Enterprises Act it is laid down that, before a certain time in each year, the Commissioner for Trade must furnish to Parliament a report on the year's activities. That was done last year. The present Commissioner for Trade has presented three reports, dealing with all the enterprises under his control. Everyone of the accounts published in the report was certified to by an audit inspector, first of all, and finally by the Auditor-General. The report furnished by the Commissioner for Trade is his work—he is the person responsible under the Act for the carrying on of the various activities; and never at any time have I had anything to do with the report, nor have I perused it until it was ready to be placed on the table of this House. Consequently the strictures passed by the hon. member are unfair and cowardly in the extreme. Mr. Austin, the Commissioner for Trade, is one of the most able public servants in the State of Queensland. Not only that, but he is a gentleman whose probity is beyond question.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: If every member of the public service, if every man employed by the Government in any capacity, rendered to the State the conscientious service which is rendered by Mr. Austin, we would be able to congratulate ourselves on having a public service second to none in the world.

GOVERNMENT MEMBERS: Hear, hear!

MR. BEBBINGTON: Is he a judge of the price of cattle?

HON. W. FORGAN SMITH: The remarks passed by the hon. member for Port Curtis are strictures upon the Auditor-General and the Commissioner for Trade.

MR. FLETCHER: No; they are not.

HON. W. FORGAN SMITH: The Auditor-General certified to every one of the balance-sheets which the hon. member, in his loose language, called "faked" and very many other things. It is cowardly in the extreme to cast reflections on the honour of the Commissioner for Trade and the Auditor-General. If the hon. member for Port Curtis is prepared to make outside the statements which he made this afternoon under the cloak of parliamentary privilege, the Commissioner for Trade will have his remedy.

MR. FLETCHER: I will make them outside.

HON. W. FORGAN SMITH: Let him make outside the same comments on the report that he made here, and he will find that that officer will have his remedy.

MR. FLETCHER: I said nothing whatsoever against the officer.

HON. W. FORGAN SMITH: We find this hon. member posing as a financial critic, posing as an expert in cattle values, currency, and very many other things, but he is regarded as one of the most irresponsible members in this Chamber.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: The hon. member has the irresponsibility of a child. He gives vent to statements of which, I believe, he does not realise the significance. He is one of those creatures who have such a superb egotism that they imagine that their views on any particular subject are everything that can be said on that subject,

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and should be regarded by all of us as being as unassailable as Holy Writ. Let me deal with some of the assertions which he made in his bland, irresponsible way, with that charming irresponsibility with which he referred last session to declining percentages and to values having fallen by 120 per cent. (Government laughter.) He said that the value of State cattle was ridiculously inflated. I believe that the hon. member is so opposed to State enterprises that he would like to see the slump in cattle continue so that his gloomy prognostications with regard to this industry would come true. His criticism of the Commissioner for Trade, and that of many others who criticise that officer, is due to the fact that the Commissioner is a man who cannot be bought, and who cannot be bluffed by such as he. If the Commissioner for Trade had been a man of the type described by the hon. member for Port Curtis, we would not have had the criticism we had this afternoon. The State stations, in common with every other enterprise of a similar character, are, unfortunately, having a very bad time. That is bad for the State Trade Department, and it is also bad for the people of Queensland as a whole. It is a matter for sincere regret that the slump in cattle has taken place; and it will be a matter for great jubilation when that market is restored, when prices are stabilised, and the industry can be carried on on something like a decent basis. The hon. member referred to our cattle as having been valued at a certain price. With that airy self-confidence which is so characteristic of him, the hon. member said that our values were about £2 per head. As a matter of fact, the cattle that were sold this year to the meatworks and in other directions netted just over £4 per head.

MR. FLETCHER: That is just what I said.

HON. W. FORGAN SMITH: The hon. member said they were worth something like £2 per head.

MR. FLETCHER: The whole herd, I said.

HON. W. FORGAN SMITH: The hon. member advocated that the Government should write them down to that value. He and others of his party advocated that the Government should dispose of those stations. No one but a madman or a knave would advocate the sale of stations at the present time. Who would sell any enterprise when the market has slumped, if he had the ability to hold on? Everything that is necessary is being done in connection with the administration of those stations. I am not the least disturbed about any of my activities during the time I have had control of this department. Those activities can stand free and open criticism, and can bear the light of day. I am convinced that one of the ideas of those who criticise State enterprises is to enable them to buy them in cheaply. We know that this continual criticism and these misstatements both on the floor of this chamber and on the platform from time to time are all calculated, whether deliberately or not, in the direction of depreciating the value of our assets. If those assets are depreciated and the public generally come to believe hon. members opposite and the Press who guide their policy, then it might occur, if this Government was defeated and hon. members opposite came into power, that they would be able to dispose of those stations to their political friends for about half their value.



Let me now deal with the question of State butcher shops. We know these enterprises have been a distinct advantage to the people of this State. We know that hon. members opposite, when we were working under an agreement with the meat works, said that immediately the agreement expired, if we were forced to compete on an equal basis with private butchers, that that would be the end of State butcher shops. Let me quote from the report of the deputation representing the Master Butchers' Association which waited upon the Commissioner of Prices—

"A deputation representing the Master Butchers' Association waited upon the Commissioner of Prices, Mr. T. A. Ferry, to-day, and asked that the fixed prices for beef and mutton be substantially increased or in the alternative that the prices be decontrolled. It was pointed out that at the saleyards yesterday, bullocks brought as much as £10 per head and sheep 6d. per lb. On those prices they contended that it was impossible to carry on with the present fixed prices, and that if the prices were decontrolled it might be possible to obtain increased prices in suburbs where they had not to compete with State shops or butchers who were cutting prices. They considered the present fixed prices did not allow any margin for profit, and compelled butchers to sell at a loss."

