

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**THURSDAY, 2 AUGUST 1923**

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THURSDAY, 2 AUGUST, 1923.

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

### QUESTIONS.

#### ALLOWANCE FOR HOLDERS OF STATE SCHOLARSHIPS.

Mr. ROBERTS (*East Toowoomba*) asked the Secretary for Public Instruction—

"1. What number of applications were received for scholarship allowances on behalf of children who passed their scholarship examinations—(a) 1921; (b) 1922?

"2. What was the number to whom allowances were granted—(a) 1921; (b) 1922?

"3. What number is yet under consideration—(a) 1921; (b) 1922?

"4. Is an ex-soldier pensioner in receipt of upwards of £156 entitled to the assistance?

"5. Is the amount of £156 income of parent to be increased? If so, when?"

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. J. Huxham, *Buranda*) replied—

"1. (a) Figures not available. Records were not kept prior to 1922; (b) 567.

"2. (a) 354; (b) 435.

"3. (a) 2; (b) 13. Due to non-attention to correspondence from the department.

"4. The conditions prescribe that the scholarship allowance is payable where the income of the parent does not exceed £156 per annum or £30 per member of the family entirely dependent on such income. Thus, if the income of the parent of a scholarship winner were £208 a year, and there were seven members of the family entirely dependent thereon, the scholarship allowance would be payable.

"5. This matter is at present under consideration."

#### CONFERENCE OF COTTON-GROWERS.

Mr. DEACON (*Cunningham*), in the absence of Mr. Costello (*Carnarvon*), asked the Premier—

"1. Has he convened a conference of cotton-growers for this month, in redemption of a promise made to a deputation which waited upon him on the 9th May last, for the purpose of discussing the whole cotton position regarding subjection of pests, co-operative gineries, oversea and local marketing problems, ratoon cotton, etc., before introducing legislation to deal with the cotton industry?

"2. Has the resolution carried by the Council of Agriculture, 'That, in our opinion, the conference is neither desirable nor necessary, as no good can come of it,' altered the position in any way?

"3. Are delegates elected from local producers' associations vitally interested in cotton-growing entitled to attend on behalf of their districts?"

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

"1, 2, and 3. The Minister for Agriculture, at my request, in co-operation with the Council of Agriculture, has convened this conference."

#### INDUSTRIAL ARBITRATION ACT AMENDMENT BILL AND COUNCIL OF AGRICULTURE.

Mr. SWAYNE (*Mirani*) asked the Secretary for Agriculture and Stock—

"1. Will his office as president of the Council of Agriculture affect the position of that body if it or its subsidiary bodies—the local producers' associations—are required to appear before the Industrial Court on behalf of producers on whom claims for higher wages or shorter hours are made?

"2. If his organisation does so appear, will it not further complicate the position, if at the same time, as has occurred in the past, any of his Cabinet colleagues holds the position of president or vice-president in the Australian Workers' Union or similar body when it is the claimant?"

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

"1 and 2. No."

#### COST OF GENERAL ELECTION.

Mr. CORSER (*Burnett*), in the absence of Mr. Moore (*Aubigny*), asked the Attorney-General—

"What was the cost of the last election—(a) as a whole; (b) in each electorate?"

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

"(a) and (b). This information is being prepared, and will be supplied to the honourable member as soon as possible."

#### SECRETARY AND ACCOUNTANT TO QUEENSLAND PRODUCERS' ASSOCIATION.

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

"1. When applications were invited for the position of secretary and accountant to the Queensland Producers' Association, closing 2nd November, 1922, was a salary of £600, rising to £750 in yearly increments of £30, fixed, and was it a condition that the secretary should terminate his services on giving or receiving three months' notice?

"2. Have the conditions been altered since appointment—

(a) By increase in salary; if so, how much?

(b) By altering conditions as to termination of services; if so, what are the conditions now?

"3. Were fresh applications called under the altered conditions?"

The SECRETARY FOR AGRICULTURE AND STOCK replied—

"1. The applications, as invited, included the salary as stated by the honourable member, but a condition with regard to termination of services on giving or receiving three months' notice was not included therein.

"2. (a) Yes; by increase of salary to £660 from 1st July last. (b) No; because nothing definite was stated as to termination of services. Present conditions are: engagement for five years from the 1st January last, subject to good behaviour and efficiency.

"3. No."

#### GLUT OF MAIZE AT ATHERTON.

Mr. DEACON, without notice, asked the Secretary for Agriculture and Stock—

"1. Has he noticed a report in this morning's papers that there is a glut of this season's maize at Atherton?"

"2. Has the department any information on the subject; if not, will he cause inquiries to be made as to the correctness of the report?"

The SECRETARY FOR AGRICULTURE AND STOCK replied—

"This matter has been referred to the Council of Agriculture."

#### PAPERS.

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

Report of the Royal Commission on Public Works on the proposal to convert portion of the Innisfail Tramway, between Innisfail and Mourilyan, from the existing 2-foot gauge to the 3-foot 6-inch gauge.

Report of the Royal Commission on Public Works on the proposal for the construction of an extension of the Innisfail Tramway from Nerada to the Little Beatrice River, for the purpose of opening up the Palmerston lands.

#### ESTABLISHMENT OF CO-OPERATIVE PRODUCE AGENCIES BY PRIMARY PRODUCERS.

##### RESUMPTION OF DEBATE.

Question stated—

"That, in order to assure to primary producers the possibility of controlling the marketing of their produce, legislative provision be made and loan moneys be made available for the establishment of co-operative produce agencies, to be controlled by the primary producers themselves through a properly constituted directorate elected by subscribing shareholders." (*Mr. Corser's motion.*)

Mr. GLEDSON (*Ipswich*): I desire to move an amendment on this motion. (Opposition laughter.) I move the omission of all the words after "produce," with a view to inserting the words—

"all primary producers be advised to take advantage of the Primary Producers' Organisation Act provided by the Government, and also the Industrial and Provident Societies Act to enable them to obtain their necessities at reasonable rates through co-operation."

The motion will then read—

"That, in order to assure to primary producers the possibility of controlling the marketing of their produce, all primary producers be advised to take advantage of the Primary Producers' Organisation Act provided by the Go-

vernment, and also the Industrial and Provident Societies Act to enable them to obtain their necessities at reasonable rates through co-operation."

To hear members of the Opposition speak on this motion, one would think that the Government had done nothing to assist primary producers and, incidentally, the other workers in Queensland to form themselves into co-operative societies, not only to market, but also to obtain their goods along co-operative lines. Hon. members on this side of the House have taken just as much interest in the co-operative movement of this State as hon. members opposite—in fact, more. I have endeavoured to foster the co-operative spirit for a number of years amongst the farmers and industrial workers, and have done something to bring about the success of the co-operative movement in our State. When hon. members opposite sat on the Treasury benches an effort was made unsuccessfully to get a Co-operative Societies Act placed upon the statute-book of Queensland. I myself—not then a member of this House—came with a deputation to the Attorney-General of the Nationalist-Country-United-Liberal party who were then in power, and asked him to pass a measure enabling co-operative societies to carry on co-operative business. We were turned down with a bump. The Government said, "No. We are not going to provide any Co-operative Societies Act. If you want to carry on your business, register under the joint stock provisions of the Companies Acts."

Mr. CORSER: What was the business?

Mr. GLEDSON: The business of co-operative societies.

Mr. CORSER: Domestic co-operation?

Mr. GLEDSON: We have that now. We were told that that was all we could get from the men who now claim that they are the only persons interested in co-operative societies. We find that directly the Government endeavour to do something to enable the primary producers to organise and control their own affairs, the Country party bring along this motion, in order to get into the limelight, and they tell the people of Queensland that the Government have done nothing for them, and that the Country party are bringing forward a motion which is going to settle all their ills with respect to the marketing of their produce. Let us have a little talk for a few minutes on the principle of co-operation. We find that for many years the principle of co-operation has been carried out. There are some who believe in the true spirit of co-operation, while others in the co-operative movement formed themselves into co-operative societies, which really meant that they were adopting syndicalism. That is to say, they formed themselves into societies like many of the companies to-day, which are trading under the name of co-operative societies and obtaining the advantages of the legislation passed by this Government, when they have not got the true co-operative spirit in them. They are simply syndicalist companies joining together to get advantage of the legislation that has been provided by this Government for the co-operative movement, and they are not carrying out their business on co-operative lines at all. I take it from the remarks by the hon. member for Burnett, when introducing the motion, that he intends to proceed along those lines. He wants certain

*Mr. Gledson.*]

organisations to be able to form companies and get the Government behind them, and have the advantage of the Government money for the purposes of forming syndicalist companies, so that they can work along the lines he indicates. That is what we take from his remarks. The true co-operative spirit that was adopted many years ago in the industrial co-operative movement started in England, and was brought about in the first place by nine men. They were being charged an exorbitant price for tea, and they banded themselves together and procured the tea wholesale, and then went round distributing it. From that small beginning the co-operative movement has grown, not only in Great Britain, but throughout Continental countries, and it has extended to some extent to Australia, although it does not operate to the extent that it ought to be operating. The nine men I have referred to put in 10s. each to start the co-operative movement, and now in Great Britain there is a turnover of something like £5,000,000 by the same industrial co-operative society. We heard from the hon. member for Burnett what is being done through the co-operative movement in Denmark. That development has taken place because the people there have formed themselves into co-operative marketing societies.

The primary producers of Queensland have an opportunity under the legislation initiated by this Government to do that which the hon. member for Burnett is asking to have done through his motion. To bring those opportunities prominently before the primary producers, I have moved the amendment. I move that amendment so that they may know that every facility is afforded them to be true co-operators, and to form themselves into organisations that will provide not only assistance in connection with the tilling of their land and the giving of expert advice as to what land they should obtain in the first instance, but advice as to what crops they should grow on the particular land that they are tilling, and that will provide the means of enabling them co-operatively to market their produce at a price that will make their business successful, and return them a fair remuneration for their work.

Mr. EDWARDS: That is the very thing we are asking for.

Mr. GLEDSON: If that is so, why does he not go out and tell the primary producers of Queensland that they have the opportunity of doing this by getting into the Primary Producers' Organisation and taking control of their own marketing business? (Opposition laughter.)

Mr. EDWARDS: You do not give us the money to do it.

Mr. COLLINS: The Government has spent £24,000 in organising it.

Mr. GLEDSON: The hon. member for Nanango is one of the members who is most bitter in his opposition to this scheme. He did all he could in a quiet way, without committing himself, to prevent the primary producers organising under this Act.

Mr. EDWARDS: That is not true, and you know it.

Mr. GLEDSON: We know that it is true. There are other members of the Opposition in the same position. They endeavoured during the last election to prevent the

farmers from organising under the Act by throwing cold water on the scheme. I have a report of a speech of the hon. member for Enoggera. What does he say about it?

An OPPOSITION MEMBER: He formed the egg pool.

Mr. GLEDSON: He formed the egg pool after the election.

Mr. KERR: I formed it before you thought about it, too.

Mr. GLEDSON: The hon. member for Enoggera, in a speech in another electorate away from his own, said that the Primary Producers' Organisation Bill was not worth the paper it was written on.

Mr. KERR: Was that said in an election speech?

Mr. KIRWAN: Of course, you said it.

Mr. GLEDSON: Yet the hon. members opposite move this resolution asking the Government to advance money in order to bring about a scheme which, according to their own statement, is not worth the paper it is written upon.

Mr. CORSER: This is a separate matter altogether. It refers to the marketing.

Mr. GLEDSON: You cannot get over it in that way. What I want particularly to point out to the House, and, incidentally, to the primary producers, is that the co-operative movement will not be founded and prosper on money provided by other people.

Mr. KERR: It is not the money of other people; it is their own money.

Mr. GLEDSON: Such a scheme can only be a success if they are prepared to put their shoulder to the wheel and their own money into the business, and thus create a truly co-operative spirit.

Mr. KERR: That is what they are doing.

Mr. GLEDSON: That is the essential difference between my amendment and the motion moved by the hon. member for Burnett. The hon. member for Burnett seeks to create that co-operative spirit by applying to the Government to grant a loan for the purpose.

Mr. CORSER: You cannot have read the motion.

Mr. GLEDSON: According to his idea, the farmers in Queensland require to be spoon-fed. They require money to be found to enable them to market their produce. In fact, the hon. member would have us believe they practically require to be nursed all the time.

Mr. CORSER: That is too thin.

Mr. GLEDSON: My amendment is moved in order to bring under the notice of the farmers the power that they have in their own hands under the Primary Producers' Organisation Act—power to enable them to take control over the whole of their crops and the marketing of them co-operatively. When they accomplish that they will be able to do what the hon. member for Burnett suggests—that is, cut out the profits of those who are commonly known as the middlemen.

Mr. EDWARDS: Is it true that the State Produce Agency is handling black-grown maize?

Mr. COLLINS: Why did you not move your party in the Commonwealth Parliament to prevent its introduction?

[Mr. Gledson.]

Mr. GLEDSON: I do not know what connection the interjection of the hon. member for Nanango has with the motion before the House.

Mr. EDWARDS: Everything.

Mr. GLEDSON: Nor do I know that the State Produce Agency is handling black-grown maize.

Mr. EDWARDS: It is quite true.

Mr. GLEDSON: If it is handling such maize, it is the hon. member's business to go along and get full particulars. We want the primary producers of Queensland to know just where they stand.

Mr. EDWARDS: They know where they stand.

Mr. GLEDSON: I do not know what is the matter with hon. members opposite. Unless they have got all the say all the time, they will not allow anyone else to speak, and when hon. members on this side of the House attempt to speak they are interrupted with continual interjections.

There is only one way to make the co-operative movement successful. That is to instil into the minds of those who are taking part in it the true spirit of co-operation. I have been connected with co-operative societies for a considerable time. In fact, I think I was the originator and the organising secretary of the first co-operative society in Queensland. That society has been in existence since 1911, and is conducted on true co-operative lines.

Mr. EDWARDS: True?

Mr. GLEDSON: Yes, that is, it does not seek to make profits for the individual shareholders. All profits from the business are divided among the consumers in proportion to the amount of their purchases. From that society a splendid business has been built up in the district. Its operations have spread, and during the last eighteen months the society has obtained a very fine bakery, which is carrying on successfully.

I recently had the privilege of attending a meeting of representatives from co-operative societies. Five societies in all were represented. There were five or six representatives from the Boonah Society and also some from Nambour. An endeavour is being made to form all these businesses into a wholesale co-operative society, and so extend the co-operative movement in Queensland to the extent that has been done in other places. The Queensland people have the opportunities to do this, and already in some districts are taking advantage of those opportunities and working along true co-operative lines.

Mr. CORSER: Have they established markets?

Mr. GLEDSON: They have not established markets, with the exception that the co-operative societies in one centre are able to provide other centres with their products. But when they get banded together and form wholesale co-operative societies they will be able to establish markets as well as be able to indent their own goods instead of, as at the present time, having to buy through wholesale agents. One of the difficulties that has arisen in connection with the co-operative business has been that, while co-operative societies have been able to commence operations, they have had to depend upon private concerns for their goods, and the same thing applies in connection with the marketing of

their produce. What have the farmers in Queensland done to help themselves along co-operative lines since they have had an opportunity to establish co-operative societies? With the exception of two or three districts, they have not taken advantage of the Acts placed on the statute-book by a Government who are in sympathy with them, and who have been endeavouring to help them along those lines. The hon. member for Nanango a moment ago interjected something about the State Produce Agency. How many of the farmers of the State have been sufficiently interested in co-operation to send their produce to the State Produce Agency?

Mr. ELPHINSTONE: Why should they? That is nationalisation.

Mr. GLEDSON: How many of the farmers adversely criticise the State Produce Agency on every possible occasion?

Mr. EDWARDS: It is a speculative concern.

Mr. GLEDSON: The hon. member for Nanango and the hon. member for Burnett do not know the difference between a State concern and a privately-run concern. They do not know that the business of the State Produce Agency is being conducted in the interests of those who send their produce to market, in the interests of the consumer, and in the interests of the general public of Queensland, whereas private concerns are there to receive the farmers' produce, give as little as they possibly can for it, and sell it to the consumers at as high a price as they can get.

Mr. FRY: They both work on the same lines.

Mr. GLEDSON: If they both work on the same lines, why all the objection on the part of hon. members of the Opposition to the State Produce Agency? If they are both working on the same lines, there should be no objection to the State Produce Agency, but ever since this agency was established by the Government to enable the farmers to get a square deal, members of the Opposition have been adversely criticising it. On every possible occasion they have endeavoured to cast ridicule on the State Produce Agency, and to-day we find the hon. member for Nanango, instead of assisting his own concern—although he is in Opposition he is part and parcel of the concern—

Mr. EDWARDS: Do you consider that I should assist anything you like to establish? I would be foolish.

Mr. GLEDSON: I do not think the hon. member for Nanango knows what he is talking about.

Mr. EDWARDS: They bought black-grown maize for speculative purposes.

Mr. GLEDSON: If the State Produce Agency has been buying black-grown maize against the interests of the producers of this State, then it is time hon. members opposite gave the information to this House. A lot of the blame for the position that the farmers are in to-day in connection with the marketing of their produce lies at the door of hon. members opposite, because on every conceivable occasion they have endeavoured to keep the farmers in the hands of middlemen, brokers, and private produce agents.

Mr. EDWARDS: What about the time when you seized their produce?

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Mr. GLEDSON: This Government endeavoured to give them a co-operative concern—a produce agency that would be their own—through which they would get a fair return for their produce and which would not have the tickets taken off the trucks and prevent the farmers from knowing what the goods were sold for in the open market. Those are some of the things that the Government have done to try and benefit the primary producers and see that they get the full results of their labour. While advocating and working to see that the industrialist gets the full results of his labour, we are also working on the lines of seeing that the primary producer gets the full results of his labour. The primary producers will never get the full results of their labour while they are kept in their present state by members of the Opposition, who are continually driving them into the hands of private enterprise, which is fleecing them out of their just rights.

Mr. EDWARDS: Who built up the co-operative concerns?

Mr. GLEDSON: The farmers have not taken advantage of the opportunity to build up co-operative concerns, and have not supported the principle of co-operation as they ought to have done. Even in the co-operative concerns down here some of our members are directors. Many of the farmers, as well as the industrial workers, have not the spirit of co-operation in them.

Mr. COSTELLO: They have been hampered by the Government.

Mr. GLEDSON: The same thing applies to the Murarrie Co-operative Bacon Factory. While farmers who were shareholders in that concern could get a halfpenny or a penny per lb. more for their pigs elsewhere, they refused to send them to their own factory at Murarrie.

Mr. ROBERTS: That was due to the management.

Mr. GLEDSON: The management was in their own hands. A co-operative business controls the whole undertaking, and if there is mismanagement, all they have to do is to alter it.

Mr. ROBERTS: They have done it.

Mr. GLEDSON: I have cuttings from speeches of the directors, who complain of farmers sending pigs to private factories because they could get a halfpenny or a penny per lb. more. What is wanted is that the factory should have the loyal support of its shareholders, and should get their pigs even at a disadvantage to the farmer, as later on they would be able to build up the factory. We want the farmers and workers in Queensland to realise that they can only be successful if they are loyal to themselves. These remarks also apply to butter factories. The butter factories have been successful because the private factories are to a great extent not operating now, but when private factories were operating, the same thing applied. The shareholder in the co-operative factory would send his cream to a private factory because he would get a little more from it than from his own factory.

Mr. EDWARDS: Tell us what the Government did with the co-operative factories.

Mr. GLEDSON: I am making my own speech. I have very much pleasure in moving this amendment, which I am sure will be supported by hon. members opposite, who

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are advising the farmers to get behind the co-operative movement and to be loyal to their own co-operative concerns, which will be successful under the sympathetic legislation of the Government. To suggest that the district councils of the Primary Producers' Organisation select Labour candidates to be their district secretaries would indicate a very low intelligence on the part of the farmers. Such a suggestion as that shows what the hon. member for Nanango thinks of the primary producers and that he cannot trust them even to do their own business in the selection of a district secretary. As there are a number of hon. members who wish to say something on this important question, I will not take up any further time. I have very much pleasure in moving the amendment.

Mr. WARREN (*Murrumba*): As one who has supported the Primary Producers' Organisation in every centre in my electorate, I stand for co-operation absolutely independent of the organisation, and that was my attitude before the organisation was ever thought of. I presume that the hon. member for Burnett moved his motion with the intention of putting the case for co-operation before the House. I never talked with him on the matter, but I came to the conclusion that that was his intention. I have pleasure in supporting the motion. The mover of the amendment has stated that co-operation does not need and will not succeed if it is to have the financial support of the Government. The Government are to-day financially supporting co-operation, and a statement of that description may not only do serious injury, but it is absolutely wrong in principle.

