

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

FRIDAY, 22 AUGUST 1924

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The SPEAKER (Hon. W. Bertram, *Maree*) took the chair at 10 a.m.

QUESTIONS.

CASES OF McAVOY *v.* NILSON AND TARRANT *v.* McAVOY.

Mr. MAXWELL (*Toowoong*), for Hon. W. H. Barnes (*Wynnum*), asked the Attorney-General—

“1. Will he lay upon the table of the House all papers in connection with the cases of McAvoy *v.* Nilson and Tarrant *v.* McAvoy, tried in the first place before His Honour Mr. Shand, and then before the Full Court, such papers to include any further evidence subsequently obtained by Sub-Inspector Donnelly?”

“2. Will he himself personally inspect all papers therein, and if he is of the opinion that any miscarriage of justice has taken place, as revealed by evidence since the decision of the Court, will he take the necessary action to protect the parties concerned?”

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

“1. The papers in these cases are in the custody of the Supreme Court. I am unable to lay them on the table of the House, but the honourable member may inspect them in the Supreme Court Registry.

“2. Subsequent to the hearing of these cases, Tarrant was proceeded against in the police court on a charge of perjury, and committed for trial at the Supreme Court. The Crown Prosecutor (Mr. F. W. Dickson), after fully considering all the evidence, recommended that as there was no case to go to the jury no true bill be filed.”

ANTHRAX OUTBREAK TRACEABLE TO JAPANESE SHAVING BRUSHES—EXAMINATION OF HAIR GOODS IMPORTED FROM CHINA.

Mr. BEDFORD (*Warrego*) asked the Home Secretary—

“1. Is the Health Department informed of the recent outbreak of anthrax at Maitland, New South Wales, traceable to Japanese shaving brushes (of which 50 dozen have been seized) imported through England to secure the benefit of the Australian preferential duty on articles of alleged British or partly British manufacture?”

“2. Is he aware that the importation of hair goods manufactured in China and imported to Australia through England as partly British manufacture is subject only to similar perfunctory examination?”

“3. As in these matters the Commonwealth Government obviously fails in its duty, will the State Health Department exercise the maximum of vigilance?”

Hon. M. J. KIRWAN (*Brisbane*) replied—

“1. No. Inquiry is being made.

“2. No.

“3. The Health Department will continue to exercise the maximum amount of vigilance as in the past.”

EGG POOL ADVANCES AND PAYMENTS.

Mr. DEACON (*Cunningham*), for Mr. Edwards (*Nanango*), asked the Secretary for Agriculture—

"1. Has the Government made any advance to the Egg Pool Board? If so, how much?"

"2. Did the Egg Pool Board for the first few months make progress payments to suppliers of eggs?"

"3. If so, have any further sums been paid to such suppliers of eggs, and how much per dozen?"

"4. If not, will further payments be made—how much per dozen; and when?"

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

"1. Yes, in the shape of a guarantee only against security given by the pool. Amount guaranteed up to £10,000.

"2. Progress payments were made from September, 1923, to 12th January, 1924.

"3. No.

"4. Further payments will be made after the pool's balance-sheet has been audited in September. As soon as the audit has been completed, the progress payment will be made."

INSURANCE OF WHEAT CROPS BY STATE INSURANCE DEPARTMENT AGAINST DAMAGE BY HAIL.

Mr. DEACON (*Cunningham*) asked the Treasurer—

"1. What amount was paid by the State Insurance Department against claims for damage by hail to wheat crops in the years 1922-23 and 1923-24, respectively?"

"2. What amount was received in premiums for each of these financial years?"

"3. What is the profit or loss in each year?"

"4. Does the department intend to take part in this business in conjunction with other companies for the coming wheat crop?"

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

"1. Claims paid—	£
(a) For year ended 31st	
December, 1922	1,580
(b) For year ended 31st	
December, 1923	277

"2. Premiums received—	
(a) For year ended 31st	
December, 1922	733
(b) For year ended 31st	
December, 1923	Nil

"3. (a) For year ended 31st	
December, 1922	Loss, 1,030
(b) For year ended 31st	
December, 1923	Loss, 277

"4. This matter is under consideration."