For something over a year we have been competing on equal terms with private butchers. We have been able to carry on the enterprise more successfully than was the case when we had the arrangement with the meatworks. Personally, I regret that the policy that we have now adopted has not been in operation from the beginning. We have carried on these enterprises successfully in the interests of the people of this State, and we are proving to reasonably minded people that, on the same basis as private enterprise, we can beat them every time. I have requests every week from different districts—particularly is it the case with Tory electorates—to establish new State butcher shops: so that enterprise goes on from success to success. During the war period the shops were conducted successfully. They have been a financial success, and they have been the means of supplying the people of this State with meat at a reasonable price, and at a figure much below anything in any part of the world either then or to-day. I know in my own electorate one firm controlled practically the whole of the meat supplies in that district. The hon. member for Mirani knows that to be the case. We know that, while that important city was isolated and depended upon shipping, those people were able to fix prices for themselves. What happened? Immediately the railway line went through I purchased land and started to build a State butcher shop, and immediately the prices came down. Before that shop was opened at all prices had fallen very considerably and the shop had more than paid for itself in public benefit, and the establishment of the enterprise has been worth at least 5s. a week to every family living in that district. I had a request from the electorate of the hon. member for Toowong asking for the establishment of a State butcher shop. I established the shop there, and where private enterprise was doing four bodies a week we are doing eight, and will shortly be doing ten. The same thing holds good with regard to

other places. These enterprises have come to stay.

OPPOSITION MEMBERS: No.

HON. W. FORGAN SMITH: Hon. members opposite say "No." I take it from that that, if they were in power, they would dispose of those industries.

Mr. KERR: There is no doubt about that.

HON. W. FORGAN SMITH: We have the admission from the Nationalist party that, given an opportunity, they would dispose of these State enterprises.

Mr. KERR: Yes.

HON. W. FORGAN SMITH: We knew that all along. We remember a certain arrangement that was entered into by that party with the Fire Underwriters' Association, and we remember a certain leaflet that was quoted in this Parliament indicating certain opposition to State Insurance, and indicating that, if some dire calamity overtook Queensland and they were returned to office, the Nationalist party would introduce legislation in the interests of the private insurance companies. The admission about the State butcher shops is on a par with that statement. We have heard a good deal from hon. members opposite—particularly from the hon. member for Dalby—about what he calls the caucus, the Trades Hall, and other influences which, he claims, exert control over this party. I wish to say that this party is the freest party in the world to-day. (Opposition laughter.) This is a party with constructive ideas, possessing a policy open for the whole public to see; but hon. members opposite have a policy which is only to fool the public and which is dictated to them in secret.

The hon. member for Toowong made reference to a deputation which waited upon me in connection with arbitration. The hon. member had altogether a wrong impression of that deputation's mission, and he misquoted entirely my reply to that deputation. That organisation desired to appeal to the Full Court as provided for under the Act, and I pointed out to them, as I have done to everyone else concerned, that the Government at all times stand for a free and untrammelled Arbitration Court. I wish to refer to a meeting of a junta at which the hon. member for Toowong was present and took part. I refer to a meeting commencing on 24th January, 1922, at the Union Bank Chambers, Queen street. It was a meeting of the Employers' Federation. That federation held its meeting, as it had every right to do. I am not complaining of

[9 p.m.] that. We know that they have organisations, and they have the right to organise, but it is well to remember that at that particular conference they decided upon a certain policy and upon certain things in secret. I wish to quote from the remarks of the president of the association, Mr. C. W. Campbell, who said in his opening remarks—

"I would like to say this just before I sit down that the Press are excluded from this conference, so that there can be free, open discussion, and I intend to move at a later stage that a Press committee be appointed to go through the report and decide just how much shall be given to the Press. This has been done, gentlemen, so that there may be the very fullest discussion, and you will all be at liberty to express your views as openly as you wish."

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Later on the Press committee was appointed. We see there that the president said that the Press had been excluded, so that delegates would be able to express their views without any fear of what might happen through publication. In dealing with the work of the federation, Mr. Campbell said—

“It had controlled the Queensland section of the big shipping strike in 1890; acted as an advisory council to the shearers' strike in 1891; assisted in handling the wharf strike in 1898; conducted the big tramway strike in 1912; and used its influence in frustrating the enactment of the Unemployed Workers Bill.”

Then he went on to say—

“I hope all those who are outside the federation will recognise the good work we have been doing and link up. Give us a helping hand.”

And then he makes this significant statement—

“On many and many a night we have gone up to the House when the Liberal Government was in power and secured alterations in the legislation going through, which have all been for your benefit. They were in touch with us all the time the tramway strike was on.”

Here is the statement made officially by the president of the Employers' Federation of Queensland—that night after night, while the Liberal Government were in power, they went up to the House and secured alterations in legislation going through, which has been “all for your benefit.” That comes from a party which is continually talking about control by outside influences. Here we find the people who control the sinews of war of hon. members opposite. Those are the people who have the funds referred to by the “Brisbane Courier.” Some time ago, in castigating the hon. member for Dalby, the “Brisbane Courier” said that at the last election his party received financial support from the same source as the Nationalist party, so that to all intents and purposes they are in the same box. What a glorious time they must have had in those good old days, when, night after night, they came up to the House, and men like the hon. member for Bulimba said, “Yes, Mr. Campbell, I will see that that is done; I will see that, in the interests of the Employers' Federation, the legislation you demand is introduced, and the amendments you desire are brought about”! (Opposition dissent.) That is what they would have done in connection with the Regulation of Sugar Cane Prices Act. Now we find the president of the Federation, in an unguarded moment, admitting and showing the control which was exercised by hon. members opposite. They proposed at this meeting to establish an insurance fund which was to be used in the interests of the Employers' Federation in any way thought desirable. It was proposed to raise this fund by making a percentage levy on the amount of wages paid by employers, and it was also laid down that they were going to coerce small employers who did not come within the scope of the federation; yet the hon. member for Dalby speaks with his tongue in his cheek about coercion, so far as unionism is concerned. One of the members, Mr. R. Bowen, said—

“Now, having got the money, what is it to be used for? . . . It can be used if it is found necessary in the employers' interests in Parliament, or in the municipality.”