The reason why the butter industry is in a troubled position to-day is because it lacks finance. If we had finance among co-operative companies, they would be handling the butter all the way from the producer to the consumer. And that must be the object of all co-operation. We must have some objective in our co-operation, and it must be to handle the article from the producer to the consumer, so that the producers can be their own agents and cut out the parasite and middleman. The sooner we recognise this in Queensland and get away from our little organisations and our separate co-operative companies the better. I am quite convinced that, had the fruit industry been on a financial footing—even though I admit the enormous increase in production, or rather, the over-production—had the necessary funds been at the disposal of the organisers who wished to distribute the fruit, we would not be in the deplorable position we are in to-day, in which, unfortunately, the producer grows his fruit and does not get the price of the case. I have been in co-operative concerns the whole of my manhood. I have been working for co-operation from a producer's point of view all that time, and I know that, until we get some objective and the assistance of the Government of the day, we shall get nowhere. Only a year or so ago we went to the Commonwealth Government for money for the co-operative canning of fruit. We had to form a pool, the movement was purely co-operative, and the Commonwealth Government came to our assistance. On numerous occasions we have gone to the State Government, and, in fairness to them, I want to say—I am not here to howl down the Government because I am opposed to their principles—they have on many occasions

come to our assistance. But we want a more comprehensive system; we want the Government to be more wide-awake to the necessity of at all times taking a keener interest in the co-operative movement. Not only is co-operation the thing for the producer; it is also the solution of the problem for the worker. There is no doubt that our industrial affairs are mixed up at the present time; but, when we once conceive the idea of doing things co-operatively, when we once get the assistance of a sane Government, then we shall overcome these difficulties and sweep away much that is delaying the progress of the State. I do not think—and I am quite convinced that the Government do not think—that the Primary Producers' Organisation is the whole solution of the problems facing the producer. It is well known that at present he is forming an organisation outside the Primary Producers' Organisation. I criticised the scheme when it was before the House, and the Opposition got nineteen amendments accepted by the Minister, which shows that we took a keen interest in the movement. I have advocated it, and I am going to do all that I can to further it. Anybody who tries to destroy that organisation is not out in the best interests of the primary producer. I believe that we never had such an opportunity as we have at present. There are many defects in the scheme, and many troubles have to be overcome, but the general principles are sound, and, if the farmers will wake up to their responsibilities, and if the Government will genuinely assist the co-operative movement, we are going to advance and overcome them. There is no doubt that there is room for every honest attempt at co-operation. We have been co-operating in the manufacture of butter for about sixteen or seventeen years, but I venture to say that for ten years we have made no advance in our co-operative movement, because we have not had adequate protection.

Mr. RYAN: You have had the middleman.

Mr. WARREN: Never mind the middleman. At present we cannot do without the middleman. Much as we would like to cut him out, he is absolutely necessary. If we are wise and the Government will assist, we will make the middleman our servant and not our master. If the agent is the servant of the producer, there is not much harm in him; but, when he becomes the master of the producer, he becomes a nuisance and a danger. I do not want to convey the idea that all the middlemen are dishonest. I suppose they are about a fair average of mankind, and, as our servants, there could be no more useful body to distribute our produce. At present they are not the servants of the producer but the masters; and, unfortunately, they are getting more out of the primary producer than is their due. But that is a fault due to lack of organisation. We must admit that the primary producer is the hardest of men to organise. Not only is he distrustful of organisation, not only is he a long distance from his neighbour so that they cannot come together as they should, but he is also satisfied to go on in his own honest way and treat the other fellow as an honest man too. He is the one who is duped and robbed on every occasion. I feel convinced that, if the Government are sincere in their desire to assist co-operation, there are any numbers of ways in which they can do it without drawing a red herring across the track. If their scheme is as good as they think it

is, there is no need to do that. I believe that there are great possibilities in the scheme, and, if the Government hold that belief and are prepared to set some amount aside for its prosecution, it may succeed. Already the scheme has cost a tremendous amount of money, but so far nobody would say that it has been a success. No scheme becomes a success by a mere stroke of the pen or a gathering together of a few people or the passing of a few resolutions. But we have hopes, and every man who has the interests of the primary producers at heart will do his best to help them to achieve success.

Some slurring remarks have been made about the State Produce Agency. If that agency were worth its salt and were worth anything to the primary producers, it would bring grist to its own mill and would be a thriving concern and would not need advertising by hon. members in this Chamber. I want to point out to the Minister in charge of that agency that there is something wrong with it. There is something wrong with the State Canning Factory. It was established with the idea of advancement. State enterprises are a serious mistake, and are not co-operative movements. The sooner that hon. members get the idea out of their heads that they are run on co-operative lines the better it will be.

The State Canning Factory has lost thousands and thousands of pounds and has done practically no good. To make it efficient the practical man in charge—Mr. Austin—who is actually the manager, should be given absolute control so that he can dispose of his products the same as is done by managers of proprietary concerns. Unless that is done, the factory will never be of any use to the fruit-growers. We hear complaints from the growers that they can get a better price from proprietary concerns, and I am sorry to say that in some cases that is correct. It is an absolute disgrace when we have one of the finest canneries in Australia, equipped with up-to-date machinery which is an absolute credit to any State, and yet it is a failure because the manager has not sufficient control to sell his products in the same way as proprietary concerns. The proprietary concerns have the advantage every time, and they are able to obtain better prices. There has been quite a lot of bickering during this debate, and I hope that all hon. members who have the interests of the country and the primary producers at heart will do all they can to have some grand objective for the co-operative advancement of the producers of Queensland.

Mr. CORSER (*Burnett*): Last Thursday I had the honour of moving a motion to bring about the co-operative marketing of farm produce. It was my intention by that motion to see that the farmers obtained the sole control of the sale of their produce and obtained assistance to enable them to do that. To-day we are confronted with an amendment moved by an industrialist—the hon. member for Ipswich—which takes away the possibility of establishing co-operative marketing and takes away the possibility of carrying the motion, because the Government members are pledged to support the amendment in opposition to what was promised the primary producers during the elections. My motion directly sets out that it is intended to establish co-operative marketing. The

Mr. Corser.]

amendment sets out that the assistance for such a thing shall be available through the Industrial and Provident Societies Act; but the co-operative assistance mentioned in that Act is only to provide for the domestic needs of the family. Under that Act there is no power to assist co-operatively in marketing produce, which is what is required by the farmer. The Industrial and Provident Societies Act is intended to enable the industrialist to buy his jam at a co-operative store and secure a reduction in the price of his flour at a co-operative store, which is really domestic co-operation as against the co-operation that has been asked for in the interests of the primary producers, and which my motion seeks to establish. During the election the farmers were promised many things.

The SPEAKER: Order! The hon. gentleman has already spoken to the motion, and he must now confine his remarks strictly to the amendment.

Mr. CORSER: I shall proceed to show how far the amendment falls short of the motion. It does not bring about that which is desired. It cannot accomplish any of the needs of the primary producers. It provides something for the industrialists which to-day is possible under an Act of Parliament. It does not assist in any way, because the Council of Agriculture is not absolutely under the control of the primary producers. The Secretary for Agriculture is the chairman of that council. Why did he not, as chairman, bring forward a motion himself?

The SECRETARY FOR AGRICULTURE: Why?

Mr. CORSER: Echo answers "Why?" The hon. gentleman, when discussing the motion, got up during a cool debate and delivered a bitter attack on the motion.

The SPEAKER: Order!

Mr. CORSER: I can only follow on the lines of the hon. gentleman. I shall keep my remarks away from the motion, although it is foremost in my mind; but it seems to be almost wiped away by the amendment.

The hon. member for Ipswich referred to the State Produce Agency, which he says comes under his amendment. He claims that that agency has the possibility of fulfilling the desires of the producers; yet we have shown that that agency does not provide that which is desired, because it acts the part of the middleman and is dealing in black-grown maize. It has done nothing towards the finding of markets, the deciding of various crops that should be grown, nor has it given any guidance or education with regard to that distribution which would bring to the primary producer a full return for his labour. The State Produce Agency has been established by the State, and is controlled by the State and not by the primary producers. It has not done anything which will assist the man who is struggling in our backblocks. We were challenged to allow the motion to go to a division. We welcome a division. Now we find that an amendment is brought forward.

The SECRETARY FOR AGRICULTURE: What do you want a division for?

Mr. CORSER: We want an expression from hon. members opposite to see exactly where they stand. We want to have it on record whether they are sincere, or whether it is political stuff that they are putting forward. We want a recommendation from this House that these things are desired. We

[*Mr. Corser.*

do not want a recommendation that this amendment, providing something for the industrialists, is going to provide that which is required by the primary producers.

Mr. KIRWAN: The amendment has stopped your political kite-flying, and that is why you are singing out.

Mr. CORSER: The hon. member judges others by himself. When one tries to make an earnest appeal in the interests of those who desire something, then a wrong construction is generally placed on his actions. The hon. member for Ipswich, in moving the amendment, made mention of the profits earned by shareholders. If the hon. member thinks that by his amendment the profits to shareholders will be controlled, he should look up the Acts dealing with co-operation at present in existence in this State, and he will find that the maximum profit allowed to shareholders is about 4 per cent.

Mr. W. COOPER: What about the "dry" shareholders?

Mr. CORSER: I am sure the hon. member did not make that statement deliberately, and that it was ignorance of the Acts that guided him to make it. It would be impossible for shareholders to make exorbitant profits, because the percentage of profit is fixed by Act of Parliament. The hon. member for Ipswich said that the motion did not provide for the true co-operative spirit, and that it was provided for in his amendment. Nothing is further from the truth than that statement, but if I were to deal with that I would be out of order. I am not going to tackle him any further in that regard.

Mr. KIRWAN: What about the "dry" shareholders?

Mr. CORSER: "Dry" shareholders are protected in all co-operative Acts, and a proportion only of "dry" shareholders in a co-operative company is allowed. It is only an election cry. The Industrial and Provident Societies Act mentioned in the amendment is composed of all "dry" shareholders. That is what the mover wants to substitute. They are only out to secure perquisites for their members.

Mr. PEASE: That is your argument.

Mr. CORSER: Our argument is directly the opposite. We were not interested in the consumer for the moment, except that by the means proposed in the motion we would have protected both sides. My motion really provides a protection for the industrialists to enable them to buy cheaply; but [4.30 p.m.] the amendment sets out to do something for the city man as against the man on the land. It is only brought forward to deprive the man on the land of something that is fair—that something which is talked of every time hon. members opposite get up on a kerosene case. Now that we have a chance to show our bona fides we are met with an amendment which means the very opposite of that which the motion seeks to bring about, and sets out to destroy the hopes of the primary producers. When the Secretary for Agriculture rose he only made a bitter and almost personal attack on a motion which should be coolly debated here in the interests of the men he is out to cater for. If his ideas differ from ours on any subject in that regard, that is no reason for personalities and spleen.

Mr. EDWARDS (*Nanango*): The amendment moved by the hon. member for Ipswich



is simply drawing a red herring across the track of co-operation. It is a matter which the Government of a country like Queensland should not tolerate and should not stoop to. The amendment has been moved simply with the idea of blocking the motion going through this House and enabling some assistance to be given to the men in the backblocks of Queensland. It is all very fine for the hon. member for Ipswich to say that the necessary legislation is at present in existence, and that every facility exists for extending financial assistance to co-operative movements. The producers in the backblocks have to battle with the elements, big prices in connection with the improvements of their holdings, and all the other difficulties and troubles they are beset with, and they have not had that consideration from Governments in the past that should have been extended to them.

The SPEAKER: Order! The hon. member, having already spoken to the motion, must now confine his remarks to the amendment.

Mr. EDWARDS: The motion moved by the hon. member for Burnett is all that is required to establish what is known, more particularly on this side of the House, as the true co-operative spirit in the way of handling the products of the primary producers. They have already established in the country districts of Queensland co-operative factories for the manufacture of their butter.

The SPEAKER: Order! The hon. member must confine his remarks to the amendment.

Mr. EDWARDS: The motion aims at the building up and assisting of co-operative distribution.

The SPEAKER: Order! I have already said the hon. member has already spoken to that motion.

Mr. EDWARDS: I am just coming to the amendment. The amendment is simply brought forward for the purpose of blocking what the motion seeks to bring about. I think, therefore, that the amendment is completely out of place as far as the intention of the motion is concerned, and I am satisfied that it is brought forward for the specific purpose of killing the true spirit of the motion. Hon. members on the Government side of the House will be failing in their duty to the men in the backblocks if they turn down the motion and support the amendment. I am satisfied that the amendment will not be of greater benefit than the motion; it will not be of any advantage in connection with the handling of the products of the producers. It simply negatives the whole of the argument put forward in connection with co-operative distribution of the products of the man on the land. That is the spirit of the resolution put forward. I hope that, when the question comes to a vote—which I hope it will this afternoon—hon. members on the opposite side who are interested in primary production will support the motion moved by the hon. member for Burnett.

At 4.35 p.m.,

The CHAIRMAN OF COMMITTEES (Mr. Kirwan, Brisbane) took the chair as Deputy Speaker.

The SECRETARY FOR PUBLIC WORKS: (Hon. W. Forgan Smith, Mackay): My reason for rising to say a few words in this debate is because the State Produce Agency has been attacked considerably by hon. members opposite. Attempts have been made

to depict that organisation in the public mind, and in the minds of the farmers who may be using that Agency, in a way which would be detrimental to the State, and, inferentially, thereby benefit the private agencies. The State Produce Agency was established in 1918 with a view to giving the farmers an opportunity of getting a fair deal with regard to the sale of their produce. The organisation has been built up in the teeth of bitter hostility by men in this House claiming to represent the farmers, and in the teeth of the organised hostility of commission agents and produce agents generally. I think any impartial investigator will agree that the Agency has justified its existence, and has done a lot of good work. As a matter of fact, by means of its very existence it forces private enterprise to give these trading with them a fair deal, otherwise it would result in the State Agency getting that class of business. It must be admitted candidly that the business done by the Agency has not been of the magnitude anticipated. That is due largely to the campaign of vilification that goes on generally against State enterprises. It is also due to some extent to the inherent conservatism of a large number of the men who are engaged in primary production. It is also due to a certain extent to the fact that many of the farmers are tied to existing trading concerns. That is to say, many of the firms handling produce have control over certain farmers by means of credits, or by means of advances on mortgage, and in various other respects. The Agency commenced in a small way, and it has continued to make progress. In 1918 the amount of sales by it totalled £124,421; in 1919, £147,597; in 1920, £160,695; in 1921-22, £128,261; and in 1922, £178,626. That shows that the organisation is making genuine and definite progress. The sales for the month of July amounted to £20,000. The consignments were—

In 1918	...	...	6,575
In 1919	...	...	7,080
In 1920	...	...	12,464
In 1921	...	...	13,907
In 1922	...	...	14,877

The figures I have quoted indicate that this organisation is being built up gradually despite all the opposition with which it is faced. The State Produce Agency has been established to carry on the business of the farmer at as low a cost as possible, and its percentages in many cases are less than those charged by private enterprise. The State Agency charges on heavy produce 5 per cent.; so does private enterprise. The charge on eggs and poultry is—State Agency, 5 per cent.; private enterprise, 6 per cent. to 7½ per cent., so that you will see that every effort is made to assist the farmer. The State Agency at the present time is acting as agent for the Department of Agriculture in regard to the distribution of fodder for starving stock, and the Secretary for Agriculture and Stock has just informed me that he is pleased to state that almost every day he receives letters from farmers couched in very complimentary terms as to the work that the State Produce Agency is doing.

I hold the view that, if the farmers desired to go in for co-operative control in this industry, it would be a desirable thing. I believe that such co-operative enterprise would achieve beneficial results, not only for the farmer himself, but also for the consumer, provided always that the manage-

Hon. W. Forgan Smith.]

ment was efficient and the organisation was built up on sound businesslike lines. It is not enough for hon. members to get up in this House, set out a co-operative principle, and assume that once that principle was admitted and established everything in the garden would be lovely. Anyone who has studied the history of co-operation will recognise that the co-operative organisations now in existence were built up in the teeth of bitter hostility—similar to that which State enterprises have to meet—and a co-operative organisation operating in this business would be subject to a form of hostility that hon. members opposite do not appear to understand or realise. So far as the Government is concerned, if the farmers, through the Council of Agriculture, state their desire to enter into this form of co-operative trade, I do not think that the Cabinet would have any objection to handing over the State Produce Agency as the nucleus of an organisation. That would be valuable from the point of view of the farmer, and would avoid a certain amount of initial difficulty. The State Produce Agency as a going concern is a sound one, and the figures that I have quoted indicate that it is improving from year to year as a trading concern, and from day to day is increasing in public confidence. There is no doubt that many farmers who now stand aloof from the State Agency, not realising that the State is themselves, and who have been deceived by people who have an axe of their own to grind, may decide to deal with a co-operative agency, and the prejudice against the State undertaking may to a certain extent be absent.

I pointed out that all co-operations that have been successful have only achieved that success when efficiently managed and when they have stood up to and overcome the hostility with which such organisations are beset. I remember very well co-operative trading concerns being started many years ago under great difficulties. I have known cases where co-operative branches have been established where they have been harassed by town council control, and where Tory merchants and others opposed to such enterprises have gone the length of dismissing any of their employees who had become members of those co-operative societies. Bitter opposition was shown them in financial circles and with regard to securing the necessary commodities for carrying on trade. However, that has been overcome, and organisations have been built up on a colossal scale, not only with advantage to the co-operators but with beneficial results to the general community. I believe that co-operation is a line of thought that the people of Queensland should investigate to a much greater extent than has been the case. By its adoption many of the difficulties now troubling industries would be solved.

Dealing with the financing of these organisations, this seems to be a problem that hon. members opposite have not applied themselves to fully, because businesses, like everything else, have to be financed and have their finances properly controlled to achieve any degree of success. From what I have heard from hon. members opposite, I gather that their idea is that the Government should advance the organisations their trading capital—that is to say, that their capitalisation would be loan funds supplied by the Government. That means, in the first instance, that they are starting off their enter-

prise with a certain handicap by operating on loan capital as against share capital. This places them at a disadvantage, because the first charge on the undertaking will be the interest on the capital that has been advanced.

Again, you have to look at it from the point of view of genuine co-operation. I believe that the tendency where the Government come to the assistance of a body desiring to start co-operative organisations and lend them the necessary funds might be that their management might not be so efficient as it otherwise would be. That is, having Government capital, if anything should go wrong they might say, "Oh, the Government will bear the burden in any case," and they would carry on in a way that would not constitute a sound commercial and financial policy. My feeling is that, if persons desire to co-operate, it is desirable to start off with their own money, as they will then look after the concern a great deal better than if the Government finance the organisation.

If the hon. members opposite study the question they will realise the truth of what I am saying. Their idea of co-operation is starting with capital supplied by the Government. Various good positions would be available for some of those co-operators, and, if anything went wrong with the undertaking, they, as individuals, would not be very heavily involved and the Government would have to shoulder the baby in the direction of taking over the indebtedness or supplying the organisation with further capital. But co-operative societies that start with their own subscribed capital look into every question very shrewdly, and investigate matters from every possible point of view, knowing that in the event of failure it is their own funds that are at stake, and their reputation which is at stake. It is often better to begin in a small way and build up gradually on sound lines rather than to start off endeavouring to make a big splash and not be able to carry on the business. However, much can be said for this policy, and it is one that the Government are prepared to support, and have supported; and, if the farmers of Queensland express the desire, through their representatives on the Council of Agriculture, to start eventually in the direction of a co-operative produce agency, I have no doubt the Government will be favourable to letting them have the State Produce Agency as an organisation on which to build if they so desire.

Mr. SWAYNE (*Mirani*): There are one or two points which were raised by the Secretary for Public Works to which I would like to refer. First of all, the hon. gentleman dwelt on the State Produce Agency. About a year after the inception of that enterprise I was able to show that, so far from fulfilling its ostensible objects, it was really in the Brisbane produce market as a competitor of the local farmers, inasmuch as it was importing produce to compete with local produce. I produced figures at the time which showed that that was the case. The hon. gentleman gave us a long list of figures showing the amount of business done by the State Produce Agency, but I am certain that an analysis of those figures would show that the greater proportion of that business was in connection with imported produce. Only quite recently the State Produce Agency has brought in black-grown maize from Africa to compete with the maize grown by the

Queensland farmers. The farmers in Queensland will hardly accept with satisfaction the substitution of such an enterprise as the State Produce Agency for what the hon. member for Burnett contemplates in his motion. I notice that the Secretary for Public Works spoke of the bitter opposition to the co-operative movement. We had a similar experience in this House. Last Thursday this *bonâ fide* resolution on most desirable lines was introduced in this House with the intention of getting something tangible done, and, instead of the motion going through with the hearty support of hon. members on both sides of the House, we had, first of all, hon. members on the Government side getting up and personally abusing hon. members on this side, and now on the second day of the debate we have an amendment introduced such as the one moved by the hon. member for Ipswich. The gist of the motion is the financial assistance, and what struck me as being rather incorrect was the statement just made by the Secretary for Public Works to the effect that experience had shown that where Government aid is given for the establishment of co-operative enterprises the management is generally bad.

The SECRETARY FOR PUBLIC WORKS: I never said that.