FIRE BRIGADE STATISTICS.

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

"1. How many fire districts were in existence in 1920 when the Act came into force?"

"2. Since that date how many new districts have been constituted?"

"3. How many fire brigades are in Queensland, and what is the total strength of permanent men?"

"4. How much was collected from the local authorities during the financial years ended 1922, 1923, and 1924, in accordance with the Act?"

"5. What rate in the pound on the unimproved capital value does this represent in each of the districts concerned?"

HON. M. J. KIRWAN (*Brisbane*) replied—

"1. Thirty-one.

"2. Six. This does not include the Metropolitan Fire Brigade district which was constituted by the amalgamation of seven fire brigade districts, viz.—Brisbane, South Brisbane, Hamilton, Ithaca, Toombul, Toowong, Windsor.

"3. (a) 30; (b) 118.

"4. 1922	£	14,996
1923		14,292
1924		14,677

"5. Information not available. The area and rateable value of the majority of the fire brigade districts is unknown."

PAPERS.

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

First annual report on operations under the Unemployed Workers Insurance Act of 1922.

Regulations under the Unemployed Workers Insurance Act of 1922.

Amended regulations under the Inspection of Machinery Act of 1915.

Return in accordance with section 9 of the Mining Machinery Advances Act of 1906.

TREASURER'S FINANCIAL TABLES.

The TREASURER (Hon. E. G. Theodore, *Chillagoe*) presented the tables relating to his Financial Statement for the year 1924-1925.

Ordered to be printed.

ESTIMATES-IN-CHIEF, 1924-1925.

The SPEAKER reported the receipt of a message from His Excellency the Governor, forwarding the Estimates of Probable Ways and Means and Expenditure for the year ending 30th June, 1925.

Ordered to be printed and referred to Committee of Supply.

WAYS AND MEANS.

(*Mr. Pollock, Gregory, in the chair.*)

FINANCIAL STATEMENT.

The TREASURER (Hon. E. G. Theodore, *Chillagoe*): Mr. Pollock,—When submitting the Estimates for the financial year just closed I anticipated a surplus of £7,037. The actual excess of receipts over expenditure was £12,707.

The estimated and actual results were—

	Estimated.	Actual.
Revenue	£13,064,100	£13,428,039
Expenditure	£13,057,063	£13,415,332
Surplus	£7,037	£12,707
Revenue over estimate,	£363,939.	
Expenditure over estimate,	£358,269.	

Although there is a comparatively small difference between the estimated and the actual surplus, the following tables show

that there were substantial differences in both the revenue and the expenditure as compared with the Estimates:—

REVENUE, 1923-1924.

Head of Revenue.	Estimated.	Actual.	Increase.	Decrease.
	£	£	£	£
Commonwealth	1,008,000	1,004,892	...	3,108
Taxation	3,840,000	3,617,201	277,201	...
Land	1,551,600	1,450,450	...	71,050
Mining	28,600	34,005	5,405	...
Railways	5,700,000	5,684,653	...	15,347
Other Receipts	1,436,000	1,606,838	170,838	...
Totals	13,064,100	13,428,639	453,444	89,505
Increase		£363,939		£363,939

EXPENDITURE, 1923-1924.

	Appropriation.	Expended.	Saving.	Excess.
	£	£	£	£
Schedules	394,932	466,670	...	71,738
Interest on the Public Debt	3,696,072	3,761,140	...	65,068
Executive and Legislative	24,535	25,007	...	472
Premier and Chief Secretary	101,089	108,692	...	7,593
Home Secretary	1,385,936	1,392,078	...	6,142
Public Works	214,143	213,654	489	...
Justice	149,270	150,954	...	1,684
Treasurer	357,295	449,802	...	92,507
Public Lands	298,729	279,117	19,612	...
Agriculture and Stock	201,448	195,783	5,665	...
Public Instruction	1,313,909	1,313,789	120	...
Mines	73,365	69,797	3,568	...
Railways	4,846,330	4,988,849	...	142,519
Totals	13,057,063	13,415,332	29,454	387,723
Net excess		£358,269		£353,269

Income taxation exceeded the estimate by £200,044. The revenue under the heading of "stamp duties" was £60,523 more than estimated; "other receipts" returned £196,956 over the estimate, as the result, mainly, of crediting to revenue £180,000 of the accumulated profits of the Savings Bank, which profits were retained by the Treasury upon the transfer of that institution to the Commonwealth Bank.