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Then he goes on to refer to the Arbitration Act—

“Now, we put through a Queensland Arbitration Act in 1916 which to-day is thrashing us right and left, because it was thoroughly altered during the time when it went through the House, and because there was not a man in the House to closely watch it. That is the position we find ourselves in to-day, and for no other reason than that there was nobody there in that House to watch it—to watch our interests. We want to be in a position to have money at our back, and to keep a man to watch our interests, and to pay him for it.”

Here we find it is to be the policy of the Employers' Federation to raise funds which would be useful in Parliament. In what way do they propose to use it in Parliament? We know that the Employers' Federation, if they are interested in legislation going through this House, have the right to wait on the Government by way of deputation. Ministers receive deputations from all the varied interests in the community, and we at all times give people a fair and courteous hearing. Yet we find this man advocating that the funds could be found useful in Parliament. Some hon. members opposite could shed some light on that. We find the Employers' conference dealt with organisations generally. Mr. Maxwell, M.L.A., said—

“Mr. Edkins told us that he wanted an army for defence, and not defiance. I am not too sure that the time has not arrived when we have got to attack.”

What kind of army does the hon. member for Toowong want, and whom does he propose to attack? Another fire-eating gentleman at that conference—one of those swash-bucklers who always jingle the spurs and rattle the sabre; the type of man dearly beloved by men of the type of the hon. member for Albert. (Opposition laughter.) General Thompson, in speaking to the resolution, said—

“There is another aspect of the strike matter, and that is this: Have we any machinery able to provide for armed forces? Is there any machinery to-day by which you can put your hand on some reliable force to put against the forces of—

“Mr. R. Bowen: Hooliganism.

“General Thompson: If you have a few regulars it is wonderful what they can resist. I have seen 500 men in the shearers' strike held up by 75 mounted infantry.”

In dealing with some of the points raised by General Thompson, Mr. R. Bowen said—

“With regard to the question of an organised force, I say that there is none, and I do not know that we would have any chance of arranging any just now.”

Thereby indicating the kind of force that these gentlemen had in mind. I read a very interesting article in the “Rockhampton Bulletin” recently, dealing with this gentleman's stand as a Nationalist candidate for the Senate. That article clearly pointed out that this redoubtable son of Mars had in mind the formation of an irregular force—not the ordinary force of the Crown which is at the disposal of His Majesty's Government to maintain the authority of Govern-

ment. They had in mind the formation of an irregular force, which could be used to their own advantage. They wanted men of the type of the "Pinkerton thugs," who are a feature of industrial strife in America today. At that meeting of the Employers' Federation, Mr. Bowen said—

"I do not know whether we would have any chance of arranging any just now."

I know that they would not have any chance of arranging any just now, simply because a Labour Government is in power, and is able to protect the community against organisations of this kind.

HON. J. G. APPEL: You got the police to shoot men in Townsville.

HON. W. FORGAN SMITH: That is not correct. Hon. members must recognise that this policy is advocated by a large section of the community—the section that controls the political funds of hon. members opposite. That is a statement made by a man, which, to my knowledge, he has never retracted. And his political organisation in the Central district, by carrying a resolution of confidence in him, particularly after this exposure, identified themselves with his policy. We find, also, that the Nationalists here selected this man as a Senate candidate, so we are justified in saying that they are identified with such a policy. We know that quite recently, in connection with the Senate election, the Nationalist party put this gentleman forward quite seriously as a candidate. We know where this party gets its funds from. We have unmasked the secret junta which dictates the policy of hon. members opposite. We have indicated, at least, to a certain extent, the ideas which animate them and which would be put in operation if they ever secured control of the reins of government. Happily, the prospects of that are very remote.

MR. J. H. C. ROBERTS: You are an optimist.

HON. W. FORGAN SMITH: I am an optimist. I have a greater belief in the people of this State and in the intelligence of the people than hon. members opposite. If I thought that people were of the mental calibre of hon. members opposite, then I would be very pessimistic as to the future. But because I know that hon. members opposite are the mere accidents of politics, and because I know that their presence in this Chamber is merely temporary, I am satisfied that the people of this State have too much intelligence to trust them with power.

MR. J. H. C. ROBERTS: You could not live in your own country, and you had to come out here to become a professional politician.

HON. W. FORGAN SMITH: I have adopted this country, and I have as much right in this country as you have.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: I belong to a race that claims the right to make a living in any part of the world, and I have the capacity to make that living.

GOVERNMENT MEMBERS: Hear, hear!

MR. J. H. C. ROBERTS: We are just as good as you are.

HON. W. FORGAN SMITH: I can make a living in any part of the world, and have

been able to do so. I have always been able to earn an honest livelihood. I have been honoured by the people of this State, who have elected me to Parliament on several occasions. They returned me every time I put myself forward as a candidate. It is interesting to know that people of the type of the hon. member for Pittsworth seek to cast reflections on men because they come from the country which the hon. member's party claim to be the centre of the Empire.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: I am not ashamed of my country of origin.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: I do not think that my country of origin has at any time had any reason to be ashamed of me. I claim to be a citizen of this State, and as good as any citizen in this State. I am a better Australian than some of the creatures opposite who are continually defaming the resources and people of this country. I am prepared to work for the establishment of a democracy in this country free from the evils of the older countries in Europe, and where people of the future will get a chance to develop the higher attributes of civilisation, and build up a civilisation greater than any the world has ever known. That is what the Labour party's policy stands for. Hon. members opposite have neither the soul nor the mental capacity to understand those ideals, but we intend to pursue our policy as we have done in the past. Whether it is popular or unpopular, we know that sooner or later our policy will be placed upon the statute-book. Year after year we are getting closer to our objective, and the people, as a result, are getting the benefit of our legislation.

GOVERNMENT MEMBERS: Hear, hear!