Mr. SWAYNE: Our experience in Queensland is directly to the contrary. To support my statement in this regard, I would refer hon. members to the central sugar-mills, which were established in the first place on Government loan money. We know that the greater number of those central mills have paid off their liabilities to the State and are now on their own. The hon. gentleman must agree that the management of the Mulgrave Central Mill, Plane Creek Mill, and the Nambour Mill, and other mills established with the aid of State loan money is excellent. The mere fact that they have been able to meet their liabilities to the Government is an indication of that, and I think the remarks of the Minister are not worthy of consideration. I was somewhat surprised at the remarks of the hon. gentleman, because inferentially he promised last Thursday to vote for the resolution. I have the report of the debate here, and I find that the mover of the resolution, Mr. Corser, hon. member for Burnett, said—

“If hon. members opposite believe in this principle, they have only to vote for the motion.”

And the Secretary for Public Works said, “Let us go to a vote and see.” If you can gather anything from that interjection, it is that the hon. gentleman was going to vote for the resolution, while now, so far as we can understand, he is supporting an amendment designed to substitute something which is quite futile and introduced to defeat the object of the resolution.

The SECRETARY FOR PUBLIC WORKS: The amendment is an improvement on the motion.

Mr. SWAYNE: What we have in our minds is something to do away with a system under which a state of things can obtain such as that referred to in the “Queensland Agricultural Journal.” On page 2 of the “Queensland Agricultural Journal” for July, there is a little paragraph headed “The Middleman’s Margin,” which reads—

“A writer in ‘The Nation and the Athenæum’ (14th April, 1925) quoted from a recent very interesting book entitled ‘Food,’ by Sir Charles Fielding, the late Director-General of Food Pro-

duction in the United Kingdom, as follows:—

‘To sum up the subject of unaccounted-for and seemingly unwarranted difference between producers’ receipts and consumers’ payments, there seems to be an excess of £175,000,000 now paid by the consumer and kept in the hands of the distributors, viz.—

	£
For bread ... ..	52,000,000
For meat ... ..	78,000,000
For milk ... ..	45,000,000
	£175,000,000

over and above what is paid to the farmers, the railway, and in excess of the reasonable working cost of the miller, baker, and butcher, and after allowing about 10 per cent. profit on the cost of commodities they purchase and deal in.”

Everybody will realise that that is too large a sum to disappear in such an unaccountable manner, and it is really to afford some means of remedying such a state of things as that that the hon. member for Burnett moved his resolution, and I cannot see that the amendment in any way meets the case. The resolution read—

“That in order to assure to primary producers the possibility of controlling the marketing of their produce, legislative provision be made and loan moneys be made available for the establishment of co-operative produce agencies, to be controlled by the primary producers themselves through a properly constituted directorate elected by subscribing shareholders.”

Compare that with the amendment, which is to delete all the words after “produce” and insert the words—

“All primary producers be advised to take advantage of the Primary Producers’ Organisation Act provided by the Government and also the Industrial and Provident Societies Act to obtain their necessities at reasonable rates through co-operation.”

That should be a separate resolution. It may be very desirable and very praiseworthy in its way, and I daresay, if the hon. member who moved the amendment brought in such a resolution at some future date, that he would get a good deal of support from this side of the House. We on this side, who represent the primary producers, are

by no means satisfied to accept [5 p.m.] the amendment, which only provides for one side of the business in the case of the Industrial and Provident Societies Act, and which is not in accord with the spirit of the motion, and gives us nothing so far effective on the producers’ side; as for the Primary Producers Organisation Act it does not contain any provision for the advancing of necessary funds, which is the gist of the member for Burnett’s resolution. We want to enable the primary producer to control as far as possible all stages of his products from the field through the intermediate processes of manufacture in the mill and factory to the consumers, and thus eliminate the middlemen’s charges. The consumer in the cities would get his share of the advantage which would accrue. This is a plank which has been on our platform from the inception of the Country party, and we naturally look to the

*Mr. Swayne.]*

producer first. Under the heading of "Co-operation," our objective is stated to be—

"A Co-operative Companies Act adjusting company laws to the requirement of bona fide co-operative companies.

"State aid to co-operative enterprises when the security and the business justify it."

We hope to get the support of hon. members opposite in this step towards our objective. Furthermore, we were encouraged when the debate first opened by the utterances of the hon. member for Bowen, who claimed that the resolution was largely synonymous with and on the lines of the Labour platform. He said—

"It shows that our propaganda is very effective so far as hon. members opposite are concerned."

I have been able to show that that principle has been in our platform from the beginning. The hon. member for Bowen expressed sympathy with the resolution. After such an utterance as that, one would naturally think that the Government would hail this resolution with open arms and support it; yet on the second day of the debate on the subject we find this spirit of hostility exhibited. There must be some reason for it. The reason is that our views on co-operation are very different from those held by hon. members opposite. Everything they favour in the way of co-operation is to be subject to the control of the State; it is simply socialism and collective ownership. The co-operative principle that we uphold is this: We desire to organise the producers on co-operative lines so as to get a fair price for their products without, at the same time, taking away the ownership of the farms. No one will say that, taking the farming classes right through, they are getting a fair return for their labour at the present time. I think it is generally conceded that they are the most poorly remunerated class in the community, considering the hard work they put into their farms. By combining they may be able to market their own produce, and, although small men themselves, derive all the advantages which the big seller has. That is what we wish to bring about, and that is the policy laid down in the resolution. On the other hand, the policy of hon. members opposite is the collective ownership of the means of production and distribution, abolition of personal ownership in connection with production, and that no man shall hold anything of his own except what he stands up in. Where does the farmer come in under such a scheme as that? We on this side, who represent the farmer, stand for freehold, while hon. members opposite stand for perpetual lease. We realise how far apart we are. Hon. members opposite did not at first perceive that, and they are opposing a motion which they hailed with acclamation in the first place. There is one thing which I think we on this side have a right to object to—that is the personal accusations always levelled at us by hon. members opposite when we bring forward such a praiseworthy motion as the one we are now discussing. We expect Ministers to set a good example to the House, and maintain a high standard of debate; yet I find on reference to the speech of the Secretary for Agriculture that the hon. gentleman said—

"The hon. member for Nanango, who

[*Mr. Swayne.*

claims to speak on behalf of the farmer, and who claims to be a farmer himself, and who, I understand, is a very bad farmer—"

I happen to know people from the district where the hon. member for Nanango resides, and they state that he is a very good farmer, who has worked his way up to his present position. Why should he be subjected to the abuse of hon. members opposite, who, one would expect, would argue the case on its merits, dealing with the good and the bad points in it; yet the Secretary for Agriculture was evidently so poverty-stricken for argument that he had to descend to abuse of that kind. I really think that hon. gentlemen on the front Treasury benches should try and set a better example to their followers. The Secretary for Agriculture also said—

"But, of course, it is not surprising that hon. members on the other side of the House, associated with middlemen who are bitterly opposed to co-operation."

and so on. I do not think there is a middleman in the Country party, nearly all are farmers, but I could find two or three on the opposite side of the House.

THE SECRETARY FOR AGRICULTURE: They are all middlemen over there. (Laughter.)

THE SECRETARY FOR PUBLIC WORKS: It is not a crime to be a middleman, is it?

MR. SWAYNE: If the electors like to send such hon. members here, well and good; but why should hon. members opposite abuse this side, and state that we are associated with middlemen, and that it is something disgraceful, when they are middlemen themselves? It shows that they are very poorly off for argument against the resolution when they have to resort to personal reflections and abuse of that kind.

While we are on the subject of co-operation, I should like to say that the party opposite have given ample proof that they are not sincere, and that they are not trustworthy upon such a question. I suppose that we in Queensland, through the legislative action of past Governments, stand in the forefront to-day in the matter of co-operative laws. Previous Governments passed laws to enable producers to establish by State-aid factories for the handling of primary products—bacon factories, jam factories, butter factories, cheese factories, and so on. Then, in the sugar industry, I suppose the most purely co-operative Act ever placed on the statute-book was the Co-operative Sugar Works Act of 1914. We have had nothing whatever from this Government on those lines. They have talked, and talked, and talked for several years, but they have done absolutely nothing.

MR. CORSER: They are trying to prevent us from doing anything.

MR. SWAYNE: And now, as the hon. member for Burnett interjects, they are trying to prevent us from doing anything. Naturally—representing farmers as we do—we are getting impatient of their inactivity, and are endeavouring to do something. Let me describe the provisions of the Co-operative Sugar Growers' Act of 1914. We have heard a good deal at different times about "dry" shareholders. I would like to point out that "dry" shareholding—the holding of shares by persons who are not producers—is distinctly forbidden by that measure in any association formed under it. It is

provided that, when the debt to the State is paid off, a company shall be formed amongst the cane suppliers and the appropriate number of shares allotted, and that the man who grows most cane, who has done most to free the mill from its indebtedness to the Government, shall have most shares in it. It also provides that nobody but a cane-grower shall for all time be eligible to hold shares. That is to say, if a shareholder wants to sell his shares, he must sell to another grower—another qualified shareholder. Then, to prevent large shareholders from exploiting the smaller shareholders, it is provided that the maximum dividend which may be paid shall be 5 per cent. Under these circumstances, have the Government any grounds for talking about “dry” shareholders—when hon. members on this side were concerned in passing such an Act as that, which directly bars, for all time, the holding of shares by men who are not producers?

Again, how is it that fully 90 per cent. of the manufacturing side of the dairying industry—that is, butter and cheese factories—is in the hands of the producers themselves? It is not due to what hon. members opposite have done. It has all been done by the people who preceded them, whom they describe as Tories and so on. I think that for pure, unadulterated cheek it would be hard to beat hon. members on the other side of the Chamber. Let me tell you of another opportunity which they lost only last session to bring about co-operative action. When another sugar-mill was wanted up North we naturally thought—seeing that there was on the statute-book a law splendidly adapted for the purpose of its establishment—that it would be a co-operative mill, especially when they told us that they were workers heart and soul in the cause of co-operation. In fact, their socialist enthusiasm so far carried them away that they deceived us on the introductory stages of the Sugar Works Act of 1922, because at the only time when we could have made an amendment which would have made it co-operative—and we inquired whether co-operative principles were included in it—we were assured by the Treasurer, who was in charge of the Bill, who was corroborated by the Secretary for Public Works, that that was amply provided for. So, at the only stage at which we could do it, we refrained, through the Minister's deception, from moving the amendment necessary to decide whether they were sincere or not. When, however, we got the Bill—when it was too late to alter the principle—we found that there was no reference whatever in it to co-operation, that the mill was to be purely a Government-owned mill for all time, and that the farmers were never to own it. I do not think I need go any farther in showing how bankrupt they are on this subject of co-operation. On many occasions they have had opportunities to take advantage of co-operative measures already on the statute-book, and allow farmers of cane to combine and acquire their own mills. In fact—as showing how little regard they have for the interests of the farmers in this matter—in their Bill dealing with the erection of sugar-mills which they introduced and passed last Parliament they did not provide that, when the State was paid off, the payments of interest and redemption were to cease. When the Bill first came in, it laid down that the redemption and interest was to be paid for all

time, and it was only when an amendment was moved from this side of the House that that provision was removed, and the farmers were relieved of the liability to have their cane levied upon for all time to pay interest and redemption on a loan that had ceased to exist. I am just quoting these cases to show how utterly untrustworthy the present Administration are on this subject of co-operation. To show how little grasp they have of the question, one has only to mention that the amendment refers to the Industrial and Provident Societies Act. I have never noticed that the hon. member who moved the amendment was possessed of a great degree of humour, but I think he showed it when he introduced such an amendment into such a Bill. I should like to see the motion go to a vote. I hope there will be sufficient members on the other side prepared to back up their statements that they are in favour of co-operation by voting for the motion, in order to carry it. If we can dispose of the amendment and get to the motion itself, we shall see who are the believers in co-operation and who are not.

At 5.19 p.m.,

The SPEAKER resumed the chair.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): During my ten years in Parliament on both sides of the House I have been forced to the conclusion that it matters very little whether a Thursday afternoon motion is carried, defeated, amended, or talked out. The Government go on in the even tenor of their way, and the present Government, as I said last Thursday afternoon, have a clearly defined policy. If that policy is put into effect, as I believe it will be, it will make the farmer policy of the Government not only equal to but superior to that of any other Government in any part of the world. I make that statement without any qualification or hesitation. I make it, first of all, because of our provision for the organisation of the farmer; secondly, because we have given him the power to form compulsory pools under clearly defined conditions; thirdly, in view of the passing of the Bill which has been forecast in the Governor's Speech to enable groups of seven farmers or more to come together and form associations with or without capital; and, fourthly, in view of the passing of the Bill forecast in the Governor's Speech to liberalise, improve, and amend the law dealing with financial assistance to settlers. That will make it possible for the farmers in Queensland practically to work out and solve their own destiny. It makes very little difference to me and very little difference to the Government whether this resolution is defeated, amended, carried, or talked out. It is the privilege of hon. members opposite on Thursday afternoons to move such motions in order to talk to their electors through “Hansard.” There are, roughly, 2,000 people out of a population of 750,000 who read “Hansard.” I do not object to them having that privilege. What I do object to is the suggestion or inference that this Government and this party are not sincere with regard to their views on co-operation. The Minister in Charge of State Enterprises this afternoon made what was, in my opinion, a very liberal offer, and I am going to support that offer on behalf of the Government. If the Council of Agriculture, in their wisdom, recommend that the present State Produce Agency should be taken over and controlled co-operatively, I

*Hon. W. N. Gillies.]*

am quite prepared to support any commonsense, businesslike suggestion made by that body. There is no doubt that the partial failure of the State Produce Agency has been due, as the Minister in charge pointed out, first of all to the natural conservatism of the farmers themselves, and—this is more to the point—the hostility on the part of hon. members opposite to the creation of a buffer between the farmers and the private produce agencies. The manager of the State Produce Agency, in reporting to the Minister in charge a few days ago, in pointing out the usefulness of that agency, used these words—

“The usefulness of the agency—chiefly indirectly—is—

(1) It acts as a buffer between producer and merchant.

(2) Prevents to a great extent produce merchants from fixing prices and arbitrary speculation, i.e., buying in the country and selling at public auction, etc., in the city.

(3) Serves as a safety outlet for the producer who is desirous of selling in the country.

(4) The selling commission charged on heavy produce such as chaff, corn, etc., is still 5 per cent., the same as for many years past, notwithstanding the great increase in all handling charges. The Agency is, without doubt, responsible for no increase in this commission charge.

(5) The Agency is about the only merchant specialising in farmers' consignments—giving the farmer the weighbridge tickets showing name of buyer and Brisbane weights, and returns to the farmer the sum received from each consignment, less commission.”

The State Produce Agency in that regard might be likened to the State butcher shops. The Minister in charge pointed out during the elections—I am quite satisfied his estimate was conservative—that the State butcher shops, notwithstanding all their shortcomings, have saved the public of Queensland £3,000,000 since their establishment.

Mr. MORGAN: Rot!

The SECRETARY FOR AGRICULTURE: In the same way as the manager points out in this memorandum, the State Produce Agency has done certain things, and it would be impossible to say what would have happened if it had not been in existence and had not acted as a buffer between the farmers and private speculators.

Mr. MORGAN: Nonsense.

The SECRETARY FOR AGRICULTURE: The establishment of the State Produce Agency was an honest attempt by the Ryan Government to protect the farmers. If the Council of Agriculture consider that the needs of the farmer can be better served by putting that Agency absolutely under the farmers' control, and they make that recommendation, I will follow up the promise made by the Minister in Charge of State Enterprises and support that recommendation.

In order to show that this Government has done something to promote co-operation in Queensland during the last few years, I am going to quote some figures furnished by my department a few days ago at my request, showing the average price to the farmers for various important farm products during eight years of Liberalism prior to the Labour Government coming into power, and for eight years during the time the

Labour Government have been in power. Those figures are illuminating, and they illustrate that the Labour Government have done something for the farmer and that they believe in co-operation. The Labour Government not only believe in voluntary co-operation, but, as I said the other night, it is necessary under certain circumstances to compel the small minority who are not prepared to come into a co-operative concern voluntarily to fall into line in order that they may not “scab” on their fellow farmers, and the farmers will thereby, by stabilisation, get a fair and reasonable reward for their labour.

To show that prices have improved under a Labour Government in Queensland, I want to quote a few official figures furnished to me by my department on the 27th of last month. I will take the average price per bushel for maize. I have taken that cereal first, because it is the most important one in my district. I believe I represent the largest maize-growing district in the Commonwealth of Australia, and, although there is a record crop there at the present time, there is a danger that the price will not be a record one because of the lack of organisation. That is going to be altered. As the Premier pointed out in his policy speech, it is the policy of the Government to start in the Atherton district and establish maize silos and form a pool for a term of ten years. That will enable the farmers to stabilise the price by cleaning, drying, and storing their maize, and feeding the market so that they can get a uniform and regular price right through. The farmer cannot gain by a fancy price today and a starvation price to-morrow. What he desires and needs is to get a uniform regular price right through the piece over a term of years. That is why the figures I am about to quote to this House for the first time are important. They extend over a term of sixteen years—eight years of Liberal administration and eight years of Labour administration in this State. The figures are taken for a term of years, and, according to the law of averages, they must be taken as a fair indication. The farmer, generally speaking, has received a better price during the time that the Labour Government have been in power than he received under a Liberal Administration.

Mr. FRY: What about the enhanced price due to the war? The figures are not a fair average.

The SECRETARY FOR AGRICULTURE: The hon. gentleman does not want to hear them. The figures are so illuminating and convincing that the average farmer and elector throughout Queensland will be able to understand them and appreciate them. The average price for maize during the years 1907 to 1914, when a Liberal Government was in power, over the whole of Queensland was 3s. 8d. per bushel. The total production during that period was 27,168,438 bushels, representing a total value of £5,020,677. The average price during the years 1915 to 1922, when a Labour Government was in power, was 5s. 6d. a bushel. Note the figures—3s. 8d. as compared with 5s. 6d. The total production for those years was 23,280,497 bushels, representing a value of £5,899,623.

Mr. MORGAN: There was the same proportion of increase in Victoria, where there has been no Labour Government.

A. GOVERNMENT MEMBER: Why do you not go back to Victoria?

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The SECRETARY FOR AGRICULTURE: The percentage increase received by the farmer was 37.1 per cent. per bushel. I will now deal with sugar-cane. I do not think the hon. member for Murilla can say that the growers in Victoria are treated better with regard to the production of sugar-cane, because Queensland and New South Wales are the only States that produce sugar-cane. The sugar industry has been placed on a much better footing. That is due to the policy of the Labour Government. (Opposition dissent.) Since the Labour Government have been in office they first of all provided arbitration for the workers, Cane Prices Boards for the farmers, and a Sugar Purchasing Agreement for the manufacturer. The Labour Government dealt with those three important sections immediately. The treatment meted out to the workers and cane farmers during the seven or eight years of the Denham Government was a treatment of sweeting as compared with the treatment resulting in prosperity in the industry during the eight years that the Labour Government have been in power. During the years 1907 to 1914 the average price for sugar-cane to the grower was 17s. 5d. per ton, and the average price during the years 1915 to 1922, under a Labour Government, was £1 16s. 2d. per ton, or an increase of 107.6 per cent. Those figures indicate that the policy of the Labour Government, so far as the sugar industry is concerned, has been sound, and has placed this industry on a sound footing. It has assured for the worker a fair wage, for the canegrower a price unheard of in the days of Liberalism, and for [5.30 p.m.] the miller a fair price for his enterprise and investment. This shows that all the producing sections of the sugar industry have been catered for and looked after, right from the man who cuts the cane to the man who distributes the sugar throughout Australia. That is the policy of the Labour party. It is their own policy. It is not a policy of any other party, because the party on the other side of the House have always opposed arbitration, they have always opposed the creation of Cane Prices Boards and the Sugar Purchase Agreement—they said it was socialism—and they were opposed to the Sugar Acquisition Act, which made the Sugar Purchase Agreement possible. (Opposition dissent.) The increase in tonnage is also startling, but those figures can be published later.

The policy of the Labour party with regard to wheat has also been absolutely sound. We found that the farmer had had a bad season. What did we do? We took a risk, and guaranteed in respect to the 1920 crop a price that no Government dared to risk elsewhere. It was a price that no Tory Government would ever dare guarantee the farmers to enable them to get back the sums they lost the two previous years, which were drought years. The taxpayer lost a small amount on that guarantee, which was insignificant compared with the results achieved. We did something more than that. We placed on the statute-book of Queensland the Wheat Pool Act, which has been a great success. The critics, the millers, and the men who attempted to condemn this measure in the interests of the speculator and millers have been forced to acknowledge that the compulsory wheat pool has been a great success so far as the farmer is concerned. This has been exemplified by the increased

areas that have been brought under cultivation in the Maranoa and Darling Downs. We have millions of acres of land in Queensland suitable for wheat, showing that the farmer is prepared to grow wheat, like everyone else, so long as he gets a fair reward for his labour. The Wheat Pool Act has been a success, and the prices, as compared with the period of office of the Denham Government, are as follows:—In 1907-14 the average price for wheat grown in Queensland was 4s. 4d. a bushel, and for the eight years that Labour has been in office, from 1915-22, the price was 6s. 6½d. per bushel. The total production for the eight years, 1907-14, was 10,605,421 bushels, and the total value £2,283,070. For the eight-year period, 1915-22, the total production was 12,790,657 bushels, and the total value of the production £3,839,784. The total increase in the value of production during the eight years Labour was in office was 63.1 per cent., and—this is in reply to the interjection of the hon. member for Murilla—the percentage increase was 20.6 per cent. The percentage increase in the price received by the farmer was 59.4 per cent.