The expenditure for the year shows a net excess over the estimate of £358,269, the principal items being schedules, interest on the public debt, Treasurer, and Railways. The grant to the fund created under the Unemployed Workers Insurance Act (£70,683) is responsible for practically the whole of the excess under schedules. The extra amount for interest on the debt was required owing to the "over-the-counter" loans being freely applied for. The excess of £92,000 under Treasurer is the result, mainly, of the adjustment of the following Trust Accounts for which no provision had been made on the Estimates:—

Advances to Settlers Fund	1,521	0	8
Nerang Mill (Central Sugar Mill Fund)	4,066	1	0
Irvinebank State Treatment Works	31,705	15	4
Steamer "Douglas Mawson" Working Account	14,140	6	11
Public Estate Improvement Fund	39,391	2	11
	£90,824	6	10

The amount for the Advances to Settlers Fund was the debit balance of the fund at the Treasury. The £4,066 for the old Nerang sugar-mill represented the overdraft at the Treasury on account of operating losses prior to the closing of the mill. The sums for the Irvinebank State treatment works and the steamer "Douglas Mawson" were provided to adjust the losses on these services. Expenditure for public estate improvement will, in future, be charged to Revenue and Loan Fund, and the above adjustment frees the Trust Fund of this overdraft.

Railways expenditure exceeded the estimate by £142,519. The establishment of the through service between Brisbane and Townsville and the large unexpected traffic in the South-Western Division in live stock and fodder, necessitating the long haulage of empty wagons, considerably added to the expenditure of this department. In addition, a large sum was required to repair the damage caused by flood waters, principally in the Central and Northern Divisions.

Particulars of the revenue and expenditure of the Consolidated Revenue Fund are set out in the Budget tables.

TRUST FUNDS.

The transactions of the various funds were exceedingly heavy for the year, receipts totalling £6,318,810 and expenditure £6,642,379. There was thus an excess of expenditure over receipts of £323,569, but in several funds this was brought about by

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credits not coming in until after the close of the financial year. To illustrate: At 30th June, 1924, the Central Sugar Mills Fund was overdrawn to the extent of £207,077, and the Cotton Trading Account by £243,631, but outstanding credits at that date will liquidate these overdrafts.

Receipts and expenditure and the balances of the various Trust Accounts are given in Tables D, D 1, and D 2.

LOAN FUND.

At the close of the year under review the balance of the Loan Fund was £2,672,325, but unfortunately this amount was not available in cash. We are carrying, in our Cash Account, accumulated revenue deficits totalling £810,000, and the net balances of the various Trust Funds give an overdraft of £890,000, making a total of £1,700,000, which has to be provided for out of our cash balance.

During the period July, 1923, to February, 1924, we raised £1,535,000 by loan issues "over the counter" at interest rates of 5¼ per cent. and 5½ per cent. As the Commonwealth Government intended making a local loan issue, the Federal Treasurer was desirous that the States should be off the market and thus avoid competition and higher interest rates. During February Queensland accepted an offer from the Commonwealth Government of a loan of £1,250,000, with the condition that this State should discontinue selling bonds and stock for the remainder of the financial year 1923-1924. The rate of interest we pay on this loan is 6 per cent.; the currency, however, has not yet been advised, as the Commonwealth loan issue, which included the

amount for this State, gave subscribers the option of selecting a term of three, five, or ten years.