HON. W. FORGAN SMITH: I have no fear of the future. Wisely guided by this Government and by this party, Queensland will overcome the difficulties which beset her at the present time. We want men with a broad outlook, and men who are prepared to work in the interests of the people of the State, and not men like those opposite who are working for the secret junta to which I have referred.

GOVERNMENT MEMBERS: Hear, hear!

At 9.15 p.m.,

The CHAIRMAN OF COMMITTEES (Mr. Kirwan, Brisbane) resumed the chair.

MR. KERR (*Enoggera*): It seems strange that we should be listening to a Minister of the Crown getting down to personalities while discussing such an important subject as the Financial Statement.

HON. W. FORGAN SMITH: Why did the hon. member opposite descend to personalities?

MR. KERR: The Minister descended to personalities before any word was mentioned by any member on this side of the Chamber; and he is responsible for the whole atmosphere in the Chamber at the present moment. The Minister has seen fit to infer, without actually making an accusation, that certain moneys have been collected and were utilised for the purpose of bribing members on this side of the House. I may say that in the Governor's Speech read before this House

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at the opening of the session, there was forecast a Bill for the control of racing. We know that certain information was given in regard to this matter in the Address in Reply, when it was stated that a certain gentleman connected with racing had left Brisbane on a certain morning, and that seemed to coincide with certain legislation which I have just mentioned. (Government dissent.) I would not have mentioned this fact, but the Minister has seen fit in his dignity as Minister to deal with this other matter. I have never heard for some considerable time such a distortion of facts as have been given by some of the speakers this evening. At this particular point, one might suggest that members of the Government are stonewalling their Financial Statement. Notwithstanding the fact that only the leader of the Opposition and one other member has spoken on this side, there have been three members from the Government side, all taking their full time practically, debating this motion. If ever an indication has been given to the people of Queensland that an election is pending, there is the indication there. It means that these speeches will be printed and circulated just prior to an election. I think that on such an occasion as the discussion of the Financial Statement the debate should be restricted to finance, and even a Minister should not be allowed to wander all round the world and introduce extraneous matter.

If ever a reason has been given why an election should take place, it is contained in the Treasurer's Statement and the financial tables connected with it. The Financial Statement and tables give a clear and concise account of financial measures during the last seven years. Two pages are devoted to the amounts expended, and specially pointing out that parliamentary appropriations have not been exceeded. The spending of money belonging to the people of the State is one of the functions that a Parliament should retain, but this Government have never under any circumstances considered this Parliament. They perhaps have considered a Parliament in another place—possibly the Trades Hall, from which they receive instructions. It is possible that they have authorised the expenditure of these large amounts which have not been appropriated by this Parliament. I find that the unauthorised expenditure since this Government came into office has been as follows:—

	£
1914-15 ... ..	877,000
1915-16 ... ..	615,000
1916-17 ... ..	621,000
1917-18 ... ..	454,000
1918-19 ... ..	1,046,000
1919-20 ... ..	1,263,000
1920-21 ... ..	521,000

It is true that the Government have summoned Parliament to give authority after they have spent this money—but even then they use the "gag" in their desire to ignore Parliament—but there is practically no Parliament in Queensland if one judges according to the correct functions of a Parliament. This Parliament has been overridden time and again. The statement in the Treasurer's Budget Speech that the appropriation has not been exceeded is not correct, because loan money has been overspent to the extent of £1,205,024. On page 8 of the Treasurer's

Statement it is said that the loan expenditure during the war was as follows:—

	£
"Expenditure as per Budget Table E2 ... ..	2,599,573
Repayment of temporary loan from Bank of England	1,000,000
Retirement of Treasury bills which matured 1st January, 1922 ... ..	1,124,750
Debentures redeemed 1st February, 1922 ... ..	15,000
Amount of war gratuity bonds received from soldiers paid Commonwealth Government in reduction of soldier settlement loan indebtedness ...	4,451
Total ... ..	£4,743,774,"

Of that sum £1,205,024 was not appropriated by Parliament. In New South Wales a Public Accounts Committee went into the details of unauthorised expenditure, and what they say of New South Wales is equally applicable to Queensland. In the Premier's Department there money was spent for motor-cars—upkeep, salaries, and allowances—amounting to £7,220. The advantage of a Public Accounts Committee is that they are able to get details and publish them—which members of this House can never obtain from members at present occupying the Government benches. We have time and again tried to get from members opposite details of the expenses of motor-cars and other expenses connected with the travelling of Ministers. In that respect the Committee in New South Wales said—

"Whilst accepting the explanation of the first item—£7,220 3s. 4d. in respect of motor-cars—the committee recorded the opinion that the State motor-cars should be used only for purely official purposes, and that every possible effort should be made to economise in expenditure in regard to their use."

They also touch upon another matter which affects Queensland. It may be mentioned that in 1920 this Government doled out to men, some of whom would not work, no less than £32,000, the expenditure of which had not been authorised by Parliament; and in 1920-21 the amount was £37,000. The New South Wales Committee said—

"In regard to the item for the distribution of blankets to the poor, £4,625, the Committee expressed by resolution the opinion that in the issue of relief of this character the element of political patronage should be eliminated as much as possible, and the distribution made as far as practicable through recognised charity channels, such as benevolent and other non-sectarian societies and municipal and shire councils."

We know that in country towns, some of them represented by hon. members opposite, hundreds and thousands of pounds are spent in this way. A further statement made by the Committee is this—

"Whilst recognising that the increase in the basic wage during the financial year under review created abnormal conditions not foreseen when the Estimates were prepared, on general principles such large expenditure in excess of the Estimates, as shown by the Railway Department, should not be allowed. The various

departments should keep within their estimated expenditure unless absolutely unforeseen and urgent circumstances arise, and should not merely continue spending when their votes run out, relying upon the Committee afterwards to sanction such excess expenditure."

The position in Queensland is that the Government have gone on spending and spending without the approval of Parliament, and have merely waited for Parliament to confirm their action.