With regard to the wool industry, it is recognised that the small woolgrower has been amply protected. We established a policy for the handling of wool for the benefit of the small woolgrower. The facts and figures in this regard are just as illuminating as the previous ones. The average price received by the woolgrowers per lb. during 1908-14, while the Tory Government was in power, was 9.8d. The total production for the eight-year period was 968,386,070 lb., and the total value of production £39,698,000. During the period 1915-21, with the Labour party in power, the average price received by the woolgrower per lb. was 14.6d., while the total production was 799,631,389 lb., and the total value of the production £48,605,183. The percentage of increase in price to the growers was 48 per cent. The total percentage of the increase in value of the production was 22.4 per cent.

With regard to potatoes, in the 1907-14 period the average price the farmer received for his crop was £10 4s. 3d. per ton. In 1915-21 period the average price received by the growers was £11 18s. 1d. per ton. The total value of the production was £1,239,939, a percentage increase in price per ton of 12.3 per cent. The percentage increase in the annual production for the last four years in each period was 16.07 per cent.

Now with regard to butter.

Mr. EDWARDS: Is that the butter you stole?

The SECRETARY FOR AGRICULTURE: I think the hon. member for Nanango should be the last man to interject about what the Government has done for the farmer, because in his own electorate, when the butter factory was burnt down, this Government stretched the Act and did something which probably was illegal to give a loan to that factory without the sanction of Parliament to enable the factory to be rebuilt. Yet he gets up in this House and tries to convince hon. members and the people who read "Hansard" that the Government are not in sympathy with the farmer. As I pointed out the other day, had the dairy farmer been able to sell the whole of his products to the consumers of Australia, who are the wage-earners, instead of sending a portion of it to

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Great Britain, where the workers receive lower wages, they would have got £125,000 more for their output than they received. That is a suitable and very effective and common-sense reply to those people who seek to cut down wages. Of course, they say, "We don't want to cut down wages." Why then are they afraid? Why should they declare to the world that this one industry—the most important of all industries—agriculture should not be placed on a footing which will enable it to pay to the workers engaged in it a fair and reasonable wage? Why should they make the declaration to the world at large that the one industry in Queensland which cannot pay a fair and reasonable wage to the workers engaged in it is the farming industry? If the statement made the other night by the hon. member for Nanango that the average wage paid by the farmer to the farm hand is £2 or £3 a week is correct, what has the farmer to fear from the Arbitration Court, in view of the recent pastoral award. The average price paid to the producer of butter for the eight years 1907-14, when the Tories were in office, was only 11.8d. per lb. The average price the farmer received with the Labour party in office, from 1915-22, was 20d. per lb.

Mr. BRAND: Was not the war, which enhanced prices, responsible for that?

The SECRETARY FOR AGRICULTURE: In 1907-14 all the farmers could get from a Tory Administration for their butter was an average of a little over 11d. per lb. We have been able to gain for them an average price of 20d. per lb. The increase in these prices has been phenomenal. It is well known that the farmer gravitates to that branch of the industry which enables him to live decently. The farmers of Queensland have found that butter production, during the term of years that the Labour Government have been in power, is profitable. Therefore, the production during the Labour party's tenure of office has been phenomenal. The quantity of butter produced during the eight years prior to this Government coming into power was 233,074,060 lb., and the total value of the production was £11,575,999. The quantity of butter produced during the eight years the Labour party has been in power was 304,170,037 lb., and the total value of that butter was £25,425,315. Those figures are not only illuminating but convincing. They are a sufficient reply to those Jeremiahs who get up in this Chamber and decry their own State and the most important industry in the Commonwealth of Australia, the primary industry, asserting that it is languishing, starving, that it is being crucified, and is being killed by the Labour party.

With regard to cheese, the average price during 1907-14 was 6½d. per lb. During the Labour party's reign of eight years the average price was 10½d. per lb. The quantity of cheese produced during 1907-14 was 34,686,047 lb., as against 78,584,995 lb. during the years 1915-22, showing a percentage increase in production of 126.5 per cent., and a percentage increase in price of 59.2 per cent. per lb.

I thank the House for giving me an opportunity for placing on record these figures, which have only been made available by the Department of Agriculture during the last few days, and of showing that during the period the Labour party has been in power the primary producer has had a better and

a fairer deal. Also, the policy of this Government with regard to co-operation is clearly and definitely defined, as shown by its legislation during the last session of Parliament and by the legislation forecast for the present session. This shows the absolute inconsistency and want of honesty on the part of the Opposition, who come along on Thursday afternoon and suggest that a resolution of this character is necessary. We are going right on with our policy, and are not going to be influenced by this motion. We are not moved by the assurance of assistance from hon. members opposite. We are not concerned about their hostility. Their help in the past is indicated by their criticism this afternoon, and they are not likely to help us now or at any future time to improve the position of the farmer.

Mr. DEACON (*Cunningham*): It was very interesting to hear the Secretary for Agriculture state that the Labour party are running the whole world. If they are running the whole world, if they are responsible for every increase in prices all over the world during the eight years they have been in office, they must also be responsible for the droughts, shortages, and other adverse happenings. They must take responsibility for the downfalls as well as the rises during the time they have been in power. I will comment on the Secretary for Agriculture's statement about maize. He stated, in giving the production, that 27,168,458 bushels were produced during the eight years prior to Labour Administration and only 23,280,497 bushels during the eight years of Labour rule. Those figures show a drop in production during the last eight years. The Secretary for Agriculture might remember that during the eight years of Labour Administration we had the biggest drought known in Queensland.

Then take sugar. The Secretary for Agriculture claims that the Labour party were responsible for getting the price of sugar raised. I want to draw his attention to the fact that on the Continent of Europe the whole sugar industry was smashed up by the war. The Labour party therefore will have to take responsibility for the war. They cannot have it both ways. They cannot take credit for the high price of sugar during the war without taking the responsibility of the war also.

The SPEAKER: Order! The hon. member is speaking to the motion, and he must confine his remarks to the amendment.

Mr. DEACON: The Secretary for Agriculture did not confine himself to the amendment.

The SPEAKER: The Secretary for Agriculture did not speak to the motion.

Mr. CORSER: He did.

Mr. DEACON: This is a general debate. The Secretary for Agriculture got far away from both the amendment and the motion.

The SPEAKER: Order! The Secretary for Agriculture did not speak to the motion.

Mr. DEACON: Well, speaking to the amendment, the Secretary for Agriculture does not provide for overcoming the difficulties when circumstances are quite different to what they have been in the last eight years. I have to quote some figures given by the Secretary for Agriculture in order to support my contention that this amendment



is not going to meet the present situation. Regarding sugar—

Mr. PEASE: You do not know anything about sugar.

The SPEAKER: I find that I was in error. The Secretary for Agriculture did speak to the motion.

Mr. DEACON: Regarding sugar, I listened to the Secretary for Agriculture praising the Government for their efforts in raising the price of sugar. To-day I saw in the "Standard" this paragraph with reference to reducing the price of sugar—

"At a meeting of the Housewives' Association, in presenting the federal report, Mrs. Glencross said that as a result of learning from Queensland members of Parliament that sugar was not likely to be reduced to 4½d. per lb., she had written to the Prime Minister for information. Some two weeks later she received a reply from the Deputy Controller of Customs, stating that the matter had been already receiving consideration. On the transferring of control to Queensland she had written again asking if this was the only assurance that sugar would be 4½d., and she was advised that members would watch events. She had also written to Mr. Theodore, with whom for once she was not finding fault, and congratulated him on the attitude he was taking in regard to sugar in adopting a plan whereby sugar would go direct to the grocer and so make it cheaper to the consumer. She moved that a letter be written to Mr. Theodore stating that they were pleased to note his attitude on the matter. They had broken lances with him on many occasions, but in all fairness they must admit that this was the only attempt made to reduce the price of sugar."

The attitude of the Labour party seems very inconsistent.

If I know nothing about sugar, as suggested by the hon. member for Herbert, I know something about wheat. I have been wheatgrowing all my life, and I can tell hon. members that I did better under the old Tory Government than I have done under this Government, and the reason is because under this Government the cost of production has risen more than 100 per cent. Eight shillings per bushel now is no better than 4s. per bushel used to be.

Mr. PEASE: You do not say that in the Arbitration Court.

Mr. DEACON: We shall be able to show that the costs have risen. I say that 5s. now is no better than 6s. used to be. We have had hon. members on the other side of the House saying over and over again that, owing to the general increase in the cost of living, £4 per week now is no better than £2 per week used to be. They argue on those lines in the Arbitration Court, and these things have to be taken into consideration. You cannot have it both ways. Let me remind the Government that, although they gave a guarantee of 8s. per bushel for all prime wheat, they never paid it for all the prime wheat grown that year. There was some prime wheat grown during that year that was paid for at the rate of 3s. per bushel.

Mr. BRAND: The Minister said otherwise a moment ago.

Mr. DEACON: To a great extent that was due to the action of the Wheat Board trying to save the Government, and trying to get the Government out of their 8s. per bushel guarantee.

Mr. RIORDAN: Didn't you have a debate in Warwick?

Mr. DEACON: I had a debate in Warwick and won my share of it. (Laughter.) Let me point out that the year previous to the year in which 8s. per bushel was guaranteed, wheat in the south was sold at 13s. per bushel on board ship, and yet the Queensland Government only guaranteed 8s. per bushel.

The SECRETARY FOR AGRICULTURE: Your party did not guarantee anything.

Mr. DEACON: During part of the year previous wheat was up to 17s. per bushel, and we were only getting from 4s. to 4s. 6d. for our wheat.

Mr. HARTLEY: That is because you refused a wheat pool the year before.

Mr. FERRICKS: You know your friend, Mr. Hughes, sold all the Australian wheat at half the price paid by other countries.

Mr. DEACON: If the Government wish to take credit for the good things during those eight years, let them take responsibility for all the bad things. All these things are not controlled by the Labour Government, and in all fairness to them I say they are not responsible for the increase. The world's price was responsible for the high prices in those years, and it is the same to-day. It was the demand overseas that made the price of wool what it is to-day. If the demand next year is less, the price of wool will be lower. Are the Labour Government going to take blame for that? Are they responsible for the low price of cattle to-day?

OPPOSITION MEMBERS: Yes.

The SPEAKER: Order! The hon. member is not dealing with the amendment. I must ask him to confine his remarks to the question before the House.

Mr. DEACON: I was surprised to hear the hon. member for Ipswich move the amendment, as I thought he was in sympathy with the motion. I can quite understand that he does not intend to allow any motion to go through that would express the opinion that the Government should lend money to assist the farmer to get better prices for his products. The amendment advises the farmer to take advantage of the present Primary Producers' Organisation Act provided by the Government and also the Industrial and Provident Societies Act to enable them to obtain their necessities at reasonable rates. They are quite able to buy their requirements now. Any farmer can buy better than the Government at any time. (Laughter.) So far as buying is concerned, it is not necessary for them to take advantage of the Primary Producers' Organisation Act. At any rate, the amendment does not go so far as the motion moved by the hon. member for Burnett. I fully expect to see the time when the hon. member for Ipswich will be very much against the Primary Producers' Organisation Act when he is asked to do something that is effective. At any rate, what use would any agricultural organisation be without money?

The SPEAKER: Order! The hon. member is getting a long way from the question, and I must ask him to confine his remarks to the amendment.

Mr. Deacon.]

Mr. DEACON: I have been led off the track by the speeches of hon. members opposite. They certainly could not keep on the track if they tried.

The SPEAKER: Order!

Mr. DEACON: That was the object the hon. member for Burnett had in view when he moved his motion, and the hon. member for Ipswich said he objected to loan money being granted to any co-operative society.

Mr. GLEDSON: I did not say anything of the kind.

Mr. DEACON: At any rate, to such societies as were foreshadowed by the motion. That was the main point of his argument. He said such societies would not conduct their business in a sound way, and they should be able to run their business on their own money. It is practically impossible for the farmers to have any reserve capital even at the present high prices, and I am surprised that any hon. member on the other side should object to the motion and move an amendment that is hostile to the motion.

The SPEAKER: Order! If the hon. member continues on those lines, I must ask him to resume his seat, as I am satisfied that he is wasting time.

Mr. DEACON: I am giving reasons why the hon. member moved the amendment, and I am showing that he was not in sympathy with the motion when he moved it. I am showing that his argument was not in sympathy with the motion. Let me read the amendment.

The SPEAKER: Order! I must ask the hon. member to resume his seat.

Mr. BRAND (*Burrum*): Mr. Speaker—

At 7 p.m., the House, in accordance with Sessional Order, proceeded with Government business.

## LIFE ASSURANCE COMPANIES BILL.

### INTRODUCTION.

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

“That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirableness of introducing a Bill to amend ‘The Life Assurance Companies Act of 1901’ and ‘The Insurance Act of 1916’ in certain particulars.”

Mr. ELPHINSTONE (*Oxley*): I called “Not formal” to this motion in the hope that in these days of rush Bills, and bearing in mind that any alteration to the Life Assurance Companies Act will be obviously of a somewhat complicated nature, the Minister would give us some indication of the nature of the amendment which is sought. I do so with no desire to obstruct the business of the House but to obtain some information which will guide us in the discussion on the Bill.

The ATTORNEY-GENERAL: I give you the assurance that the Bill will not be rushed through. You will have ample time to study it.

Question put and passed.

[*Mr. Deacon.*]

## PRIVATE SAVINGS BANKS BILL.

### SECOND READING.

The TREASURER (Hon. E. G. Theodore, *Hillgrove*): In rising to move the second reading of this measure, I desire to inform the House that the Bill is designed to afford protection to persons of small means who make deposits in savings banks. Under the Bill, all persons who intend to carry on savings bank business within the State are bound to obtain, prior to starting business, the approval of the Governor in Council. The same thing applies to the existing savings bank businesses which are carried on now, and they are given the opportunity of obtaining the necessary approval under the measure. Savings bank companies must undertake to deposit with the Treasurer £10,000 in cash or in Government securities, as the Treasurer may think preferable. They are also required to invest with the State 70 per cent. of the excess of their deposits in any year over the withdrawals in that year, which sum shall bear interest at 1 per cent. more than the interest paid on the deposits made in the bank. If at any period withdrawals by the savings bank depositors exceed the deposits for that period, the company will have the right to withdraw 70 per cent. of the deposits which they have lodged under this measure. The deposit will be held by the Treasurer in satisfaction of all judgments given against the banker in respect of deposits with the banker in Queensland which are not otherwise satisfied, and that will afford protection to the trustees of savings banks. Provision is made that the savings bank business must be kept in a separate account. The Savings Bank Fund which will have to be established by each banker will be used entirely for the protection of savings bank depositors and will not be charged with respect to other liabilities of the bank. There is power in the Bill for the Governor in Council to fix the rate of interest to be paid by a savings bank on deposits in accordance with any agreement between the Commonwealth Bank and the Queensland Government.

Mr. KELSO: Will they be identical?

The TREASURER: Not necessarily. Power is given to fix a reasonable rate. It is my intention to insert an amendment to make more liberal provision with respect to institutions in existence at the time of the introduction of this Bill. It has been represented to me that certain businesses are established now, and it may be inconvenient for them if they are required to lodge with the Treasurer so much as 70 per cent. of their excess deposits. Power will therefore be given to the Governor in Council to accept in certain specified cases less than the 70 per cent.

Mr. KELSO: What percentage?

The TREASURER: Such a percentage as may be arranged. The justification for this measure is the necessity for regulating this class of business in the interests of the small traders or artisans or others who may have small savings to invest, and who require protection more than the commercial community, who have greater experience of these matters and deal with the larger banks. The savings of the people should be under very strict supervision and be as carefully safeguarded as we can make them, without unduly hampering business or commerce.

There have been a certain number of failures of savings banks within recent years. This State has been peculiarly happy in the past in not having experienced any such misfortunes, but there have been failures in other States and other countries, which point to the necessity for Government supervision of this class of business. Recently—I think in December, 1920—Farrow's Bank failed in England. They had on deposit, chiefly from small traders and workers, £4,000,000, and only 3s. in the £1 was paid to the suffering depositors. Of course, in cases like that a great deal of hardship and bitter loss must be caused. A similar experience lately has been associated with the Alliance Bank of Simla, in India, where the liabilities were very heavy and they were able to pay only a very small dividend. In New Zealand, for some reason or other, there has been a tendency towards the growth of institutions of this sort. These institutions have accepted moneys on deposit insufficiently secured, and through bad management, and in some cases through fraud, the depositors have been left lamenting. As a matter of fact, the Government had to issue a moratorium in order to prop up some of the banks there against the depositors—which is a hardship on them when they want their deposits.

Mr. KELSO: And in Victoria.

The TREASURER: Victoria has had one or two unhappy experiences—perhaps not so much with savings banks as with other financial institutions. At any rate, there has been a greater tendency for the growth of these more or less mushroom concerns lately, against which Parliament ought to protect the public, the shareholders, or the depositors, as the case may be.

Mr. TAYLOR: Have you any idea how many institutions in Queensland at present will be affected?

The TREASURER: I cannot say how many there are who will come within the definition of "savings bank business" under this Bill. I know that there are a number of institutions—relatively small institutions—but I believe that many of them are sound financially. There is no suggestion that the existing institutions that are at present in Queensland are unsound. This Bill is providing a measure of protection that we have not had heretofore against the promotion or establishment of new institutions that may not be sound in order to safeguard the investors and the public from unsound propositions of that sort. I do not think I need say any more in support of the Bill. Fuller information, if desired, will be given in Committee. As the result of some representations that have been made, and of some little criticism, too, I desire, in Committee, to move the amendment I have outlined. The Bill was introduced last year in order to give due notice to those interested, so that they could make representations. They have neglected to make any representation until the Bill was introduced again this year. Since then several representations have been made to me, and we shall endeavour to deal fairly with the concerns that are now established and are carrying on business.

Mr. TAYLOR: Why not make the amount to be invested in Government securities less than 70 per cent.?

The TREASURER: I do not think that is desirable. We want fairly drastic regulations in regard to any business that is likely

to launch out into savings bank business. Where a business is carried on that may come within the definition in this Bill, and is carried on solely as a savings bank business, we do not desire to restrict the legitimate operations of such a concern.

Mr. TAYLOR: Do you not think the Bill will prevent any new institutions of this character from being established?

The TREASURER: It may have the effect of preventing any institutions desiring to carry on solely savings bank business from being established in Queensland. The institution which is now established transacting savings bank business in every town and village in Queensland meets the need in that regard.

Mr. TAYLOR: There is no competition.

The TREASURER: Competition in this case would not be the best thing for the depositors or the State. Competition in savings bank business tends to increase the cost of savings bank administration, and lessens the amount available for investment within the State.

Mr. KELSO: Has the depositor not the right to invest his money where he likes?

The TREASURER: Yes; but some depositors have to be saved from themselves. The depositors in Farrow's Bank in London had the right to put their money in that bank. But what did they get? They got 3s. in the £1.

Mr. KELSO: Do you not think that the £10,000 to be deposited by the bank with the Government would be a sufficient guarantee?

The TREASURER: No. The liability of savings banks in many cases runs into many millions of pounds. The £10,000 deposit is only an initial guarantee as required under this Bill. The investment of 70 per cent. of the excess of deposits over withdrawals gives ample protection to the depositors, and the investments are on a sound basis. It may be said, "Why stipulate that 70 per cent. shall be invested in State securities?" Obviously for many reasons the investments ought to be in gilt-edged securities, as the money represents the savings of the people of Queensland, which I think should be invested in gilt-edged securities so that it can be used in the State. That has been the essential character of savings bank business carried on in this State.

Mr. KERR: Have the Commonwealth made any requests?

The TREASURER: The late Governor of the Commonwealth Bank—Sir Denison Miller—made a request for action of this kind, and it was largely due to the representations that he made that the thing was first thought of, and undoubtedly there is no solid argument against it. On the other hand, there is every argument in its favour. There are institutions carrying on, and intending to carry on, business in Queensland which I think are not altogether too sound from a banking point of view, and we ought to have some regulation in the interests of the depositors who may invest in an institution of that kind. A legitimate business would raise no objection whatever to a measure of this sort, and I have heard of no attack upon it on the ground that the principle is unfair or unsound.

Hon. E. G. Theodore.]

Mr. G. P. BARNES: It will be impossible to carry on business on a 70 per cent. basis, because it will leave nothing to operate with. No bank could work on a margin of 30 per cent.

The TREASURER: The hon. member for Warwick is wrong. The business as a business can be so conducted. The Commonwealth Savings Bank is conducted in this manner.

Mr. G. P. BARNES: Is it not run at a loss?

The TREASURER: No, at a profit. The Commonwealth Savings Bank not only invests 70 per cent. in State security but makes available the major portion of the 30 per cent. to local authorities and bodies of that nature. Yet they do not charge a very high rate of interest—sufficient to pay  $3\frac{1}{2}$  per cent. interest to the depositors and make a profit on these transactions. If there was any serious competition to the Commonwealth Savings Bank by one, or more than one, large private savings bank, the business could not be done as cheaply as it is. The 1 per cent. margin which they now adopt might not be secured, and, if they showed any loss, they would suffer in the loss of their business. With the Commonwealth Bank in possession of the field without competition they can do it quite easily. I beg to move—

“That the Bill be now read a second time.”