The loan expenditure of the State for the year 1923-1924 totalled £4,650,198, which is about £389,000 less than the provision made on the Estimates for that year. Some of the appropriations, however, proved insufficient, viz.—

	£
Soldier settlement, by ...	50,064
Workers' Homes, by ...	87,451
Loans to local bodies, by ...	57,871

Notwithstanding the high cost of building, the provisions of the Workers' Homes Act were very freely availed of, and funds had to be provided for about 1,600 dwellings during last year. This meant that the provision on the Estimates was totally inadequate and had to be supplemented by the above-mentioned amount.

In respect to loans to local bodies, it is, of course, difficult to estimate at what rate councils will proceed with the works for which loans have been granted, and although the large amount of £600,000 was provided on the Estimates, it was insufficient to meet applications for advances against loans approved.

The sum of £30,872 was also expended in giving relief to farmers on account of drought. No provision was made on the Estimates for this item.

Against the foregoing excesses in appropriations there were substantial savings in the Works and Lands Departments, amounting to £126,000 and £517,000 respectively.

The following table shows the operations of the Loan Fund during the year 1923-1924:—

	£	£
LOAN FUND.		
Balance at 1st July, 1923		3,607,560
Receipts during the year—		
Loans from Commonwealth	1,250,000	
Net proceeds of sales of Treasury bonds and inscribed stock ...	1,536,293	
Amount received from Commonwealth Bank under clause 10 of the Commonwealth Bank Agreement Ratification and State Advances Act of 1920	571,000	
Instalments received on account of Conversion Loan raised in London in April, 1924	1,430,000	
Repayments by local authorities, soldier settlers, &c.	452,407	
Receipts under Land Sales Proceeds Act	3,846	
Cash deposits by insurance companies under the Insurance Act of 1923	567,695	
Refund from Commonwealth of Australia of portion of expenses charged in connection with a loan of £4,000,000 raised by the Commonwealth on behalf of the States in 1916	5,180	
		<u>5,816,421</u>
Expenditure during the year—		£9,423,981
Expenditure as per Budget Table K2	4,650,199	
Amount of war gratuity bonds received from soldier settlers, paid to Commonwealth Government in reduction of soldier settlement loan indebtedness	316	
Amount paid to Sinking Fund in terms of agreement with the Commonwealth Government on account of loans advanced for local authorities	4,000	
Redemption of debentures matured 23rd April, 1924	166,800	
Redemption of debentures issued on account of deposits by insurance companies and cancelled to comply with the provisions of the Insurance Act of 1923	486,000	
Amount paid to Bank of England on account of loans maturing 1st July, 1924	1,430,000	
		<u>6,737,315</u>
Deduct—		£2,686,666
Amount of adjustment between Trust and Loan Funds		<u>14,341</u>
Balance at 30th June, 1924		£2,672,325

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LOAN CONVERSIONS.

Arrangements were made during my recent visit to England for the issue of a refunding loan to meet the 1924 London maturities, which amounted to £12,703,734. A short-term issue was recommended by our financial advisers as being the most favourable in the existing conditions of the market. It was thought desirable that we should be in a position to take advantage of the improvement in the interest rates which, it is anticipated, will take place during the currency of this loan.

The prospectus for the loan was issued on 7th April, 1924, and applications closed on 24th April. The loan was very well received in the city and met with amazing success. Cash applications totalled £66,066,000 and the conversion applications £7,618,639, making a total applied for of £73,684,639. Applications for conversion were granted preferential allotment, and cash applications were dealt with as follows:—Those applying for £100 received allotment in full; over £100 and up to £4,000 were allotted £200; over £4,000 received about 6 per cent. of the amount applied for. The conversion applications amounted to about 60 per cent. of the loan. The issue price was £99 10s., the interest $5\frac{1}{2}$ per cent., and the loan is redeemable at par on the 1st July, 1929, or at the option of the Government, in whole or in part, at any time after the 1st July, 1926. If the loan runs to the full term, the return to investors will be, in interest only, £5 10s. 6d., and in interest and redemption £5 12s. 4d. The cost to the Treasury after providing for depreciation and the expenses of the issue works out at £6 1s. 10d. As the interest on the new loan did not commence until 1st July, there was no overlapping period in interest payments, which sometimes is unavoidable in conversion transactions.