To the best of my ability I want to deal with the £5,000,000 of interest on the public debt, from the raising of which by taxation most of our troubles in Queensland come, and I want to show also that the war has not entered into the finances of Queensland one iota, as the hon. member for Herbert has said. The Commonwealth Government have had to raise loans to carry on the war, and the greater amount of the Commonwealth public debt has been purely war expenditure, whereas, if you analyse the public debt of Queensland, you will find that not £1 has been allocated for the war or is in any way connected with repatriation.

Mr. PEASE: We pay interest on the soldier settlements.

Mr. KERR: We do nothing of the kind. The soldier settlements are paying their own interest. That is just the mistake the hon. member makes. He does not grasp the subject. Interest is paid on repurchased freehold land, but the soldier settler who obtains an advance and is on the land pays the total amount of the interest. The

[9.30 p.m.] State guaranteed such interest, and through bad management of these assets they have been called upon to pay this interest. There have been millions of pounds expended by the Commonwealth that there is no hope in the world of ever getting back again.

Mr. PEASE: Talk about doles now.

Mr. KERR: I am not going to talk any further about doles. I am going to come to the financial position; and I am not going to Europe; I am not going to America; and I am not going to Russia.

Mr. PEASE: You have not brains enough.

Mr. KERR: I am going to stick to this glorious State of Queensland, and show the mess that hon. members opposite are making of it.

Mr. PEASE: Tell us about those trips you had.

Mr. KERR: Yes, and I had all I want for some considerable time. If the hon. member who interjects so furiously would only travel the world a little more he would get a sounder knowledge of the world's finance than he has. I have heard the self-same speech delivered by the hon. member to-night every year consecutively for the last three years, and I am learning it more or less by heart. All the same it has some good points about it that make it worth listening to. The revenue in Queensland for 1919-1920 per head was the greatest of all the States except Western Australia. In New South Wales the revenue per head was £16 5s. 6d.; Victoria £12 9s. 4d.; Queensland, £17 1s. 3d.; South Australia, £14 11s. 2d.; and Western Australia, £20 10s. 6d. I have heard hon. members opposite stating that because the revenue per head of Queensland

was greater than that of any other State, therefore the progress of the State must be in advance of that of any other State of the Commonwealth, but the revenue per head alone gives no indication of our progress. The only way in which to obtain any indication of the progress of the State is to analyse the revenue received from the expenditure of loan moneys. Let us eliminate taxation from the question. We find that our revenue in Queensland represents 10 per cent. of the public debt. In New South Wales, eliminating taxation also, the revenue amounts to 18 per cent. of the public debt. In Victoria the revenue amounts to 15 per cent. of the public debt; and it must not be overlooked in this connection that the rate of interest paid on the public debt is just about equal in all the States. In New South Wales it is 4.426 per cent.; in Victoria, 4.095 per cent.; in Queensland, 4.212 per cent.; and in South Australia, 4.445 per cent. That shows that in Queensland our revenue, based on the public debt, should not be 10 per cent., but that it should be at least equal to Victoria, where it is 15 per cent.; or, again, to equal that of New South Wales, where it is 18 per cent. But Queensland has a vast advantage over the other States in regard to the amount received for rent and from the sale of lands. That is something that has come into the Treasury without any cost to the people; the question of the public debt is not concerned with that. In Victoria they received from the public lands, £538,731; while Queensland received from this source, £1,603,201. That means that Queensland has gained about £1,000,000 in that connection, and, therefore, the revenue should have been greater by £1,000,000 in comparison with the revenues of New South Wales or in Victoria, but, unfortunately, it is not so. We want to get at the root of the trouble and see why we have to get £5,000,000 in taxation to meet our debts. We find that our public debt is £80,000,000. If we take 5 per cent. of that, we get £4,000,000. If we were to get that return from our public debt investments we would to-day have a surplus of £1,000,000 and no taxation, but, unfortunately, we are not getting that return, and we have to extract from the people £3,000,000 by way of taxation. If you turn back to 1914, you will find that the revenue received on the public debt equals 12½ per cent.; that is 2½ per cent. greater than the amount received to-day. If we received the same to-day from our loan money investments as we received in 1914, we would have an extra revenue of £2,000,000, making a total revenue of £14,000,000 instead of £12,000,000, which would mean that taxation would not be called upon to make up the difference. One tries to analyse the Victorian figures in order to see where the secret comes in. We find that in Victoria the taxpayer is not required to support manual workers, for one thing, and those who refuse to work, as was the case at Mount Morgan. That was a typical instance of hundreds of men for nine months receiving doles and rations—able-bodied men, who declined to work for the award rates. If hon. members opposite believe in arbitration—and I think most of them do—I believe in arbitration principles, and I believe in conciliation principles—they would have advised the men at Mount Morgan to accept the award rates. The men at Mount Morgan for nine months were living on the taxpayers and declined to work at award rates. In Victoria, where they have a Government who

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know how to administer the affairs of the country, they have not had that sort of thing to contend with. They have not had to contend with the crazy State enterprises such as we have had. We have had the Minister for State Enterprises definitely asking to-night whether the Nationalists are in favour of wiping out State enterprises. I think most people by now are fed up with the State enterprises, as they realise that not only is revenue going into State enterprises, but that much of our loan money, on which the taxpayer is paying interest, is going into this sink of State enterprises. Also much of our trust money, coming from the depositors in the Savings Bank, is going towards the upkeep of these State enterprises, and we have a debit balance of over £500,000. Is it any wonder that the Nationalists should say that these crazy experiments that are detrimental to the progress of this State should be wiped out? One of them is the State butcher shops. When these shops were kept separate from the cattle stations they made thousands of pounds out of the people. The profit and loss account for the last three or four years will show enormous profits which have been transferred to meet the losses on other industries, such as the fish industry, State stations, State Produce Agency, ships, arsenic mines, coal mines, iron and steel works, smelters, and grocery stores. I not only say this in Parliament, where a handful of people will hear me, but I have said it on the public platform; I said it during the Paddington by-election, when the Labour party had their majority cut down by 500 votes in one of the strongest Labour strongholds in Queensland. If the Labour party at the next election lose the same proportion of votes in every electorate, they will possibly have four men sitting on this side of the House. Many hon. members opposite only won their seats by fifty or a hundred votes. If they lose the same number of votes by putting the same policy before the people as they put before the Paddington electors—

Mr. RYAN: What was the issue?