Mr. ELPHINSTONE (*Orley*): When the Treasurer introduced this measure he made reference to the protection which depositors in savings banks in Queensland required. We began to wonder then where the necessity for this measure existed. So far as our record goes, there has been no instance where depositors in savings banks have suffered in Queensland, or at least so far as I am able to trace. Probably that is due to the fact that savings banks here have to conform to certain rigid regulations which prevent them doing any such thing as the Treasurer has related, and, probably due to the fact that they are conducted by honourable men and boards of business men who understand their obligations to the public.

There is a phase of this matter which the Treasurer, so far as I understood him, has not touched upon. That is the practice of business institutions encouraging people to deposit money with them at attractive rates of interest, which money is utilised in the business accounts of those institutions, where the depositor has practically no security whatever. If I remember correctly, the illustration which the Treasurer gave in regard to New Zealand, and which necessitated the moratorium which we know was introduced, was not occasioned by savings banks but by business institutions encouraging customers and others to deposit money with them at call at high rates of interest, and utilising the money in that business without the creation of any separate trust fund and giving no security beyond their business. That is a very different thing to savings bank deposits. I was hoping that the Treasurer was going to apply this protection, so far as the depositors are concerned, to the institutions which adopt this practice, and there are some in Queensland. I contend that the measure of protection needed is in the direction I indicate, for several reasons. In the first place, people are tempted, as I know has been the case, to

withdraw money from the other banks and invest it with institutions who offer these attractive rates of interest. This money is certainly at call, but it depends on the success of the business whether that money is available or not. The dangerous practice is that, instead of this money being paid into a trust account, it is paid into the ordinary trading account. It has this effect—that, if a trading house inquires into the financial standing of such a company which wishes to do business, the banker will say, in all good faith, that it is sound. He formulates that judgment on the amount of money that is being paid into that company's account, and the security in the way of capital which it appears to have. The banker, although speaking in all good faith, may be quite wrong, because the money paid into the credit of that company, although considerable, has been lent by depositors who have withdrawn it from savings banks, where they were protected, to put it into this undertaking without any security whatever. I do hope that, when this measure comes into Committee, we shall be able to make this point more clear to the Treasurer, because, if protection is the essence of this Bill, then we contend that that is the direction in which it should be granted.

The TREASURER: I believe the Bill covers it.

Mr. ELPHINSTONE: I hope the Bill does cover it and that the Treasurer will listen to some amendment that will give protection in the direction needed.

With regard to the private savings banks, there are four in Queensland, and the Treasurer has quite failed to point out what additional security the depositors of Queensland need who have their money in those particular banks. He has succeeded in clearly demonstrating to this Assembly that he is introducing this Bill for the benefit of the Commonwealth Bank, and we see therefore that it is part of the contract entered into by the Commonwealth and Queensland Governments when the Queensland Government Savings Bank was passed over to the Commonwealth. That, of course, is really monopolising the savings bank business, and such a policy is not sound.

Hon. F. T. BRENNAN: Nationalisation of banking.

Mr. ELPHINSTONE: It is the nationalisation of banking. Once more we see a measure which is clearly introducing the socialistic doctrine of nationalisation. Now we see the truth. With all this so-called protection for the depositors, protection has been omitted by this measure in the direction in which it is really needed. But, on the other hand, we see that the whole measure is introduced with a view to nationalising banking in Queensland.

GOVERNMENT MEMBERS: Hear, hear!

Mr. ELPHINSTONE: Now we get at the truth. This so-called protection for depositors, which has been omitted in the direction where it is really needed, is introduced in order to bring about the nationalisation of banking in Queensland, and the restrictions which are put upon the existing savings banks are such as will tend to force them out of business, because the small concession which the Treasurer proposes to give will give nothing like sufficient relief to permit these savings banks extending in the ordinary course of business.

[Hon. E. G. Theodore.]

We recognise some familiar terms in reading through the Bill when we remember some of the conditions which applied to the transfer of the Queensland Government Savings Bank to the Commonwealth Bank. For instance, the 70 per cent. margin of increase in deposits. The State is affected in that way so far as the Commonwealth Savings Bank is concerned, because we enjoy 70 per cent. similarly for investment in Queensland, and we see from information that the Treasurer gave recently that this amount is equal to something like £1,500,000 being placed at the disposal of the Government for investment. On this £1,500,000 the Commonwealth Bank is paid for the use of that money 1 per cent. per annum more than the interest paid to depositors. The same terms are used in reference to this matter, but the difference is that, in the first place, it has been demonstrated that, since the Queensland Government Savings Bank was transferred to the Commonwealth, there was a loss up to 31st December, 1922, of nearly £10,000, which means a loss to the Commonwealth Bank of £20,000, as the Queensland Government are liable for 50 per cent. of the amount. This, with all those millions at their disposal, and consequently with the cost of management proportionately lower. In regard to these small savings banks, the turnover of which is only a fraction compared with the Commonwealth Savings Bank's transactions, we only propose to allow the same 1 per cent. margin, which means stagnation, and the smile on the Treasurer's face indicates that that is what he is aiming at, because they cannot possibly run their business on that small margin of profit.

**THE TREASURER:** That is ridiculous.

**MR. ELPHINSTONE:** It is not ridiculous. It may not have impressed itself on the hon. gentleman's dull comprehension—(Government laughter)—but it certainly has on my friends sitting round me. I want to impress on the Treasurer that a big institution can conduct its business at a very much less expense ratio than a small institution with a small turnover. That is a business axiom and is always understood, and, if the Commonwealth Bank, which has millions of turnover per annum, finds it cannot make a profit on a margin of 1 per cent., then I argue that these small institutions obviously cannot make a profit on anything like a margin of 1 per cent.

**THE ATTORNEY-GENERAL:** Why do you want so many small institutions if they are not as profitable as a big one?

**MR. ELPHINSTONE:** I am looking at the question from the depositor's point of view. I have yet to learn that the depositor has anything less in the way of return to himself by putting his money into a private bank as compared with the Commonwealth Savings Bank. The difference lies in this: In private enterprise you are able to invest money at a more profitable rate than you can in any State enterprise. That is the reason that these private banks can show a larger margin of profit on the investment of their moneys than the State enterprises can do. The conditions which surround this proposed measure make it impossible for these private banks—I do not say to carry on, but to extend their business. It really means that by the introduction of this Bill you absolutely stop the introduction of any further savings

bank business in Queensland, and you really cripple all further increase in the savings bank deposits of existing banks, because what institution is going to encourage further savings bank business if it has got to comply with the conditions which are to be imposed? I presume the result will be that these four institutions will restrict their savings bank business; they will cut out that which is unprofitable and simply confine themselves to the profitable business within the figure that they show to-day. But to deal with this more in detail: How can the savings banks comply with these various conditions that I intend to deal with? A £10,000 deposit is a reasonable deposit. No savings bank in existence in Queensland to-day would take any exception to that. They have that money at their disposal, and they will find no difficulty in making the deposit. The suggested 70 per cent. of the increased deposits, comparing one year with another, is impracticable, and I am glad to hear that the Treasurer is prepared to concede something in this regard. In my judgment, 50 per cent. is the utmost that they should be asked to lodge with the Government. What does it mean? The margin of difference between the deposits and withdrawals gives that elasticity to the bank for developmental purposes upon which it lives. If they know that in a few months they will have to put 70 per cent. of these increased deposits in the hands of the Government they cannot utilise that money. They have simply to put it by, because it may be one or eleven months as a maximum before they have to pass it over to the use of the Government. Therefore it simply means that there is no encouragement whatever for a bank to go on extending its savings bank business. That is exactly the effect that this Bill is meant to bring about. The Treasurer has admitted it, and, if he has not, hon. gentlemen sitting on the Government benches have admitted that it is the object of the measure to wipe out private savings bank business and concentrate it entirely in the hands of the Government, making a State institution of it—in other words, the socialisation of banking, which we know is a plank in their platform. As I have pointed out already, this 1 per cent. margin between what they pay for the deposit and what they secure from the Government for its use is impracticable. It does not half pay the expense which a bank of that sort is put to. The fixing of [7.30 p.m.] the deposit rate is unnecessary, because the private banking institutions have to compete with the Commonwealth Bank. They cannot get money at a less rate than the Commonwealth Bank is prepared to give, and therefore the competition will determine the rates which these banks will offer to depositors of large or small sums. The private savings banks get business by reason of the fact that the accounts are operated on by cheques, which is a great convenience to small investors, who get interest on the minimum monthly balance.

**THE TREASURER:** There is nothing to prevent them paying higher interest on deposits.

**MR. ELPHINSTONE:** If they get all the money they require, why should they endeavour to get more money by paying a higher rate of interest, when they are going to pass over 70 per cent. of deposits over withdrawals to this Government to engage in State enterprises with?

*Mr. Elphinstone.]*

The TREASURER: The private savings banks in Victoria have raised their interest  $\frac{1}{2}$  per cent. over the Commonwealth rate, and that has meant millions of money.

Mr. ELPHINSTONE: Perhaps the Victorian banks do not give the facilities which the Queensland banks give to depositors by enabling them to operate their accounts by cheque and get interest on their minimum monthly balances. These are inducements which bring to the private savings banks all that influx of business which they are looking for and require; but the introduction of this Bill means that the inducement to acquire more business will cease to exist. Another point is that this Bill is to be retrospective in its operations—to 1st January, I presume, of this year.

The TREASURER: No.

Mr. ELPHINSTONE: I am glad to hear that. Further than that, it means that for the bank to recover from the Treasury any of these moneys which are deposited there by reason of the shrinkage of its business it has to wait till the following January before it can do it. Another extraordinary thing is that, if the bank gets into trouble and has to meet its obligations, the Treasury refuses to return the money deposited with it until all these obligations have been fulfilled. How can the bank do that when the Treasury controls and retains large sums of money that belong to it? All my arguments, so far as banks are concerned, lose weight from the simple fact that the Bill is introduced to exterminate private savings bank business in Queensland. Therefore no word of mine will cause the Government to alter their attitude in this regard.

The TREASURER: What justification have you for saying that?

Mr. ELPHINSTONE: The fact that the hon. gentleman has admitted that this is a kind of compact between the Commonwealth Bank and this Government.

The TREASURER: I do not know anything about a compact.

Mr. ELPHINSTONE: The hon. gentleman told us that it was the wish of Sir Denison Miller that it should be done. We know that, when our bank managers express a wish, it is a demand, so far as they are concerned, and I have no doubt that that applies to the Treasurer, who naturally has to keep in the good books of the Commonwealth Bank.

The TREASURER: Speak for yourself.

Mr. ELPHINSTONE: I am speaking for myself. Being a capitalist in these days, I am sure that the hon. gentleman has to treat his banker like other capitalists do. What is the use of our advancing these arguments when we know quite well that this Bill will simply consummate the compact entered into with the Commonwealth Bank by the Government and which will be given effect to. Therefore the most we can do is to make the conditions as favourable as possible under it for the existing banks, so that they need not be driven out of business and that their position may be protected. I hope that what is evidently a great weakness in this measure will be given attention to—that is, that there is a practice in Queensland of business houses encouraging deposits with them which are used in the conduct of their businesses, where the depositor has nothing like the protection which depositors in private

savings banks have got. Therefore we have to extend the operations of this measure in such a manner as to give that section of the community the protection they desire.

Mr. MOORE (*Aubigny*): I quite agree that it is necessary to have adequate protection for the savings of the people, but I do not think there is any hardship in requiring £10,000 to be lodged as security with the Government. I think, however, that it is a hardship upon them to have to invest 70 per cent. of the excess of total deposits over total withdrawals in the year. These banks have been started to fill a want among the people of the community, and it is only fair that their enterprise should be encouraged. They fill a want which the people of the State have evidently felt, as they deposit their money with them. Consequently, the people should have every convenience they want. There is one thing mentioned by the hon. member for Oxley which requires looking into—that is, the question of deposits with companies other than banks. We know that in New Zealand they went in for this to a considerable extent—not only private firms, but municipalities as well—municipalities in many cases taking deposits which they were unable to pay at call, and consequently a moratorium had to be proclaimed, which is still in operation.

Hon. W. H. BARNES: Does that apply in Queensland?

Mr. MOORE: It does not affect private firms in Queensland as far as I know, and, as far as I can see, the Bill does not touch this question. I do not think that these people give interest on current accounts, but they give interest on six-month deposits.

There is one class of bank which we are all anxious about, and which the Government said they were desirous of encouraging—that is, a bank established in Queensland called the Primary Producers Bank. This bank has had some very definite statements made about it in the papers. A large number of farmers have placed their money in this institution. If it is all right, it is a bank which is required in the country, because the money is going to be used by the farmers for their own business. It is one of those concerns which we consider should be established to assist the farmers in regard to short-dated loans. It meets a long-felt want. Even the Government in their own programme suggest the establishment of a rural bank.

A GOVERNMENT MEMBER: It should be on a sound basis.

Mr. MOORE: When you see in connection with banks established in this community definite statements made in papers like the "Daily Mail" and "Smith's Weekly"—which circulate all over the country—it is rather inclined to create a panic amongst the producers, who want to be assured of the soundness of these concerns. From personal experience I know that people have been led to invest money in this particular bank, without having the necessary information they should have before investing their money. Canvassers have been going round and misleading people by inducing them to invest money in this bank, and afterwards the investors have discovered that they have been misled. Various people in my district have shown me letters which they have received placing inducements before them, by which they were induced to take shares in a bank, which they understood to be a

[*Mr. Elphinstone.*]

Primary Producers Bank, and that the money was to be used for their benefit. It is rather disturbing to see definite statements made by the Press which are likely to raise doubt in the minds of the people who have put their money into such a bank as to its security. This is something which should be looked into by the Government, but whether this Bill is going to protect depositors sufficiently in the initial stages I do not know. We do not want to create any distrust in the minds of primary producers, because we must recognise that that kind of bank for rural credit purposes, if it be on a sound basis, is absolutely essential for the proper carrying on of rural industries in Queensland. The established banks, we know, are not giving the amount of credit that is required, particularly short credit.

The TREASURER: They are conservative.

Mr MOORE: They are, and they are perfectly justified in being conservative. They have their shareholders' money and depositors' money to look after. If a man puts his money into a bank on the distinct understanding that it is to be used for a special purpose, he knows what he is doing; but he should have ample protection from the laws of the State to ensure that he has decent security and that the proposals which are put before him tell him exactly what he is doing and whether he is putting money into a bank which is likely to be safe. It is unwise, and I think unfair, that people who are in indifferent circumstances and recognise that such an institution can assist them in the conduct of their business should be induced to put their money in on an insecure basis; and I trust that the Government, in view of the statements that have been made in the Press, will take some action to see whether the establishment of this bank is on a proper basis or not and whether the people who are putting their money into it are risking it or not.

Mr. WEIR: They blocked them in New South Wales.

Mr MOORE: I do not know whether they blocked them in New South Wales, but I do know that people have put money in, you might say, under false pretences. They did not get the information they should have got, and agents made statements which were absolutely false. That is a very serious position, because we should endeavour to establish a rural bank on a sound basis. I hoped that it would have been in the Government's programme, but this bank has preceded it. Even in to-day's paper we see an announcement of the establishment of a branch of the bank in Gympie. Owing to the published statements in responsible papers, which have not been contradicted by the managers or directors of the bank, I would like to be assured that they are safe.

The TREASURER: Do you think that we should take this power in respect of all banks?

Mr. MOORE: That is a savings bank.

The TREASURER: What you are speaking about is a grievance of the shareholders, not of the depositors.

Mr. MOORE: No.

The TREASURER: You said that some people put their money in it under false pretences.

Mr. MOORE: And others are depositing on the faith of the shareholders. You can protect the depositors by seeing that the bank is on a sound basis.

The TREASURER: Then bring them under the Bill.

Mr. MOORE: That is all very well. I say that a rural bank is required, and a Bill like this will curtail its operations. If it is on a sound basis, it should be encouraged.

The TREASURER: I do not think you know what you want. At one time you are attacking it and at other times you are supporting it.

Mr. MOORE: I have not attacked it. I said that definite statements have been made in the Press about it, and I want to be assured that it is on a sound basis.

The TREASURER: You said they got money by false pretences. Is not that an attack on the bank?

Mr. MOORE: No. I said that people were induced to subscribe by not having the position properly put before them, and that agents made false statements.

The TREASURER: No more damaging assertion could be made than that.

Mr. MOORE: These statements have been made in the public Press, and I want to see the bank put on a sound basis.

The TREASURER: If you want that, you should suggest that we should take supervision over all banks.

Mr. MOORE: Not over all banks. They are on a different basis. If banks of this class are on a sound basis, we should not have restrictions placed upon them so that they will be hampered in their business. I want to see the money put into them made available for the people in the districts in which the branches are, so that they can carry on their business in a more efficient way. There is nothing unreasonable in that proposal. We believe in this kind of bank and the Government believe in it. All we ask is that, if they are on a sound basis, they shall not be restricted by regulations compelling them to pay a large portion of their deposits into the Government funds every year at a cheap rate of interest and so preventing them from using them for the benefit of the people who deposit their money for that very purpose. I do not think that the Government are entitled to get a leg-in towards the nationalisation of banking by a Bill compelling them to deposit a portion of their excess deposits with the Government. The amendment which the hon. gentleman is going to make may defeat the very object for which these banks are established. Their money is used in Queensland, just as the Government Savings Bank deposits are used to help people build homes. Why should the Treasurer step in and endeavour to prevent people from expanding their businesses, and for the expansion of industry in Queensland, merely because the Government wish to have a monopoly for the Commonwealth Bank? I cannot see that it is a fair thing. I quite agree that there should be some protection, and I do not think there is anything undesirable in requiring a deposit so that the depositors may be safeguarded; but to try to regulate legitimate business and take a percentage of deposits which are used for the very purpose for which the Government talk about establishing a bank themselves is unwise. I hope that the Treasurer will reconsider the matter and see whether he ought to stifle banks of this class at their birth.

*Mr. Moore.]*

Mr. KELSO (*Yundah*): The Treasurer, in introducing this Bill, first tried to make us believe that he was very anxious to protect the small savings of small traders and workmen. Later on he told us that the object really was to support the agreement made when the State Savings Bank was incorporated with the Commonwealth Bank. Later on still we find hon. members on the other side making assertions that their object is to nationalise all banks. I want to ask the Treasurer whether he has overlooked one point which I think is very important. It is introducing a principle which is the thin edge of a wedge which, if driven home, will cause a very big split in the financial arrangements of the State. What effect will it have on the investors of Great Britain if they find that the Government have appropriated 70 per cent. of the excess deposits of financial institutions in order that they may use them for their socialistic purposes? I want to impress on the Treasurer that this entering of the thin edge of the wedge may make the British investor very chary of lending him money. We have heard a lot on other occasions about confiscation, and what is happening now will extend to a very serious degree. I find that the Commonwealth Bank is to be exempt, and that penny savings banks are to be exempt, and it will be interesting to know where the Treasurer will draw the line. If he decides to exempt penny savings banks, is he going to exempt other institutions which are doing equally good work? He says in effect that it was an arrangement with the Commonwealth Bank that this particular class of business should go to them. Penny savings banks, I believe, are being run by private enterprise, and in many cases by men who have not had much experience of that particular class of business.

Why does the Treasurer not exempt other institutions which have been successfully run for a number of years, and which have been run by men who understand their business and who have caused no discredit to the State? In looking at the definition of "Savings bank business," it is very hard to understand what class of institution is going to be brought within the scope of that term. There are certain institutions which were mentioned in a general way by the hon. member for Oxley who do a certain class of business, which may or may not be termed savings bank business. They are banks which take money on deposits, pay a moderate rate of interest, and those moneys can be withdrawn by means of cheques. They do precisely the same business as is done by what is known as the Associated Banks. The Associated Banks take money on deposit, but they do not pay any interest on current accounts. I would like to ask the Treasurer exactly where he draws the line. The general acceptance of the term "Savings Bank" is an institution where small amounts are put in for investment, the depositors have passbooks, and they present those passbooks when they wish the money to be withdrawn. I think it would clear the air very much if the Treasurer would state definitely whether or not those institutions which take money on current account will come within the Bill. That will include all the banks. The only difference is that the smaller institutions give greater advantages to the public by crediting them with a moderate rate of interest on the balance,

[*Mr. Kelso.*]

whereas the larger banks have millions of pounds at current account and do not pay any interest at all. I think it would be of interest to the House to know whether those institutions which pay a small rate of interest are savings banks or not. It seems to me that they certainly are not savings banks. The Treasurer gave some instances of bank failures in India and New Zealand. I think that with regard to the case in New Zealand the Treasurer will find that individuals, or an aggregation of individuals, offered a high rate of interest for money deposited with them for a specific period. If he will look in the Press he will find an advertisement where a certain New South Wales company is offering as much as 10 per cent. for deposits fixed for twelve months. In many cases persons and small syndicates of people indulge in this business for a nefarious purpose. When you see a high rate of interest offered for deposits you can take it for granted that the proposition is absolutely unsound. All that class of business is left entirely out of the Bill. Some of these people carry on a business where they have money at current account to be drawn at call. If this Bill is brought into operation the very class of people likely to do the most damage is the class who will confine their operations solely to receiving money at fixed deposit for a certain term, and they will tempt the public by offering them a high rate of interest. This class of people know perfectly well that there is a certain portion of the public whom they can tempt by the high rate of interest, and it does not matter very much to them whether they earn the interest or not, because they can keep their scheme going for a certain time and pay the high rate of interest out of the capital, and draw a few more dupes into their net, and, when they have got enough, they can clear out. Any business can be declared a savings bank business upon a resolution being passed by this Chamber. That is certainly very wide power to give the Treasurer. Any business can be declared a savings bank business, whether it is in the nature of savings bank business or not. I think the Treasurer must admit, when he sees the stringency of these provisions, that he is taking the very best means of strangling those institutions. Those institutions every year have to hand over to the Government 70 per cent. of the excess of deposits over withdrawals, and they will receive a profit of 1 per cent. in return. I want to point out to the Treasurer, if he is earnest in his desire to protect those depositors, that by taking that 70 per cent. he is adopting the best way of helping those institutions towards insolvency.