The way has now been opened for the raising of new money in London, and the preliminary arrangements have been made with the Bank of England and the Government brokers for a refunding loan to meet the £11,723,300 which matures in London on the 1st April, 1925.

STATE ENTERPRISES.

It is not possible at this date to furnish complete information in respect of the financial results of the enterprises for the year just ended, but the balance-sheets and reports dealing with the operations of these activities will be made available to hon. members as early as possible.

I might say, however, that generally the operations for the past year have been satisfactory, and as a result the financial position has been considerably strengthened.

BANK OF ENGLAND AGREEMENT.

The agreement made in 1914 for the management of our stock and loan issues was discussed by me with the governor of the Bank of England, and the request put forward that certain reductions should be made in respect to the charges. I also represented that the State at times found itself embarrassed owing to the fact that, after arranging its loan works programme, it happened that there were delays in placing the necessary loan. This sometimes involved a closing down or curtailment of works in progress and deferring the commencement of other works of an urgent character. I suggested that the bank might allow the State financial

accommodation pending the issue of a loan, and so obviate these disabilities. As a result of the negotiations, the bank has agreed to allow us overdraft accommodation to the extent of one or two millions sterling pending the issue of a loan. This will allow us to await a favourable market. The bank also has consented to substantially reduce the management charges. These reductions effected a saving to the State of £12,500 on the recent conversion loan, and will show corresponding reductions for the management of the loan maturing in April next. For new loan issues the reduced charges will mean a saving of £1,250 for each million pounds of the issue. The full text of the arrangement will be given in the Treasury report upon the stock inscription operations. The bank also agreed to my suggestion that all loan dividends and redemption moneys unclaimed for a period of ten years should be handed over to the State. We shall receive in this respect the present accumulated balance. The amount has not yet been ascertained, but it will be in the vicinity of £5,000.

TAXATION AGREEMENT.

In October last finality was reached in the negotiations for constituting one authority for the assessing and collecting of both Commonwealth and State income taxes and for the use of one form of income tax return to meet the dual requirements. The amalgamation is working satisfactorily, and general approval has been expressed by the public. The arrangement is undoubtedly saving taxpayers much inconvenience and it will also effect considerable economy.

SUGAR.

The Commonwealth Government relinquished control of sugar as from 30th June, 1923, but agreed to a two years' embargo on the importation of sugar subject to the formation of a Queensland sugar pool. The Queensland Government acquired the 1923 season's sugar by proclamation under the Sugar Acquisition Act, and also established an advisory board upon which raw sugar manufacturers, cane-growers, and the Government are represented.

The board, which was constituted early in July, 1923, took over from the Commonwealth the surplus sugar on hand at the 30th June, 1923. It also completed arrangements with the refining companies for the refining and distribution, for Australian requirements, of the surplus sugar, and the 1923 production.

Arrangements were also made with the Commonwealth Bank respecting the financing of the surplus sugar, portion of which was later exported by the board.

The board recently has been successful in obtaining reduced rates for the carriage of the raw sugar from Queensland ports to refineries.

The price of raw sugar for the 1924 season has been fixed, after investigation by a Commonwealth tribunal, at the same amount as last season—viz., £27 per ton f.o.b for 94 net titre. In view, however, of the estimated production in excess of Australian requirements, the sum of £1 per ton will be withheld in the meantime and made available towards the cost of exporting the surplus sugar.

The construction of the new Government mill at the Tully River is proceeding satis-

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factorily, and it is anticipated that the mill will be completed in time to permit of a small crushing during next season.

In response to requests from suppliers of cane in the Babinda sugar-works area, the Government agreed to hand over the mill

to the suppliers conditionally upon a poll disclosing that not less than 65 per cent. were in favour of the transfer. The voting resulted in 146 being agreeable to the proposal and 18 against it, and the mill is now being worked under the new management.

ESTIMATES, 1924-1925.

Revenue.