Mr. KERR: There was only one issue in Paddington. The issue was no retrenchment, no deflation, no people being sacked, no unemployed. That was the point. What happened? They missed the bus. It could almost be said that the Secretary for Mines deliberately misled the electors. His intention may have been honest, but the people who are behind him—who are divided in their ranks—are the people who would not allow these promises to be kept. We find there has been retrenchment, with consequent unemployment. In the Railway Department hundreds of men are not drawing the basic wage which is so much spoken of by hon. gentlemen opposite; they are pooling the work. You, Mr. Chairman, know what it means to pool work—the men receive three and four days' work per week instead of the regulation forty-eight hours, and are not drawing the basic wage provided for a man with a wife and three children. There is no doubt that the drivers, porters, shunters, checkers, and all grades throughout the whole service have from time to time pooled their work in order to get at least three or four days per week, for which they draw an average of about £3 per week. The hon. member for Bremer knows that in his electorate they had a "Black Friday" for a considerable time; they have pooled their work

for months in sections of the shops, to get a few pounds when they should be drawing the basic wage. Yet these hon. gentlemen, when it comes to a vote on the question of whether there is to be a reduction, will take their place with the Government. The people in the country know them, and will not trust them. The retrenchment of 1902 was not as bad as that which is proposed, in some instances, by this Government at the present time. Yet there are men opposite who are trying to delude the people into the belief that they are the workers' friends. Several Ministers during the Paddington by-election took credit for the passage of the Workers' Compensation Act. That was typical of the attitude always adopted by them. That Act was introduced in this House by the Hon. J. W. Blair. I think I would be right in saying that that hon. gentleman would not be seen sitting with hon. gentlemen who are occupying the Government benches at the present moment. Let me quote what was said recently in regard to State enterprises at an annual meeting of the Chamber of Manufacturers. The president said—

"There was evidence that they had entered upon the reactionary stage of deflation and economy. First, he stated, we are confronted with the result of reckless and reprehensible expenditure by the Government of public funds, and the employment of very large sums in State trading ventures, which not only compete with, but seriously restrict private enterprise. Government control in this direction should be strenuously opposed before it is allowed to develop into its avowed objective—nationalisation. From the Auditor-General's report we learn that seven out of nine State enterprises are responsible to the Treasury for the year ended 30th June last, for an indebtedness of £1,567,696. Nationalisation of the means of production run on these lines would, in plain English, mean ruination. The people who in the past have been heavily taxed to meet every extravagant demand will now be called upon to face a depleted exchequer, and by taxation and retrenchment make up for all deficiencies."

That is exactly what is happening in this State. Herbert Spencer defined representative government as something that "is good, especially good, good above all others, for doing the thing which a Government should do," but "bad, especially bad, bad above all other things, for doing the things that a Government should not do." Trading is one of the things that a Government should not do. I want to know exactly where this taxation, amounting to £3,420,296—together with the interest on our public debt, amounting to £3,286,000—is leading. I want to quote some figures in regard to taxation, and to show what has been done in the other States in comparison with Queensland. The taxation in the different States for the periods stated was—

—	1916.		1917.		1918.		1919.		1920.		1921.	
	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
Victoria	29	3	32	0	52	9	58	4	42	3	48	10
W. Australia	25	8	26	1	20	1	40	2	50	11	57	4
Tasmania	38	3	43	11	52	6	53	2	76	3	63	10
S. Australia	31	11	33	8	46	7	53	2	59	5	65	2
N.S. Wales	33	4	39	1	41	1	42	4	49	7	70	4
Queensland	42	9	46	9	51	2	79	10	91	8	95	1

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The returns show that Victoria, under a Liberal Government, has declared that there is to be no further taxation, but that the taxation is to be reduced. Western Australia shows a very steady increase; Tasmania a gradual increase; South Australia a gradual increase; New South Wales, under a Labour Administration, a rapid rise, but now there is a Coalition Government in office there the decision is that there is to be no further taxation, but possibly a reduction; also, without increasing taxation, they anticipate a surplus. Queensland, in 1916, had the highest taxation of any State, and it has gone up by leaps and bounds. When you come to look at the average taxation per head you find that the figure for the Commonwealth is £3 7s. 3d. Every State in the Commonwealth is below that average except New South Wales—which is 3s. 1d. above it—and Queensland—which is £1 8s. 7d. higher. I know that these facts are not very entertaining to listen to, but it is necessary that we should get them into "Hansard."

The matter used by the Minister who has just resumed his seat had nothing whatever to do with the Financial Statement. It was very degrading to see a Minister dealing with matters which have no connection with the Statement, but are more or less propaganda, and were used for that purpose. I want to show what the effect of taxation is on industry.

HONOURABLE MEMBERS conversing in loud tones,

The CHAIRMAN: Order! I appeal to hon. members again not to conduct their conversations in such a loud tone. A continual hum reaches my ear, and I am sure it must be disconcerting to the hon. member who is addressing the chair. I hope that hon. members will give the hon. member for Enoggera an opportunity of delivering his speech.