The SECRETARY FOR PUBLIC WORKS: The hon. member for Wynnum is laughing at you.

Mr. KELSO: He is not laughing at me, because he is quite serious in this matter. It is perfectly well known that the money in a savings bank is at call, and for the protection of the depositors it is necessary to have at least 30 per cent. in liquid assets so that, if there is a demand on the amount of the deposits, it can be met. What earthly hope has an institution of making any money when 70 per cent. is tied up and 30 per cent. must be held in liquid security in order to meet any possible withdrawals? The Bill also provides that, if there is an excess of withdrawals over deposits, the institution



can call upon the Government for a refund of 70 per cent. of that excess in January of the following year. Take the case where, perhaps, a considerable amount of money is held by the Government for three or four years, and that during the following year the depositors through some reason or other get a scare and demand their money back from the institution. There is no provision in the Bill to assist that institution. The Government have the money tied up, and it is absolutely impossible for the institution to lay its hands on the money which belongs to the depositors, because the Bill says that at the beginning of each year the Government can claim 70 per cent. on the excess of deposits over withdrawals during the previous year. What position would a bank be in under those circumstances? Perhaps during the year there is a big demand on their funds. In the ordinary course of events a certain proportion of the bank's money would be invested in Government securities, State or Commonwealth, and, when the demand came, the securities could be easily realised. We know perfectly well that Government securities to-day can be realised within one or two days. Those securities could be realised to meet the demands of the depositors, and the institution could go on in a prosperous way and, perhaps, gradually make up the amount that is withdrawn. What is the position if the 70 per cent. is left with the Government? This is an absolutely rigid affair. They cannot go to the Government and ask for the money until January of the following year, and in the meantime the demand by the depositors is increasing. By forcing the banks to advance 70 per cent. to the Government, the banks lose the use of that money, and it is quite certain that they cannot use it to meet the demands of their depositors. The hon. gentleman thinks that he is safeguarding the interests of the depositors by putting in those very extraordinary clauses; but I think I have shown that he is going the very best way about putting the institutions in a very awkward position. The Bill provides that the institutions can claim 1 per cent. profit for the investment of that 70 per cent. of their money. I am sure the hon. gentleman must know from the business experience he has had in finance as Treasurer that 1 per cent. is certainly not enough profit to carry on a business like that and return something to the depositors.

The TREASURER: It is sufficient for the Commonwealth Bank. They made a profit of £16,000 during the last quarter.

Mr. KELSO: In answer to a question we were told that the half share of the loss to be made good by the State for the past year was £10,000. We have paid it to the Commonwealth Bank. That is part [8 p.m.] of the contract that this Government made with the Commonwealth Government as far as the Queensland savings bank business was concerned. Under the arrangement that this State was to be paid 50 per cent. of the profits or make good 50 per cent. of the loss, we have to pay them £10,000.

The TREASURER: It is something under that.

Mr. KELSO: I won't quibble about it.

Mr. ELPHINSTONE: The Treasurer is particular in his old age.

Mr. KELSO: It only bears out my contention that the statement of the Treasurer that a margin of 1 per cent. is sufficient is wrong.

The TREASURER: The hon. member is wrong.

Mr. KELSO: The Government are taking upon themselves an extraordinary power. They say they have the right to fix the rate of interest which these institutions shall pay. That is a very unfair proposition. The Treasurer knows perfectly well that he could wipe out all these institutions under this clause in a month. What is to prevent him introducing a regulation to say that a private savings bank must not pay more than 1 or 2 per cent. interest? We know the Commonwealth Savings Bank pay  $3\frac{1}{2}$  per cent. interest. Right behind the whole thing is the intention of the Government to wipe out private enterprise. I would ask the Treasurer if he did not repeat time and again during the election that he is not against private enterprise?

Mr. ELPHINSTONE: The older he gets the more he denies it.

The TREASURER: I feel quite crushed.

Mr. KELSO: The Treasurer does not look very crushed.

Mr. COOPER: He looks crestfallen.

Mr. KELSO: The policy of the Government, among other things, is the nationalisation of banking. I would like to remind the hon. gentleman that he has no right to force upon that section of the country which is not favourable to the Labour party—and that section is more than 50 per cent. in the aggregate of the electors of the State, although hon. members on the opposite side will not admit it—conditions in connection with banking and dictate to them where they should put their savings. They should not force them to put their savings in the Commonwealth Bank, because that is the only place where they will be able to place them if these restrictions on private institutions are intended. If they are legislating in the interests of the whole of the people in this State, and if they are determined and in earnest to give an equitable deal to all classes in the community—the members on the other side of the House are always shouting to the house-tops that they are not legislating for one class but for the whole of the people in the State—I ask the Treasurer why he takes up the attitude that he should dictate to at least one-half of the people of the State as to where they shall put their savings? If this is the thin edge of the wedge, I would remind him that, if the principle is extended to all savings in the banks in the State, a great deal of this money is at current account which can be withdrawn by cheque. This is the little wedge to start with, and the next step in the nationalisation of banking will be to extend the operations of this Bill to include the current accounts of the Associated Banks. I am surprised at the Government, who pretend they are always sticking up for the small people.

Hon. W. H. BARNES: They say so.

Mr. KELSO: Does the hon. member for Wynnum imagine that the Government are not sincere when they say so? They are always advocating the claims of the small man.

A GOVERNMENT MEMBER: Nonsense!

Mr. Kelso.]

Mr. KELSO: Here we have the very large man left out—I wonder at the modesty of the Treasurer in the matter—and some of the smaller institutions, which have a record in social work as good as the Government, are dealt with. The Treasurer knows very well that there are in Brisbane certain institutions which take upon themselves the management of the savings of the people either by fixed deposit or current account, or shareholders' capital, which, when no machinery was in operation, helped people to acquire homes of their own. I know they have done excellent work, and there has been no record of any real failure of those institutions. They have been carried on by men who understand their business, and up to the time when the hon. member for Wynnum was Secretary for Public Works and introduced the Workers' Dwellings Act, these institutions were the only ones to help working men to acquire their own homes. These institutions now cater for the class who are outside the operation of the Workers' Dwellings Act. I think the Treasurer, when he looks into this matter, will see that the very class of people he is aiming at are left out of the Bill in the main, and the people who have done good work for the State are brought under it and are to be subjected to harassing regulations. There is an extraordinary clause in this Bill which is rather humorous. It says that, in the event of a banker ceasing to carry on operations, when such banker has satisfied the Government that he has paid all liabilities, the Government will pay over to that banker the 70 per cent. of the deposits or securities which they hold. What an extraordinary position to take up in an Act of Parliament! Where on earth is the bank going to get the money to hand over to its creditors if the Government are to hold 70 per cent. of it? That is only by the way, and I draw the attention of the Treasurer to it. On the whole, the Government would be well advised to consider the whole of this Bill. When you go into its details and find that it is hitting a class of people doing good work for the community, and a class is left out whom in the interests of the people it would be a good thing to legislate against, I am perfectly certain that this was not the intention of the Government. In its present state, I do not think it is a fair and equitable measure. The Treasurer says he is open to any reasonable suggestion. If the hon. gentleman wishes to protect the public in these financial matters, it certainly would be a good idea in this particular matter with that end in view to lay down the principle that the companies who take money on deposit should not take more than a stipulated amount. That is, for every £1 of capital you could limit the amount they take on deposit to £3 or £4. That will be a useful check, and it would be a security to these people who put their money in those institutions. We shall have an opportunity, when the Bill reaches the Committee stage, of going into these matters, but I would like the Treasurer to state what kind of institutions are included in the words "Savings banks."

Mr. WEIR (*Maryborough*): In dealing with this matter, no one in the State outside the people in the country can afford to attach themselves more strongly to this Bill than the Country party. The trouble is, they will not do it. My contention is that this Bill, instead of saving the city worker, will have a more beneficial effect on the farmer and

the country worker. "Smith's Weekly" of 14th July, 1923, outlines one of the finest scandals that has been attempted in later days, and it has all been attempted on the poor, unfortunate "cocky." The "cocky" seems to be the "mug," and anybody who wants to make a pound of flesh is out to squeeze the "cocky." This Bill will affect the "cocky" more than anyone else, and will save him from the rapacity of his enemies and from the rapacity of his friends. There is a very fine article in "Smith's Weekly," and is headed, "Bold Bid for £150,000." It outlines a gigantic scheme of burglary, perpetrated on the "cocky" through the medium of a bank which was floated, apparently, to provide cheap loan money to farmer subscribers.

Mr. KELSO: Who wrote the article?

Mr. WEIR: It does not say who wrote it. It is in "Smith's Weekly." It developed in stages. It was associated with the name of one Kerr—I have heard the name before. The fact remains that associated with this land credit scheme is this scandal, and it develops from a soul-grinding institution into the Primary Producers Bank of Australia. This Primary Producers Bank is to-day established in this State. I am told that it is, unfortunately, likely to get its fangs into Maryborough.

Mr. KELSO: It could not obtain registration in New South Wales, so it had to come to Queensland.

Mr. KERR: Under a Labour Government.

Mr. WEIR: The trouble is that there was too little Labour Government in connection with this matter. They have got their fangs into Maryborough, and are trying to get them into Bundaberg. They are using the Country party to get their fangs into the "cocky." I have a vivid recollection of a man named J. A. Austin, who was a candidate for the Senate at the last election, and who is known throughout the length and breadth of this State as a prominent member of the Country party. A statement is made here to the effect that this J. A. Austin has recently been created one of the three directors in this State for this Primary Producers' Bank.

Mr. COSTELLO: He is not a banker.

Mr. MORGAN: What paper is it?

Mr. WEIR: The Maryborough "Chronicle." That paper makes this statement—

"It has been learnt that Mr. J. A. Austin, chairman of the Tiaro Shire Council, and a gentleman who has devoted much of his life to the interests of the man on the land, has been offered, and has accepted, a seat on the board of directors for the State of Queensland of the Primary Producers Bank of Australia, Limited. It is stated that although not eighteen months old, the subscribed capital of this Bank is £950,000, and before the end of September it is fully expected to be over £1,000,000, subscribed by the primary producers of the Commonwealth. Its moneys are to be loaned solely in country development and country production. A branch is being opened in Gympie during August, and there is a likelihood of one being established in Maryborough later. The board of directors in Queensland is limited to three

[*Mr. Kelso.*]

members, and Mr. Austin is to be heartily congratulated upon his appointment."

Let me deal with this £950,000 aspect.

Mr. CLAYTON: "Smith's Weekly" has since apologised for that article.

Mr. WEIR: Produce your proof—that is your duty. I am not concerned about "Smith's Weekly." I am putting my own case. These people have undertaken to give the promoters of this show 8s. 6d. in the £1 on the moneys collected from the sale of shares. In "Smith's Weekly" they deal with the thing in this way—

"Meantime, the directors of Primary Producers Bank, late Land Credits, Limited, have decided to register in Queensland under the company law as 'Primary Producers Bank of Australia, Limited.' They did so, showing the nominal capital as £2,000."

J. A. Austin said £950,000. I am not trying to draw any red herring over this issue, and I am not trying to compare the paid-up capital with that unpaid. I am merely mentioning the facts as they are here—

"The peculiar position arises that the organisation created by Messrs. Kerr, Roach, Saunders, and Hammond from a tiny room in Twyford House has dual registration, one as Land Credits, Limited, in New South Wales, and the other as Primary Producers Bank of Australia, in Queensland."

And so on. The point I want to emphasise is that the New South Wales Government investigated this position, and the justice authorities were advised—it is not a Labour Government—to stop this Land Credits, Limited, from registering in New South Wales. They were stopped, and they came up to Queensland with a £2,000 capital, although on the statement of J. A. Austin they are worth £950,000. Unfortunately, this concern is registered in this State. Now, "Smith's Weekly" is setting out the case on the ground that the underwriters of this concern draw 8s. 6d. in the £1, and intend netting about £150,000 of the "cockies'" money, even on the showing of "Smith's Weekly." If the "Chronicle" is right, we will take the thing as one-third of the money, because 8s. 6d. in the £1 is roughly one-third; it works out that these men will have nearly £1,000,000 worth of capital here, and will "pinch" £300,000 of the "cockies'" money.

I say that the association that they are working through is the association represented by the Country party in Parliament—the people who profess to be the friends of the farmer. These people are lending their organisation, or certainly their officials, to enable this institution to "pinch" £300,000 of the "cockies'" money.

Mr. MOORE: They are not.

Mr. WEIR: I am making the statement that, when these individuals get to work and want to squeeze the "cocky," they will use the Country party's name to do the squeezing. Let me put it in another way. In all these big movements there has been the same attempt made. I find that in America these kind of people who want to unload some wild-cat scheme on the public make use of the same movement. I challenge them here now to refute the fact that these blood-suckers—they are blood-suckers—are paying

8s. 6d. in the £1 of the "cockies'" money to the underwriters, and are using one of their executive officers to get the 8s. 6d. out of the farmers.

AN OPPOSITION MEMBER: You had better be careful, because they are using some of your side as well.

Mr. WEIR: I am putting my own case, and I will leave the hon. member to put the other side. I am pointing out that they have appointed J. A. Austin a director, as stated in the Maryborough "Chronicle," and I say they cannot refute it.

Mr. PETERSON (*Yormanby*): There is no doubt something in the contention of the hon. member for Maryborough that protection should be afforded to depositors in private savings banks. Most of us remember the financial crisis that took place in 1893, when not only the depositors in the Associated Banks, but also those in various registered societies which run a savings bank business, were ruined. While it is necessary to protect depositors in this way by a Bill such as we have before us to-night, we must try and not be too harsh; we should not try to bring about an injury to another section of the community. The hon. gentleman knows as well as I do that, so far as these three institutions in Brisbane are concerned, they have been a valuable factor towards assisting not only members of Parliament—I know some members sitting on this side who, like myself, have gone to these institutions to obtain loans to acquire our own homes, and we have gone along there simply because the Workers' Dwellings Act precludes anybody earning a little over £400 a year from obtaining the benefits under that Act. If the hon. gentleman is going to force this Bill through without amending it, what is going to happen to those who are earning over £400 a year, and who are debarred from getting the benefits of the Workers' Dwellings Act? If the hon. gentleman is fair and wants to see the head of every family owning a home, he should certainly give some indication that the Workers' Dwellings Act will be amended to permit of those who are being wiped out under this Bill getting the benefits of that Act. If that is not done, not only will an undue hardship be inflicted upon that class of people, who will be deprived of the opportunity of getting their own homes, which they have at present, but you will also throw out of work a very large number of tradesmen, and not only the tradesmen but business men who sell the timber, galvanised iron, and all the paraphernalia required for a home. You are going to affect business all round, and surely it is not asking too much, seeing that the Government in their beneficent Acts give such privileges under the Workers' Dwellings Act, to ask the Government to take some step to bring these people within the scope of their own Act. The reason why I am emphasising this point is this: The Bill provides that 70 per cent. of the excess amounts over withdrawals have to revert to the Government, for which they are going to receive 1 per cent. We know that in pre-war periods the average amount needed by current accounts, according to banking law, was about 30 per cent., and the 70 per cent. was invested. Out of these investments the companies or banks were able to declare some sort of a surplus for their shareholders. Will the Treasurer be able to give us an assurance, seeing he is taking away the right

Mr. Peterson.]

from these institutions to be in a position to lend money to people who do not come under the scope of the Workers' Dwellings Act, that that section of the community will be enabled to get the benefits of the Workers' Dwellings Act? For a long time the benefits of the Act were limited to those in receipt of less than £300 a year, and a couple of sessions ago it was extended to those in receipt of a little over £400 a year. To be fair, if it is really the desire of the Government and of this House to protect the depositors in these private savings banks, let the Treasurer give an assurance that those people who are desirous of getting their own homes will have the benefits of the Workers' Dwellings Act extended to them. If he will not do that, we regret very much that some of us will have to discuss the question further and criticise the Bill at a later stage. The hon. member for Maryborough quoted extracts from newspapers regarding the operations of a certain company that is coming to Queensland to try and catch the "mugs" who are called "cockies." Judging from the hon. member's utterances, this company is another form of a swindle. There is no question about that, if the reports which he read are true. If this Bill is going to prevent that kind of thing, no one would be more pleased than myself to support it, but in preventing the operations of such a company, do not let us injure honest concerns. It is all very well to bring in a measure of this kind, but if you are going to prevent a large section of the workers from getting their own homes, and throw a large number of tradesmen out of work because these private concerns cannot advance money for the building of homes, you are going to do a very great injustice to those people.

Mr. KERR (*Enoggera*): The Treasurer, when moving the second reading of this Bill, attempted to camouflage the whole issue. If he had told us definitely that it was nothing more or less than the compulsory acquisition of the people's savings in Queensland, he would have been correct. A study of the balance-sheets of the private savings banks will disclose that already these banks are amply secured, and it is not a question of protecting the depositors; it is one step in the direction of the nationalisation of banking. Fortunately, we have a Commonwealth Constitution which will not permit of any interference in regard to the other banks. I think the Treasurer will acknowledge that fact, and why this discrimination? After all is said and done these particular savings banks that we are dealing with are in the same category as the associated banks. The only difference between these banks and the associated banks is the fact that the savings bank gives interest to depositors, and the others do not. I cannot see why any discrimination should be made in that connection. I can understand the argument quite well that the money belonging to the people that would otherwise go into the private banks will now revert to the State; but, then again, the principle arises whether it is better for this State to spend the money or permit private enterprises to make loans to individuals. The hon. member for Normanby has raised a point which should receive full consideration—that is, in regard to the purchase of already erected homes. There is no Act in Queensland other than the War Service Homes Act—no State Act which permits of loans being granted to enable a

[*Mr. Peterson.*

man to purchase a home already erected. These private savings banks advance money for that purpose, and the only money available for such a purpose is the private savings banks deposits, and now the Government are coming in and taking 70 per cent. of those deposits, which will leave no margin whatsoever for those institutions. My argument that it is compulsory acquisition is absolutely true. They must have liquid security of at least 30 per cent. to meet a run on the deposits.

The TREASURER: They will have less in October.

Mr. KERR: They will have less. There is another matter that has not been mentioned. The Bill provides that 70 per cent. of the deposits over and above withdrawals will be handed over to the Government in January of each year. I think the Treasurer should indicate whether he is prepared to take that money each quarter. It is no good keeping that money, on which interest has to be paid, idle for the whole of the year.

The TREASURER: I am quite willing to do that.

Mr. KERR: That is one concession. There are many points in this Bill that require further consideration in the interests of Queensland. The figures disclosed in Queensland in connection with the savings banks are somewhat astounding. I took the amount from the Federal Statistician's report. I find that the amount [8.30 p.m.] deposited in 1922 in the savings banks of Queensland runs into £20,755,463, and the amount withdrawn to £20,570,580. If you add the interest on to the amount withdrawn—the interest payable to the depositors—it runs into £621,331.

The TREASURER: You should add it on to the amount deposited.

Mr. KERR: That is so. We find that there is a balance on the wrong side in regard to the whole transaction, even with the interest added on. It also shows that the Premier's own figures, in regard to the loss on the State Savings Bank up to the end of 1922, was something like £5,000. The hon. member for Oxley asked a question on that point, but the figures were not obtainable after December, 1922.

I want to point out what the system of private banking means to the State, and what the action of the Government will result in. Banking is a legalised business in Queensland, and it is intended by this measure to wipe it out.

The TREASURER: The hon. member is wrong in his figures with regard to the deposits in 1922. It is considerably more.

Mr. KERR: Is it somewhere in the vicinity of £200,000 more?

The TREASURER: More than that.

Mr. KERR: No. I have taken these figures from the Federal Treasurer's reports in the library during the last few weeks, and the leader of the Opposition checked them with me. There is some difference between the figures the Premier has got and the table prepared by the Federal Treasurer or the Commonwealth Statistician.

The TREASURER: Have another look.