The following table gives the amounts received during last year and estimated for the current year under the main heads of revenue:—

	Received. 1923-1924. £	Estimated for 1924-1925. £
Amount from Commonwealth	1,004,892	1,034,000
Taxation	3,617,201	3,769,000
Land revenue	1,480,450	1,375,000
Mining receipts	34,005	31,000
Railways	5,684,653	6,434,000
Other receipts	1,606,838	1,504,000
Total revenue proper	£13,428,039	£14,147,000

It will be seen that a total increased revenue of £718,961 is anticipated for the current year. In round figures the increases are—

From the Commonwealth (on account of the per capita payments)	£ 29,000
Taxation	152,000
Railways	750,000
whilst decreases are estimated from—	£
Land revenue	105,000
Mining	3,000
Other receipts	103,000

The large increase in taxation is accounted for mainly by an extra £100,000 expected from income tax and £40,000 from stamp duties, of which £25,000 is on account of a proposed increase in the cheque duty from

1d. to 2d. A Bill to authorise this increased duty will be introduced at an early date.

The receipts from land settlement, etc., are estimated to return £24,000 less than last year, and the pastoral holdings £81,000. The relief which may be given under the Land Acts (Review of Cattle Holding Rents) Amendment Act of 1923 and the Prickly-pear Land Act of 1923, passed last session, will, it is anticipated, amount to £130,000, and this accounts for the estimated reduced revenue.

In the railways the sum of £400,000 is allowed for the natural expansion of the business, and £350,000 for increased fares and freights, details of which have already been published.

The decrease in "other receipts" is owing to the fact that last year had the benefit of the transfer of the profit of the Savings Bank, which I have previously mentioned.

Expenditure.

Whilst, in the framing of the Estimates of Expenditure for the year, the requirements of the State have been kept in mind, the pressing need that exists for economy in public expenditure has not been overlooked. The anticipated expenditure for the year shows an increase of £721,818 over 1923-1924, and the following table gives the expenditure for 1923-1924 and the estimated for 1924-1925:—

	Expended, 1923-1924. £	Estimated for 1924-1925. £
Schedules	466,670	610,746
Interest on the public debt	3,761,140	4,220,913
Executive and Legislative	25,007	26,322
Premier and Chief Secretary	110,134	111,706
Home Secretary	1,392,078	1,363,774
Department of Public Works	213,654	253,565
Department of Justice	149,512	156,237
The Treasurer	449,802	374,371
Department of Public Lands	279,117	284,555
Department of Agriculture and Stock	195,783	155,096
Department of Public Instruction	1,313,789	1,369,196
Department of Mines	69,797	70,233
Department of Railways	4,983,849	5,160,336
Total expenditure	£13,415,332	£14,137,150

It will be seen that schedules show an increase of £144,000, of which £100,000 is for payment to the Prickly-pear Land Commission Fund. Honourable members will remember that the Prickly-pear Land Act appropriates the sum of £100,000 per annum for the purposes of the Act during a period of ten years from 1st July, 1924. There is also required under schedules £36,000 additional for payments to sinking funds in connection with loans, and £10,000 for the Government's contribution to the Unemployed Workers

Insurance Fund. Interest on the public debt is increased by £459,000, of which the recent conversion loan is accountable for £214,000, the balance being made up of provision for new issues and for issues last year on which interest was payable only for a portion of the year.

The Works Department's requirements are £20,000 more than expended last year, a larger sum being allocated this year for buildings and services of public buildings.

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For Public Instruction Department an additional £56,000 over last year's expenditure is being provided, the principal increase being an additional £34,000 for State schools.

Railways show an increased appropriation of £171,000 owing to the larger volume of business to be handled, and which will be reflected in increased returns.

The Treasury shows an apparent decrease, but it must be remembered that the Treasury disbursements last year were inflated by the extra amounts charged to revenue to adjust certain Trust Funds.

The reductions under the Salaries Act have not been lifted, but for those public servants receiving under £600 per annum provision is made for the grade increases necessitated by the Arbitration Court awards and the public service classification.

It is estimated that the result for 1924-1925 will be—

Total revenue	£	14,147,000
Total expenditure		14,137,150
				£9,850
Surplus		£9,850

This result, however, can only be brought about by exercising strict economy and a close control generally over expenditure.