Mr. KERR: I have here a profit and loss account, we will say, of the "Fast and Loose Manufacturing Company"—probably the designation could be applied to the present Government. On one side of this profit and loss account we have the gross profit brought down from the trading account, and on the other side, in conjunction with salaries, bonuses, interest on debentures, lighting, depreciation, and other charges, we have provision for income taxation. If that is provided for on the other side of the profit and loss account, it means that the net profit is reduced, and, if that net profit is going to be reduced below 6 per cent., that industry is going to be wiped out of existence. If the taxation is eliminated from the profit and loss account, possibly the profit would be permitted to reach 6 per cent. on the capital invested. In addition to wiping out this business there is another result. Facilities are provided in Queensland for people who have a few pounds to invest to invest in bonds at 6½ per cent. Why should people with a bit of money invest in a business concern and have to contend with certain conditions, when they can buy over the counter bonds bearing coupons giving 6½ per cent.? All the manufacturing companies to-day are not making much more than that, and they have invested considerable capital in their undertakings. If that trading company has to keep in existence it wants to produce, and, if the income taxation is high and it wants still to get the same profit, there is only one way of doing it, and that is

by increasing the selling price of the manufactured article. If that is done, it means that the consumer who buys that article must pay the income taxation of the producer, and it really means a higher cost of living and a lesser consumption. There is no doubt it has absolutely a boomerang effect. That is what hon. members opposite have failed to realise. They talk about the sheep man, the cattle man, and "jazz" parties. The financial year closed with a deficit of £188,592, and the anticipated deficit for next year is £576,840. This Government, after the very, very decent seasons we have had, should not anticipate such a large deficit. That has got to be made up somehow, and, in addition to the loan moneys falling due, we have to face the increasing interest on our public debt. One hon. member opposite said that this was a young country and that we required loan money to make it progress. That is right. Goodness knows where this country would have been had it not been able to get loan money to enable it to advance! Under previous Governments borrowing was a virtue; but, unfortunately, with this Government it has been a vice. Queensland is giving 5 per cent. less return than any other State in Australia, and, therefore, borrowing had been a vice, inasmuch as the people have been called upon to pay taxation to pay for that vice.

Mr. W. COOPER: How will we alter it?

Mr. FRY: Change the Government.

Mr. KERR: It will be altered before very long.

Mr. W. COOPER: It will be on the wrong side of the ledger when it is changed.

Mr. KERR: The finances of the Government are on the wrong side of the ledger at the present time. We have so much loan money falling due that within the next two or three years taxation will have to be increased.

Mr. W. COOPER: You are not a prophet.

Mr. KERR: It is not a question of being a prophet; it is a question of common sense facts and figures. If the hon. gentleman desires to learn, he will listen. In 1922-23 we have loan money falling due to the amount of £2,828,750. Possibly the investors do not want that loan redeemed, and we shall have to renew it, and renew it at 6 per cent. We have had that money at a rate of 4½ per cent. to 5 per cent., and next year, when we renew the loan, we shall have to pay an additional £40,000 without receiving one additional penny. In 1924 loan money to the amount of £13,160,634 will be falling due. A large parcel of that money was borrowed at 3½ per cent.—the lowest Queensland loan rate—and some of it was borrowed in 1884. We have had the use of that money all those years at 3½ per cent., and it will shortly have to be renewed or redeemed. If it is renewed, the minimum percentage of interest will be 6 per cent. If that is so, we are going to have to pay out of revenue an additional sum of £285,953 without gaining one single penny. It does not stop there. I mentioned three years. Next year there are £12,000,000 falling due, and, on the same basis, we shall have to pay from revenue as interest on that debt an additional £250,000, making a grand total, without the expenditure of one penny, of over £500,000. With an anticipated deficit of over £500,000, which revenue must meet, at the same time with that £500,000

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extra interest on loans which are renewed, a total additional sum of £1,000,000 will have to come out of revenue. If our investments are not going to produce an additional £1,000,000 during the next two or three years, we shall have to ask the taxpayer to find that amount. Unless money is stopped from going into State enterprises, where it is being lost, heavy taxation is going to be imposed. I think that the situation is very serious indeed. This is where the financial instability and unsoundness comes in. The Labour Government, during their period of office, have built up a deficit of £760,000. The Government know perfectly well that, if they went to the country with that deficit of £760,000 hanging over them, it would be very much against them. What did they do? One could not say it was

[10 p.m.] underhand, but you might say it was a piece of manipulation in order to create a good atmosphere in regard to the deficits. We find that the Treasurer, in order to reduce that £760,000, issued treasury bills for £253,493. The hon. gentleman interjected during this debate that the deficits had been reduced. That is right; they were reduced; but how were they reduced? The Government issued treasury bills of £253,493, which they sold over the counter at 6½ per cent. interest, and that was added on to the public debt. By adding that amount to the public debt, we shall have to pay from revenue interest on money which has not been expended, but has been whittled away. In regard to the whittling down of that large amount of deficit, the Treasurer points out that £145,000 was allocated for the reduction of the deficit last year, but that £145,000 was part of the expenditure of £164,000, which was not authorised by Parliament. Previous Governments would never have utilised that amount of £145,000 for that purpose. It would have been paid to the trustees of the Public Debt Reduction Fund for the reduction of the public debt. But the Treasurer preferred to utilise it in order to whittle down the deficit, so that, when he goes to the country, the deficit will appear so much less than it really is. In three years' time, the renewal of loans totalling £28,000,000 will impose an extra burden of over £500,000 on the people without the expenditure of a penny. The accumulated deficits are £549,000, and the additional anticipated deficit £576,000, so that the revenue during the next couple of years will have to bear an added charge of £1,625,000 without the expenditure of one penny being made.

Now, that is a serious situation. Our revenue is decreasing year after year. I think the outlook is very serious indeed. We can judge our progress by our trade and production; and I am going to quote a few startling figures which will prove that this State, under the jurisdiction of the Labour Government, has gone down. The war had nothing to do with retarding its progress. As a matter of fact, it gave a wonderful opportunity to Australia to develop her secondary industries, because many lines were being imported from overseas which we could have developed here. We were once again given the opportunity to place our industries on a solid basis, but that opportunity was never seized by Queensland. Instead, owing possibly to the conditions enforced on the manufacturer, Queensland became a good customer of the Southern States, which increased their manufactures. That meant

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extra production, and it meant more men getting work in the other States.