Mr. KERR: I will certainly have another look, but I am sure of my figures. I will

give the Treasurer another problem which he may well consider in this connection. We know that we have shortly to make some arrangements with the London market for the renewal of a great deal of loan money. None of the capital perhaps in any of the banking institutions is used apart from Australia; but you must look at the principle of the Government coming in and claiming something which has been legalised for many years in Queensland. The Government propose to come in at once and deprive these companies of the only method by which they can carry on. The Government are going to take that deposit money and pay 1 per cent. interest on it. It is costing the companies 1½ per cent. at least to run their businesses, and no company in the world can run its business with a loss of ½ per cent. It is deplorable that the Government should interfere with legalised business. I am not going to say whether their action is justified or not—that is, whether the people's money should be placed in the Commonwealth Bank or not—as that is another question. Here is a firm which is established and issues a prospectus under our law, working under a memorandum and articles of association, the shareholders in which have purchased shares under proper conditions, and the Government propose under this Bill to wipe that concern out of existence in a few months. You have to take a broad aspect and see what will be the effect of this legislation. No other State in Australia has taken action like this. It is anticipatory action which may only be taken by the Commonwealth Government in connection with banking in Australia. The Treasurer will be well advised to ascertain where the money deposited in the private banks of Queensland, apart from the Commonwealth Savings Bank, is now being invested. During the year 1922, £50,000,000 were deposited in private banks in Queensland, and the only assets to represent that deposit in Queensland are £48,000,000. The liabilities of the private banks in Queensland in 1922 were £53,000,000.

The SECRETARY FOR PUBLIC WORKS: Your figures are all wrong.

The TREASURER: The hon. member is wrong about the liabilities.

Mr. KERR: The Treasurer is contradicting again. The figures I have here are taken out of the Federal Treasurer's report.

The TREASURER: You are wrong to the extent of £15,000,000.

Mr. KERR: The liabilities of the banks in Queensland in 1922 were £53,000,000, and the assets at 30th June, 1922, were £48,000,000, showing that the money which is going into the banks in Queensland is not represented by assets in Queensland. Take the State of New South Wales. We find that the liabilities of the New South Wales banks are £102,000,000, and the assets £125,000,000. The money which has gone into the banks in New South Wales is represented by assets in that State, over and above the liabilities, amounting to £23,000,000. The same thing applies in Victoria.

The TREASURER: What you are saying is that banking business is bankrupt in Queensland.

Mr. KERR: Let me tell the Treasurer that in 1912, before this Government came into power, the assets representing deposits in Queensland were £2,000,000 greater than the liabilities. The position discloses the fact that people who have money to invest are

going out of Queensland owing to Government interference. (Government dissent.)

Mr. KIRWAN: Nonsense!

Mr. KERR: The Government to-day, owing to their repudiation policy, are not trusted.

The SECRETARY FOR PUBLIC WORKS: What a simple mind.

Mr. KERR: The Minister interjects, but he cannot get away from the facts disclosed by the figures I have given. The banking companies which have the money to invest are not investing it here, but are sending it to the other States.

The TREASURER: Your figures are all wrong.

Mr. KERR: I do not think the Treasurer has seen the figures.

The TREASURER: I know that the total liabilities of the banks in Queensland, including the Commonwealth Savings Bank, are not much above £32,000,000.

Mr. KELS0: What are you quoting from?

The TREASURER: I am quoting from the "Statistics of Queensland."

Mr. KERR: I am quoting the Federal figures. The question cannot be camouflaged. The Treasurer, in view of the large loans shortly falling due, should not alter the charter under which these private banks commenced their operations. It is purely a question of governmental principle, and, if the Government sacrifice by their legislation principles which are paramount in Australia and in other parts of the world, it will reflect discredit upon them for a long time to come. It will also reflect discredit upon the Treasurer and the Secretary for Public Lands when they go to the old country in regard to the renewal of loans. I do not agree with that part of the Bill which deals with the 70 per cent. of the excess deposits, but I agree that the other part of the Bill should stand. I firmly believe that the £10,000 deposit will inflict no hardship. The life insurance companies have deposited something like £160,000 as security for the fulfilment of their obligations, and there is no reason why we should not have such security as will protect the depositors in these banks. There should not be any objection to the examination of balance-sheets. The accounts of all joint stock companies can be examined now. I ask the Treasurer, however, to take into consideration what it may mean to Queensland if charters issued to companies are abolished by a stroke of the pen. That is too serious a thing to do just because there is something like £30,000 of the people's savings floating about which the Government have not got. And, after all is said and done, what are the Government going to compel these banks to do? All they will do is to wipe out the payment of interest and carry on like the ordinary chartered banks; but, all the same, it should not be done because of the repudiation connected with it. I sincerely hope that the Treasurer will drop the Bill after the second reading and not bring it forward again either this session or in any other session.

Mr. TAYLOR (*Windsor*): While the hon. member for Enoggera was speaking he gave the amount deposited in the Commonwealth Savings Bank in Queensland for the year ended 30th June, 1922. The Treasurer challenged it, but I would point out to him

*Mr. Taylor!*

that if he does so he challenges the figures of the Commonwealth Statistician. I have in my hand a copy of the statistics issued by the Commonwealth Statistician, in which I find a long list of the savings bank deposits, withdrawals, and interest, from 1913 until the present year. He gives the amount deposited during 1922 as £20,753,463, the amount withdrawn as £20,570,580, and the amount of interest allotted as £621,331. So that the hon. member for Enoggera quoted quite correctly.

The TREASURER: The State Statistician's figures show that for the first quarter of 1921 the excess of withdrawals was £215,000, in the next quarter the excess of deposits was £493,000, in the next quarter £405,000, and in the last quarter £181,000, or a net excess of deposits over withdrawals of £800,000, 70 per cent. of which we have had from the Commonwealth Government.

Mr. TAYLOR: The figures I have quoted are up to the 30th June last. Then the hon. member for Enoggera quoted the liabilities and assets of the different banks in Queensland. I find that in the same book, for the quarter ended 30th June, 1922, the total liabilities are given as £51,896,920, and the total assets—this is the extraordinary part of it—as £48,196,122. Those are placed under the following heads:—

“Coin; Bullion; Australian notes; Government and municipal securities; Landed and house property; Notes and Bill of other banks; Balances due from other banks; Discounts, overdrafts, and all other assets (not including contingent assets).”

The TREASURER: The State Statistician gives the figures for 1921 as assets £49,000,000 and liabilities £32,000,000.

Mr. TAYLOR: This is not my statement; it is the statement of the Commonwealth Statistician. It is quite evident that the Treasurer has not seen these figures. However, we are discussing a Bill to make provision for the regulation of savings bank business carried on in Queensland by private persons. I want to say right at the start that we on this side of the House are not in any way opposed to a national bank, but we are opposed to the nationalisation of banking, and if this Bill means anything, it means, as other hon. members have said, really the thin end of the wedge towards the nationalisation of banking. Whilst we believe that every possible safeguard should be taken by the Government to see that bogus companies or banks of all kinds are not allowed to get a footing in the State and legislation of a sufficiently stringent nature should be placed on the statute-book for the purpose, we also think that ample protection should be given to the banks which have been carrying on business here for a number of years. In my judgment, the Bill is going to operate very harshly upon these institutions. Some of us have a recollection of what happened when the banks went smash in Australia in 1893, when every bank in Australia but three was obliged to close its doors, and we know the hardship and misery that were caused. The Treasurer was then in the knickerbocker stage and has very little recollection of what occurred then. We should give every possible protection to persons who deposit their savings in a small way in banks to see that, when the time comes when

they want them, they will be there for them. Ever since the earliest times in the history of Australia it has been recognised that it is necessary that the public interests in that direction should be protected. The men who came here and laid the foundations of Australia therefore established Government Savings Banks, and we have believed in them ever since. But we have private institutions in Queensland—I suppose there are half a dozen altogether, though there may be a few more—which take savings bank deposits as described in this Bill, and allow interest on them.

We find that the Government propose to take a certain proportion of the excess of deposits over the withdrawals in any particular year. That provision can be applied to new companies when they come along. I know they will not come along. I feel certain that no bank would contemplate starting business on the lines indicated in this measure. I certainly think that penalising the existing institutions by taking 70 per cent. of the excess of deposits over withdrawals is not giving them a fair “spin” at all.

The TREASURER: I stated that I was going to move an amendment to relieve them of that obligation.

Mr. TAYLOR: I heard the Treasurer say that, and I said, “Why not make it 50 per cent.?” That would certainly be a fair proposition, and would give those institutions a chance of carrying on their business.

The TREASURER: If you make 50 per cent. a fixed amount, it might be too high in some cases.

Mr. TAYLOR: It will not be too high for the hon. gentleman. He will get as much as he can. I think that 70 per cent. is too high, and probably 50 per cent. might prove to be too high. Many institutions have been carrying on in Queensland for many years under the management of reputable men, and they have done very excellent work. They were established long before this Government ever contemplated going in for that kind of business. I do not think they should be penalised to the extent of having to provide even 50 per cent. of the excess deposits over withdrawals in one year. The amazing part is that the Government are only going to allow 1 per cent. over and above what the banks are paying the depositors. The Treasurer knows, and any man knows, quite well that that is not a fair percentage to pay those institutions for that money. The Government a few months ago—and probably within the next few months they will be doing it again—were issuing bonds over the counter and telling the people they would pay them 5½ per cent. If any of the present institutions are paying 3½ per cent., 3¾ per cent., or 4 per cent., they are to be allowed to receive from the Government for the money which is taken compulsorily from them 4½ per cent., 4¾ per cent., or 5 per cent., as the case may be. At the same time the Government are offering bonds over the counter at 5½ per cent., and up to and until the 1st January next they are to be free from income tax. The Government offer these investments to the general public, yet they propose to curtail the operations of those institutions and allow them a paltry 1 per cent. I do not think that is playing the game. The Government should be above that kind of thing. I was very much surprised to hear the Treasurer say

[*Mr. Taylor.*]

in answer to an interjection that the provisions of the Bill emanated from the late Sir Denison Miller. I suppose everyone in Queensland and in Australia recognises what a very distinguished banker and able man Sir Denison was in conducting the business of the great Commonwealth Bank of Australia. It seems rather an extraordinary thing to me that a gentleman controlling the Commonwealth Bank of Australia, with the whole of the assets of Australia behind it, doing the enormous business in banking that it was doing and is doing, should be fearful of the competition of a few small banks, whose ramifications of capital will not run into more than about £2,000,000, and should consider that something should be done to wipe out those institutions. That is what is going to happen to the existing institutions within the space of a very few years if this Bill becomes law. We all agree that the deposit of £10,000 is a fair thing. The Bill provides that, upon an application by any corporation which wishes to start banking, the Government may register that corporation after all the conditions which are set out in the regulations have been fulfilled. If we go on the past history of this Government, it means that not a single corporation or business will get registration. We recollect that a few years ago, when the Government entered into the insurance business, exactly the same provision was included in a Bill at that time, which provided that private insurance companies could operate in a certain direction with regard to insurance provided they paid the necessary deposit and complied with the regulations. They did all that and then the Government declined to register them. They would not allow them to come in and compete in that class of insurance in Queensland. I take it that that is exactly what is going to happen in connection with this Bill if anyone wants to start in this particular line of business. I do not believe for a moment in the multiplication of banking business or of insurance companies. I think we have got quite enough banks and insurance companies in Australia to carry on the business efficiently and well for a number of years to come. The Treasurer remarked that increased competition would not lead to better results, or greater efficiency, or better dividends to people. The hon. member for Nundah pointed out one of the most remarkable provisions—that after a corporation or one of these institutions had paid its deposit of £10,000 in the first case, and then during the period in which it carried on its operations deposited 70 per cent. of the excess of deposits over withdrawals with the Government, and then decided to go out of business and satisfied the Government that all its creditors had been satisfied, the Government would transfer all the securities which it held back to the person who had lodged such securities. The Government would practically hold half of the money which the corporation or institution owned. You can see how ridiculous that provision is and how impossible it will be for any institution to carry out such a provision if it goes out of business. I hope, when the Bill is in Committee, the Treasurer will take a broad view of it and will accept amendments from this side. I hope he will not be carried away with this nonsensical—I call it nonsensical—nationalisation of banking in this country. I certainly think that Governments are the worst people to carry on business activities such as bank-

ing, etc. When the Commonwealth Bank was established the very first thing that Mr. Fisher did when he appointed the late Sir Denison Miller was to give him a free hand.

Mr. DUNSTAN: Still you prophesied its failure.

Mr. TAYLOR: I never did.

Mr. DUNSTAN: Your party did.

Mr. KIRWAN: You scoffed and jeered at it.

Mr. TAYLOR: I advocated the establishment of the Commonwealth Bank years before it was established.

The TREASURER: The National party could not have found that out or you would never have been endorsed.

Mr. TAYLOR: They did know about it.

Mr. KIRWAN: You will be "carpeted" in caucus to-morrow.

Mr. TAYLOR: The hon. member will be kicked out of his caucus to-morrow.

Mr. KIRWAN: Then I will meet you outside.

Mr. TAYLOR: The Prime Minister of Australia—Mr. Andrew Fisher—did not care what salary was paid, so long as he got his hands on the right man. He got his hands on the right man. It was a condition of his appointment that the late Sir Denison Miller was to be absolutely free from the influence of politicians of every kind. That is one reason why the Commonwealth Bank has been the success it has.

Mr. G. P. BARNES (*Warwick*): Although a great deal has been said in connection with the Bill before the House—and I almost hesitate to open my mouth because it is impossible to deal with this matter without covering some of the ground that has been already covered—I must say that the House generally must share a very big feeling of disappointment at the speech of the Treasurer. Naturally, on a question of paramount importance, it was expected that the deliverance from the Treasurer would have been more than of an ordinary informative nature. I feel a very big degree of disappointment. The Treasurer was not in his usual form.

Mr. ELPHINSTONE: He had a very bad case.

Mr. G. P. BARNES: Every member of the House will agree that the Treasurer did not do himself justice. The only conclusion that you can come to in the matter is that the case was not good enough for him to stress in his usual able manner.

The TREASURER: I was surprised to find any opposition whatever to the Bill.

Mr. G. P. BARNES: The Treasurer now says that he wondered whether [9 p.m.] there would be any opposition to the Bill. I suppose every hon. member of the House can share one of the motives that led to the introduction of the Bill. The Treasurer said that one of its objects was the protection of the people. Men with small or large savings have to be protected. Every man in the House stands behind the Treasurer in his ardent desire to protect the people generally in connection with banking matters. In addition to stating that as a reason for the introduction of the Bill, the Treasurer also said that it had to do with a suggestion that had been made by the Commonwealth Bank, so that you have two things there. You have first the

*Mr. G. P. Barnes.]*

idea that the people are to be protected, and, in the second place, you have given to us the feeling that the idea is to serve the Commonwealth Bank.

Mr. KELSO: That is the real reason.

Mr. G. P. BARNES: There may certainly be a desire to serve the Commonwealth Bank, but can anyone say to this House that the paramount idea is to serve the Commonwealth Bank? Not by any means. The real paramount idea is in order to obtain 70 per cent. of the deposits.

The TREASURER: No. It is a very small amount.

Mr. G. P. BARNES: That is self-evident. The idea is not to give the protection to the people. I believe that has a great deal to do with this Bill, but the chief idea is that it will bring more grist to the mill and more funds to the Government of the day.

The TREASURER: The amount will be inconsiderable.

Mr. G. P. BARNES: Or, in other words, to help on the policy of nationalisation of banking, which is part and parcel of the platform of the Government. Why I am particularly disappointed is because this commandeering of money is following the commandeering of other commodities in other days. That very attitude of the Government has done more to cause distrust and unrest than any one of us can sum up this evening, or has succeeded in summing up at any period of our lives. The unrest and dissatisfaction that followed the commandeering of meat, butter, and other commodities created dissatisfaction in the community, but there was never a word regarding the commandeering of money. Indirectly, or directly as you may like to term it, there is the power to commandeer if companies are foolish enough to establish themselves and have banking balances. Any man in his senses will realise the impossibility of carrying on any business concern with the 30 per cent., as allowed under the Bill, which must be held in reserve in order to meet the ordinary demands of banking. No business can be conducted under such circumstances. I unhesitatingly say, and I have simply got on my feet in order to emphasise the fact, that the seriousness of the proposal in that connection has not been seized by the Treasurer. I maintain that the present deposit of £10,000 is ample for all purposes for the protection of the people. The commandeering of 70 per cent. of the funds is altogether an outrage and an unfair proposal. It will have its effect, because no institution will be established; but the real thought that occurs is that it must have a very much wider influence in connection with our banking. Already the figures given this evening indicate that something has happened which discourages investment in Queensland. How is it that the great bulk of the money—and if you come down to actual figures there would be seemingly proof in this direction—invested in Queensland is finding its way into the other States of the Commonwealth and is being invested there? Why? Because confidence rules to a very much higher and greater degree there than here. We are not acting wisely in tinkering with financial matters in the way we propose to do. If administrative acts of the Government have led to the transference of money to other States, what is a Bill of this kind going to do? I hope, when the Bill reaches the Com-

[*Mr. G. P. Barnes.*]

mittee stage, that the Treasurer will show good taste and wisdom and a deep interest in the affairs of the State by providing safeguards against the commandeering of any of the deposits of the people. Every hon. member here is ready to support the Treasurer to protect the interests of the people, but any unwise action such as is in evidence in the proposals of this Bill should meet with the disapproval of every member on this side of the House.

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

The consideration of the Bill in Committee was made an Order of the Day for Tuesday next.

## DINGO AND MARSUPIAL DESTRUCTION ACT AMENDMENT BILL.

COMMITTEE.

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

Clause 1—“*Short title—Construction of Act*”—put and passed.

Clause 2—“*Rates of bonus*”—

Mr. MOORE (*Aubigny*): I beg to move the insertion, after the word “dingo,” on line 8, page 2, of the words—

“and must not exceed £1.”

I am led to believe that there is a possibility in some districts in Queensland that representations are being made, owing to the scarcity of foxes, that a rate of over £1—it is stated that it may be up to £5—might be put into the regulations for the scalps of dingoes, and we recognised on the second reading that even £1 was far too much. We wish to have it quite clear in the Bill that the rate for a dingo must not exceed £1.

The SECRETARY FOR AGRICULTURE (*Hon. W. N. Gillies, Eacham*): When hon. members of the Opposition go to the trouble of getting an amendment printed, I wish that they would do me the courtesy of not delivering it to me just at the last moment.

The CHAIRMAN: I would like to point out to the hon. member that yesterday I asked hon. members to supply copies of amendments, even when typewritten, at least to the Minister, the officers of the House, “Hansard,” and the Press.

Mr. MOORE: I quite agree with the Chairman. We found the greatest difficulty in following the Bill yesterday under similar conditions. This amendment was left with me by the hon. member for Murilla, who had hoped to be back in time to submit it to the Committee.

The SECRETARY FOR AGRICULTURE: If the hon. member for Aubigny will explain clearly what he means, I might consider his amendment. It is not clear that the amendment does not refer to the dingo.

Mr. MOORE: When the amendment is made the context will show that only the fox is referred to. The clause when amended will read—

“The rate fixed for the scalp of a fox need not be the same as the rate fixed for the scalp of any other dingo, and must not exceed £1.”

The SECRETARY FOR AGRICULTURE: The amendment is quite unnecessary. The whole purport of the Bill is to give power to make provision for fox scalps at less than £1, and to fix the rate by regulations from time to time. I will give the Committee my



assurance that it is intended to reduce the bonus, if possible, to 10s. or 7s. 6d. The hon. member for Aubigny might well withdraw the amendment.

Mr. MOORE: I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 2 put and passed.

Mr. DEACON (*Cunningham*): I beg to move the insertion of the following new clause to follow clause 2:—

“Notwithstanding anything contained in this or the principal Act, any Board may defer payment of bonus on any scalps tendered or retain such scalps without being liable to make any payment whatever, if the Board is not satisfied that the scalps tendered have been taken from animals killed in Queensland.

“The onus of proving to the Board that such animals were killed in Queensland shall rest on the person tendering the scalps, and the Board’s decision on the matter shall be final.”

The object is to give to the Boards along the border the power of protecting themselves. They have a pretty good idea that one man’s scalps will be all right and that another man’s scalps are suspicious. There is no doubt whatever that the boards in Queensland should not be liable for scalps coming across the border. The new clause will cast the onus of proving that the animals were killed in Queensland on the scalper. It is impossible for the Board to prove that the animals were not killed in Queensland. All they have got at the present time is the declaration of the scalper that he killed the dingoes in the district. A declaration is very easy to sign if the scalper is a scoundrel. I do not mean to say that all scalpers are dishonourable, but some of them try this thing on.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): If the hon. member will look at section 14 of the schedule to the principal Act, he will find it provides—

“When the scalps of any dingoes or of any marsupials in respect of which bonus is payable killed within a district are delivered to the clerk or to any receiver of scalps, a certificate in the form hereunder set forth, signed by the clerk or receiver and also by the chairman or a member, shall be granted to the person delivering the scalps.”

Later on, penalties are provided for anyone applying for a certificate without having killed the dingo in the district. The penalty is £20. Further than that, I would like to ask the hon. member how the scalper would set about furnishing proof, apart from his statement, on oath if necessary, that the dingo was obtained in the district? I think it is too ridiculous. I submit sufficient safeguards are provided in the section I have quoted, and therefore I cannot accept the amendment.