With regard to shipping—which is a trade indicator—in 1913 the shipping in Queensland, inwards and outwards, represented 4,498,937 tons. In 1920 it was 2,736,303 tons, or a decline of 1,762,634 tons. The decline in shipping is applicable to every port in Queensland. Every member knows of the decline in shipping throughout Queensland. In regard to factories, in 1913 there were 1,833 factories in Queensland, and in 1921 there were only 1,795, or a decline of 43. The hands employed in 1913 numbered 43,196 as against 42,363 in 1921, or a decline of 833 hands. We know that the population of Queensland has increased during that time, so there must be more men out of work in addition to the 833 shown in those statistics. I do not wish to repeat the argument about the overhead charges being less in the other States than in Queensland. In Queensland the manufactures are equal in efficiency with those in other States, but the overhead charges in Queensland are very much greater. I took the opportunity of analysing the statement made by the Treasurer last night regarding the industries in Queensland and Melbourne so far as marginal profits are concerned, and I find that the operation of the income tax acts detrimentally in Queensland as compared with Victoria. There are also other factors which operate more favourably in the South than in Queensland. Apart from the factories, I would like to show what Queensland has done in regard to private enterprise. The hon. member for Herbert talked for half an hour to-night about private enterprise. If it were not for private enterprise, I do not know where Queensland would be to-day. We know that, when the imports from the old country to Australia, in 1920, exceeded the exports by £32,000,000, the traders in Australia generally had a very embarrassing time financially. They, of necessity, had to get rid of their stocks at a low price, and we know, also, that they had to reduce their bank overdrafts. We know that they suffered tremendous losses, but they economised and were able to stabilise the finances of this State. The greatest credit is due to the trading and commercial community of Queensland for materially assisting the State in the bad time it passed through. To-day we are glad to see that the exports from Australia are £27,000,000 greater than the imports. That has been an assisting factor in stabilising the finances of the State. Yet the Government have the audacity to bring down a Budget with an anticipated deficit of £500,000 when it is having the best seasons of any of the States of Australia. Instead of talking about what private enterprise has done, we have only to look to what the other States have done in the way of progress during the last seven years while we have been standing still. Let us see what the value is of the plant and machinery, land and buildings used in Queensland for manufacturing.

Mr. RYAN: There is a lot of building going on now, is there not?

Mr. KERR: Yes; there are buildings going up as high as the sky, containing hundreds of offices, to pay the land tax imposed by this Government, and in them there are agencies for Southern firms who are manufacturing things to be sold to the community here. Of the value of the plant



and machinery, land and buildings, throughout the whole of Australia, that in Queensland represents 13 per cent. only. The value of materials in Queensland represents only 11 per cent. The added value by manufacture in Queensland represents only 13 per cent., and the value of the output in Queensland represents only 12 per cent.

Mr. RYAN interjected.

Mr. KERR: The hon. member is proud of it. He would like to see the whole of it wiped out. He makes foolish interjections, and is not game enough to get on his feet and make a speech, except, perhaps, in the Trades Hall, where the Press are not allowed to report his speeches. And rumour, which very often tells untruths—and more especially, perhaps, in politics than in anything else—has it that the Minister for State Enterprises is leading a certain element there known as the extreme section. Whether that be true or not I do not know, but I hope that something will come along very soon and create chaos in the Government ranks, just as the Financial Statement has created chaos so far as the finances of the State are concerned.

One very regrettable feature of the condition of Queensland at present is that the rural populations to-day are coming into our cities to be lodged and fed at the expense of the State. It is true that Queensland increased her area under wheat by 50,000 acres. That fact has been pointed to as indicating the progress of the State, but New South Wales increased her acreage by 895,000, and Victoria by 210,000, and South Australia—with a population of 497,000 as against Queensland's 764,000—has increased hers by 88,000. Queensland is a great producing country, probably one of the best in the whole world. Even the great nations of the world are looking to Australia and Queensland as becoming one of the principal dependencies from which primary products can be obtained for their factories; but our wool has decreased by 22,000,000 lb. since 1913, whilst that of Victoria has increased by 2,000,000 lb., that of South Australia by 8,000,000 lb., and that of Western Australia by 17,000,000 lb. The same thing applies to minerals. Of course, minerals were subject to the world's markets, but there is nothing to be said in favour of the Government's handling of the various coal enterprises and State batteries. The Government should never have gone into this trading. Many thousands of pounds have been sunk in coal-mines on which the taxpayers are paying interest. As I notice my time has nearly expired, I wish now to deal more or less with the question of where all this waste and loss is reflected. It is reflected more or less in the Railway Department. For an expenditure of £5,046,498 from revenue in 1921 the return was £5,330,312, an excess revenue of £283,814; but in 1913, for a revenue expenditure in the Railway Department of £3,000,000 less, there was a surplus of £1,169,761.

The TREASURER: You have quoted a lot of figures, but they are wrong.

Mr. KERR: They are not wrong. The Railway Department is the department around which the whole of the finances circulates. Every man you put on the land means additional railway revenue. Every article produced must be carried over the railways, and will thereby increase the railway revenue. Instead of building more non-

paying lines, such as the Burnett, you could establish 1,000 settlers at £2,500 each on land adjacent to railway lines instead of putting something on to our children's children, as has been mentioned to-night, and not only on our children's children, but on the people who are living to-day.

The CHAIRMAN indicated that the time allowed the hon. member by the Standing Orders had expired.

The House resumed.

The CHAIRMAN reported progress.

The resumption of the Committee was made an Order of the Day for Tuesday next.

#### ADJOURNMENT.

The PREMIER: I beg to move—

“That the House do now adjourn.”

The first business on Tuesday will be the want of confidence motion, which will be on top of the business-paper; but I desire to inform hon. members that it will be necessary to get a Supply Bill through on Tuesday. If the leader of the Opposition is willing to make an arrangement to get that Bill through all its stages on Tuesday, we can continue the debate on the want of confidence motion; but, if not, that debate will have to be concluded.

An OPPOSITION MEMBER: Are you going to “gag” it? (Laughter.)

Question put and passed.

The House adjourned at 10.20 p.m.