Mr. DEACON: The safeguards at present provided are not sufficient, because any dishonest man could sign a declaration, and that ends it. The board knows pretty well the characters of the men they are dealing with, and if they suspect a man they can make him show proof that he killed the

dingo within the district. If he is an honest man, he can easily prove that he has been in the district.

The SECRETARY FOR AGRICULTURE: You wish him to prove that he has not been out of the district.

Mr. DEACON: The boards have a pretty good idea of where the scalper has been, and they know very well that they have been paying for scalps that have come from New South Wales.

The SECRETARY FOR AGRICULTURE: The amendment is not necessary, and it would be unworkable.

Mr. DEACON: It is necessary, but it may be unworkable. (Laughter.)

New clause put and negatived.

The House resumed.

The CHAIRMAN reported the Bill without amendment.

The third reading of the Bill was made an Order of the Day for Tuesday next.

## DISEASES IN POULTRY BILL.

### COMMITTEE.

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

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

Clause 2—“*Interpretation*”—

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): I move the omission, after the word “pox,” on line 1, page 2, of the word “or,” and the substitution of a comma. The printing of the word “or” was an error, and the amendment is necessary.

Amendment agreed to.

Clause 2, as amended, agreed to.

Clause 3—“*Inspectors, etc.*”—

Mr. KERR: I would like an explanation in regard to paragraph 2, which reads—

“No such inspector or officer other than an honorary inspector shall be either directly or indirectly a dealer in poultry, or act as the agent or an owner of or dealer in poultry.”

I would like the Minister to say what is the intention in regard to honorary inspectors? Is it not a weakness to appoint an honorary inspector who may deal in diseased poultry or otherwise? The Minister may have some object in including honorary inspectors, and if it is in connection with the sale of poultry, the Bill should say so.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): There is nothing very definite in my mind in regard to honorary inspectors, but we have found, in regard to fruit, that honorary inspectors have been an advantage. If honorary inspectors are appointed, I can assure the hon. member it will only be for the purpose of carrying out the objects of the Bill. It may be necessary to appoint the supervisor on a settlement to be an inspector, but no honorary inspector will be appointed who may be a seller of poultry. The idea is to have the Bill administered as cheaply as possible, and it may be found advisable to appoint honorary inspectors in some instances. If honorary inspectors are appointed every care will be exercised in appointing men who, like the Caesar’s wife, are above suspicion.

*Hon. W. N. Gillies.]*

Mr. WARREN (*Murrumba*): The appointment of honorary inspectors in the fruit trade has been very satisfactory. We consider that the men interested in [9.30 p.m.] an industry will do more to try and stamp out disease than one who is merely a paid servant. I am glad that the Minister is extending this system of honorary inspectors.

Mr. KERR (*Enoggera*): I move the addition of the following new subclause:—

"(4.) For the further effectual execution of this Act, there shall be established a special farm or farms for the scientific investigation of poultry disease. For educational purposes the growers of poultry shall be periodically circularised on the results obtained and the methods of treatment recommended."

The CHAIRMAN: I would point out to the hon. member for Enoggera that this Bill is introduced under a message from His Excellency the Governor. The amendment moved by the hon. member will impose an additional charge on the consolidated revenue, and I must therefore rule it out of order.

Mr. KERR (*Enoggera*): I move, as a further amendment, the insertion of the following new subclause:—

"(4.) For educational purposes, the growers of poultry shall be periodically circularised on the various diseases, and the methods of treatment recommended."

The CHAIRMAN: Order! The hon. member knows the reason for my ruling. He is now attempting to get round it by moving another amendment, which would involve additional expenditure which is not provided for in the message from His Excellency the Governor, and I, therefore, rule it out of order.

Clause put and passed.

Clauses 4, 5, and 6 put and passed.

Clause 7—"Owner to give notice of disease"—

Mr. KERR (*Enoggera*): I move the insertion, on line 26, after the word "disease" of the words—

"except chicken pox and poultry lice."

A large number of poultry farmers in my electorate have asked me to have these diseases exempted from notification, as otherwise it would practically mean that the whole of Queensland would be quarantined for the whole of the year. (Laughter.) There is not a poultry farm perhaps in the whole of Queensland which has not got either poultry lice or chicken pox. I would ask the Minister to make the clause workable by accepting this amendment.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eucham*): I quite appreciate the point of view of the hon. member and the arguments he has used. I am afraid I cannot go all the way with him, but I am prepared to meet him half-way. The reason why I cannot go all the way with him is because Mr. Beard, the Government Poultry Expert, assures me that chicken pox is a contagious disease, and as such should be notified. With regard to poultry lice, we might exempt that from notification. If the hon. member will amend his amendment by omitting the words "chicken pox and" I will accept it.

[Mr. Warren.

Mr. KERR: I will amend my amendment as suggested by the Minister.

Amendment, by leave, amended, and agreed to.

Clause, as amended, put and passed.

Clause 8 to 12, both inclusive, and schedule, put and passed.

The House resumed.

The CHAIRMAN reported the Bill with amendments.

The third reading of the Bill was made an Order of the Day for Tuesday, 14th August.

## PEST DESTROYERS BILL.

### COMMITTEE.

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

Clauses 1 and 2 put and passed.

Clause 3—"Fees"—

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eucham*): I move the insertion, after line 49, page 3, of the following proviso:—

"Provided also that the total sum payable by any dealer by way of fees under this subsection shall not exceed one pound in and for any year."

We have no desire to place a heavy tax on dealers in pest destroyers, some of whom may sell several different kinds of destroyers and may have to pay 5s. registration fee in respect of each. The amendment will place a limit on the fees they have to pay.

Mr. MOORE (*Aubigny*): I would like to know why it is necessary for a dealer to pay a registration fee every year. If he pays 5s. when he commences to sell the destroyer, he should not be compelled to register it every year, unless there is an alteration in it. In that case the Bill provides that he shall pay another fee of 2s. 6d. What is the object of the annual registration? The Government have the power to have any specific analysed if they want, and to require an annual registration of an old specific is only harassing the dealer. The revenue which would be obtained would be so small that it is hardly worth speaking of. I can see that registration is going to be useful to the Department of Agriculture, in order that it may know what specifics are on the market, but I do not know what protection an annual registration is going to give.

Mr. WARREN (*Murrumba*): It would be better if some of these so-called pest destroyers were wiped out completely, because they are not only absolutely useless, but also damaging to the trees. I think it is a very good thing to have registration and analysis by the Department of Agriculture, but I cannot see why there should be any necessity to put a dealer to one penny of expense. Under the Bill, if a bogus preparation is registered and a fee is paid, it merely means to most people that it has been passed by the Department of Agriculture. I think it would be far better to cut out the fee altogether and allow only those preparations which have received the hall-mark of the department as something that is good to be sold. To leave the fee in is only, as it were, placing the imprint of the department on something which may be no good. The Minister knows that dozens of bogus preparations are going about the country and doing nothing else but damage.

Mr. MOORE (*Aubigny*): The only thing I am concerned about is the provision that

a fee of 5s. shall accompany every notice mentioned in the first paragraph of clause 3—

“Every dealer shall, within thirty days after the passing of this Act or within thirty days after the date of his commencing in business or trade as a dealer (whichever is the later date), and thereafter in each year”—

give the prescribed notice. Where is the sense of paying 5s. every year for the registration of exactly the same thing? The man has got his certificate and everything is in order. The department has power to have the preparation analysed at any time, and if it is not up to sample, the dealer is liable to prosecution. It seems to me only a pin-prick without any useful purpose. If the thing was liable to deterioration, and there was likely to be a different sample each year, it might be a different thing. It is only placing a restriction on men who are entering into business to sell something for the benefit of the people.

The SECRETARY FOR AGRICULTURE (Hon. W. N. Gillies, *Eacham*): I would draw the attention of the hon. member to subclause (5), page 5—

“Provided always that when a wholesale dealer in any pest destroyer has complied with all the foregoing provisions of this section relating to the registration of the same, and such pest destroyer has been duly registered, it shall be lawful for any other dealer to sell such pest destroyer without payment of any fee and without complying with the requirements of subsection three of this section, but he shall nevertheless be bound to comply with all other provisions of this Act relating to the sale of pest destroyer.”

Hon. members will see that that provision will exonerate retail dealers in poison to a large extent from the payment of fees, and I do not think the clause imposes a heavy tax upon anybody. It follows the precedent set in the Stock Foods Act, and is designed purely to protect the farmers.

Mr. MOORE: I do not understand the need for it.

The SECRETARY FOR AGRICULTURE: I do not think it will be in any degree hurtful in its operation. I do not think there is any reason why the small fee prescribed here should be taken out. I have made it as low as possible in the amendment.

Mr. DEACON (*Cunningham*): I am not quarrelling with the amendment. Some of the pest destroyers contain poison. Any chemist who sells those poisons requires the signature of the purchaser. Some persons are prohibited from selling poison until they comply with certain conditions. The poison used in the destruction of foxes and dingoes contains arsenic. I would like the hon. gentleman in charge of the Bill to say whether this Act conflicts with the Act dealing with the sale of poisons. It appears to me that under this Act anybody can sell poisons.

The SECRETARY FOR AGRICULTURE: The hon. member is unduly alarmed. It is not proposed that this Act shall supersede any other Act. Anyone who sells poison under the Health Act must get the necessary permission.

Mr. DEACON: Will he have to comply with both Acts?

The SECRETARY FOR AGRICULTURE: He will have to comply with the Health Act.

Amendment (*Mr. Gillies*) agreed to.

Clause 3, as amended, put and passed.

Clauses 4 to 13, both inclusive, put and passed.

The House resumed.

The CHAIRMAN reported the Bill with an amendment.

The third reading of the Bill was made an Order of the Day for Tuesday, 14th August.

## TRUST ACCOUNTS BILL.

### COMMITTEE.

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

Clause 1—“*Short title*”—put and passed.

Clause 2—“*Interpretation*”—

The ATTORNEY-GENERAL (Hon. J. Mullan, *Flinders*): I have taken into consideration the remarks that were made by the leader of the Opposition and other hon. members regarding the difficulties of auctioneers and commission agents and those who come under the Farm Produce Agents Act of 1917 in having their accounts audited. It was stated that there was a multiplicity of accounts dealt with every day. It is quite true that one auditor would be required to do the auditing in one of the big establishments alone, and to overcome that difficulty I propose to move an amendment when we reach clause 4, by which auctioneers and commission agents and those who keep accounts under the Farm Produce Agents Act of 1917 will be excluded unless they are specially included by an Order in Council, which certainly will not happen unless there are some very strong circumstances to warrant it.

Mr. TAYLOR: That is satisfactory.

Mr. VOWLES: I would like to know whether “commission agents” will include members of the stock exchange?

ATTORNEY-GENERAL: No.

Clause 2 put and passed.

Clause 3 —“*Duties of trustees and their bankers as to moneys received on trust*”—put and passed.

Clause 4 —“*Regulations*”—

Mr. KELSO (*Vundah*): I beg to move the omission, on page 2, line 39, of the words “at prescribed periods.”

The ATTORNEY-GENERAL: I will accept that amendment.

Amendment agreed to.

[10 p.m.]

The ATTORNEY-GENERAL: I beg to move the omission, on page 2, line 40, of the words “every trustee” with a view to inserting the words—

“such trustees or classes of trustees as the Governor in Council thinks proper.”

By inserting those words I exclude those mentioned as trustees until they are included by Order in Council. There is no intention to include the classes referred to the other night by the leader of the Opposition.

Amendment agreed to.

Mr. KELSO (*Vundah*): I beg to move the insertion, on line 40, after the word “trustee,” of the words—

“upon the request of any person beneficially interested in such trust accounts.”

*Mr. Kelso.]*

The ATTORNEY-GENERAL: I cannot accept that amendment

Mr. KELSO: I explained the object of this amendment in the course of my second-reading speech. Probably over 90 per cent. of the accounts affected by this Bill do not really need auditing at all. The people who are beneficially entitled may be quite satisfied with those who are acting as trustees for them, and it seems a monstrous thing that they are going to be put to the expense of an audit.

The ATTORNEY-GENERAL: The expense of an audit will be very light indeed, as it will be done by the Auditor-General's Department.

Mr. KELSO: If it has to be done by the Auditor-General's Department, will the Attorney-General tell us what the expense will be?

The ATTORNEY-GENERAL: I cannot at present, but it will be done at a minimum cost. There will not be any special auditors required.

Mr. KELSO: Not in the country?

The ATTORNEY-GENERAL: The Government auditors go there, and, when they go there, they will call in and do the work.

Mr. KELSO: When the Government auditors spend Government time auditing thousands of accounts, you cannot expect the country to be put to the expense of the audit. I am suggesting that these audits be only undertaken upon the request of any person beneficially interested in such trust accounts.

The ATTORNEY-GENERAL: It would be fatal to the whole measure.

Mr. KELSO: If the Attorney-General accepted the amendment, he would be acting in the interests of the public and would have just as much safeguard as he has now. If any persons beneficially interested suspected that anything was not going right, they could request an audit, and they would be the people who would have to pay for the audit. If you are going to put the expense on them, then that is all right.

Under this Bill you are going to put the expense on practically all of those who come within the scope of the Bill. I think the Attorney-General should consider the enormous cost it will involve. If the Audit Department is going to do the work, even if it did it for nothing, I still hold that in the public interest, as the auditors will be using the public time, the audit will have to be paid for. As a matter of fact, I believe that, if the Audit Department did not charge anything at all for the work, the staff would have to be considerably increased. In speaking on the second reading of the Bill, I mentioned that even in doing the smallest audit the auditor starts de novo and has to make himself thoroughly conversant with everything. His professional reputation is at stake, and he must be absolutely certain that everything is right before affixing his signature. This entails a certain amount of time even in the smallest of audits. You will either put the beneficiary to great expense, or, if no charge is made, then the country is going to be put to a great deal of expense.

The ATTORNEY-GENERAL: I would like to be able to meet the hon. member, but I have given this matter very careful consideration, and I am afraid that the

[Mr. Kelso.

amendment would be fatal to the usefulness of the measure. If a man entrusts his money to a trustee, he usually has explicit confidence in that trustee, so much so that sometimes he would not even dream of having an auditor, and, unfortunately, he sometimes finds his trustee a false friend. Even though this may happen in only a small number of cases, now that we are going on with this measure to protect trust accounts, it would be very unwise to accept the amendment of the hon. member for Nundah.

Mr. KING (Logan): I would like to ask the Attorney-General what is the position of a trustee who has received a deed of release or an indemnity from the beneficiaries?

The ATTORNEY-GENERAL: By collusion, do you mean?

Mr. KING: No. He has furnished a statement of account in settlement, and gets a release and indemnity?

The ATTORNEY-GENERAL: The Parliamentary Draftsman informs me that, if he gets a deed of release, he is no longer a trustee. His trust is finished.

Amendment put and negatived.

Mr. KELSO (Nundah): I beg to move the insertion, after subclause (a), of the following words:—

"(b) Providing that the trustee shall at prescribed times furnish to all persons beneficially interested in the trust a detailed statement of the transactions of the trust."

My object in moving the amendment is that in many cases, as the Attorney-General has just said, the trustee is a friend in whom the beneficiary has confidence, and sometimes some of these friends are dilatory, and it may happen that one of the beneficiaries has asked for a statement regarding the transactions of the trust, which is not supplied, and he does not like to push the trustee for the statement. If it is provided in the Bill that it shall be the duty of the trustee to furnish all persons beneficially interested in the trust with a detailed statement of the transactions of the trust, it will give added security, because it will keep the trustee up to his work. The trustee companies and the Public Curator send out detailed statements of the transactions of all trusts from time to time. The beneficiaries keep these, and they are kept up to date every six months or every year. I claim that this will be an advantage to the Bill, as it will force the trustee, especially those who are inclined to be lazy, to furnish a detailed statement from time to time.

The ATTORNEY-GENERAL (Hon. J. Mullan, *Finders*): I quite agree with what the hon. gentleman has said in connection with the matter, but, if he will read paragraph (b) he will find that I have amply provided for what he suggests. That paragraph reads—

"Generally by all such means as may be prescribed to insure that trust accounts shall be kept and audited and that persons beneficially entitled to moneys and securities held by trustees upon trust shall be informed thereof and of the investments thereof."

That is all that is necessary.

Mr. KELSO: Under the circumstances, I will withdraw my amendment.

Amendment, by leave, withdrawn.

The ATTORNEY-GENERAL: I beg to move the omission of paragraph (b) reading—

“Defining a class or classes of accountants authorised to make such audits.”

No special auditor will be appointed, and that paragraph is not required.

Amendment agreed to.

The ATTORNEY-GENERAL: I have a consequential amendment on page 3. I move the omission, on lines 4 and 5, of the words “to such auditors” with a view to inserting the words “for such audit.”

Amendment agreed to.

The ATTORNEY-GENERAL: I beg to move the omission, on line 7, paragraph (g), of the word “auditor’s” with a view to inserting the word “audit.” That also is a consequential amendment.

Amendment agreed to.

The ATTORNEY-GENERAL (Hon. J. Mullan, *Finders*): I move the omission, on line 8, of the word “and,” and the insertion of the following new paragraph:—

“(h) Requiring such trustees or classes of trustees, as the Governor in Council thinks proper, to deposit with the prescribed officer moneys or prescribed securities or the prescribed fidelity bond up to an amount in each case not exceeding five thousand pounds by way of guarantee for the proper application by such trustees of trust moneys coming into their possession, the interest, if any, on such deposits to be payable to such trustees, such deposits to vary in amount according to the amount of trust moneys in possession of the trustees during any prescribed period or according to such other conditions as the Governor in Council thinks proper; and”—

The amendment provides for a fidelity bond or cash in any amount not exceeding £5,000. Of course, £5,000 is put there as denoting a maximum, but the amount may be very much smaller than that. The bond will not cost as much as some people may think, because any of the guarantee societies will undertake to provide fidelity bonds at the rate of 15s. per £100, less 28 per cent., which works out at £2 13s. 4d. for £500, so that no great hardship will be imposed.

Mr. TAYLOR (*Windsor*): Are we to understand that a trustee can take out a fidelity bond in any company he may choose, and deposit that as the security?

The ATTORNEY-GENERAL: Yes. I may explain that I am leaving it open under this measure for a trustee or solicitor to go to any company he likes and get a fidelity bond, assuming that it is a reputable society.

Mr. KELSO (*Nundah*): There is one point upon which I want a little light. For instance, may the Minister require a trustee to hand over all the assets of his trust?

The ATTORNEY-GENERAL: No; he can either give us a fidelity bond or give us cash.

Mr. KELSO: Does the decision rest with the trustee?

The ATTORNEY-GENERAL: Undoubtedly.

Mr. KELSO: Although he has not got the securities?

The ATTORNEY-GENERAL: It is quite optional with the trustee whether he gives a fidelity bond or cash.

Mr. KELSO: The amendment reads—

“Requiring such trustees or classes of trustees, as the Governor in Council thinks proper.”

The onus is on the Governor in Council, according to that, to do certain things. It does not make it optional on the part of the trustee.

The ATTORNEY-GENERAL: It is obligatory on the trustee to give us the prescribed security, which can be a fidelity bond or cash.

Mr. KELSO: I want to make it clear that a trustee who, although he has security, may want to use it for trust purposes, if he does not wish to give the security, can elect to give a guarantee bond, and the Government will not press him to give the security.

The ATTORNEY-GENERAL: No.

Mr. VOWLES (*Dalby*): The Minister said that £500 is to be the nominal bond, but provision is made for a £5,000 bond, which is a big thing.

The ATTORNEY-GENERAL: That will only be required in exceptional cases.

Mr. VOWLES: Country practitioners in the legal profession, for instance, have a lot of money in their hands, but make no commission like commission agents do. The money is simply given to them, and transferred from one man to another. I am taking it for granted that the same principle will apply as under the Auctioneers and Commission Agents' Act, and that the Government will be satisfied with a bond for £500 in ordinary cases.

The ATTORNEY-GENERAL: We merely want the power to prescribe the amount.

Mr. VOWLES: Will the trustee be able to deposit the cash and receive interest upon it?

The ATTORNEY-GENERAL: Yes.

Mr. VOWLES: There is another point I would like to clear up. I understand that under the Auctioneers and Commission Agents Act the State Insurance Office is not prepared to accept the whole of the risk under the fidelity bonds.

The ATTORNEY-GENERAL: They will be able to get bonds.

Amendment (*Mr. Mullan*) agreed to.

Clause, as amended, put and passed.

Clauses 5 and 6 put and passed.

The House resumed.

The CHAIRMAN reported the Bill with amendments.

The third reading of the Bill was made an Order of the Day for Tuesday, 14th August.

## WORKERS' COMPENSATION ACTS AMENDMENT BILL.

### COMMITTEE.

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

Clauses 1, 2, and 3 put and passed.

The House resumed.

The CHAIRMAN reported the Bill without amendment.

The third reading of the Bill was made an Order of the Day for Tuesday, 14th August.

The House adjourned at 10.27 p.m.