TRUST FUNDS.

A reference to the Estimates discloses that the anticipated expenditure for 1924-25 from these funds totals £6,454,965 as against £6,642,379 expended last year. The Cotton Trading Account has an increased appropriation, over last year's expenditure, of £100,000 to provide for the large crop to be handled, and there is a new item of £191,000 for expenditure under the Unemployed Workers Insurance Act. In order to meet increased business the State Insurance Office will require an additional £85,000 on last year's disbursement.

It is estimated that the receipts from Trust Funds for the year will total £5,966,000, thus leaving an excess of expenditure over receipts of £489,000, but this will adjust itself when all credits for the year are brought to account.

LOAN FUND.

Owing to the financial stringency which has been brought about by the exchange position, the Commonwealth and all the States have agreed that it is necessary to curtail loan expenditure until the position adjusts itself. Queensland must limit its borrowings overseas for the current financial year to £3,000,000, and the Commonwealth is to raise a loan in Australia, for the States, of £10,300,000, of which this State will receive £1,340,000. We have agreed that these two sums, totalling £4,340,000, shall be the limit of our loan issues for the financial year 1924-25. It is proposed to expend from Loan Funds during the current financial year £4,381,731 as against an expenditure of £4,650,199 in 1923-24. For soldier settlement the provision is £50,000, compared with an expenditure last year of £97,443; the reduced amount will, it is considered, meet all requirements. The Works Department have been allotted for buildings, &c., £285,212, which is about £2,000 less than was expended last year. The provision for workers' homes amounts to £190,000; last year's expenditure for this purpose was £137,451. The sum of £700,000 which has been set down for loans to local

bodies is about £42,000 more than was expended last year. The demands made upon the Treasury by local authorities are exceptionally heavy, and it has been a most difficult matter to decide which of the applications must be postponed. I fully recognise the necessity of local authorities obtaining money for water schemes, drainage, and other health and utility purposes which are obligations upon councils to carry out, but it is this year impossible to provide anything like the amount required. I might mention that we are already committed to amounts totalling £1,563,000, and further applications totalling £900,000 have yet to be dealt with.

Provision is made on this year's Estimates for £450,000 for the Tully Mill and £50,000 on account of a new dredger for the Brisbane River, which has become an urgent necessity. The total provision for the Lands Department is £592,169, which is less than last year's expenditure by £316,762; the appropriation for the Main Roads Board will be £296,000 less than was provided last year.

Agriculture and Stock shows a reduction on last year's expenditure of £52,702, principally on account of two non-recurring items—relief to farmers £30,872 and erection of wheat-storage sheds £7,910. The Railway Department has been allotted £1,938,953 as compared with an expenditure last year of £2,318,204, although an additional £318,000 has been set aside for rolling-stock which is urgently required.

Naturally the amount of money to be raised governs our loan expenditure, and local authorities and others must realise that their full requirements cannot be met whilst the State itself is being rationed. How long the present financial stringency will last it is difficult to say, but I am hopeful that before the end of this financial year normal conditions will have returned.

Mr. Pollock.—I move—

“That towards making good the supplies necessary to defray His Majesty's public expenses and making an addition to the public revenue—There be charged, levied, collected, and paid stamp duty of the amount following:—On every bill of exchange payable on demand or at sight, or on presentation, or in which no time for payment is expressed, the sum of twopenny, in lieu of the sum of one penny presently chargeable on every such bill of exchange.”

That relates to an increased stamp duty on cheques.

Mr. MOORE (*Aubigny*), who, on rising, was received with Opposition cheers, said: I listened with great interest to the Financial Statement which has just been delivered. The Treasurer just stuck to the bare Statement, which I consider is a most depressing Statement—one of the most depressing I have ever listened to.

The TREASURER: Very depressing to the Opposition.

Mr. MOORE: No, depressing to Parliament and to the country. It is a tacit admission of failure on the part of the Government to meet the situation we have got into.

The TREASURER: It shows that we are meeting it.

Mr. MOORE: The position is being met temporarily, but there is no suggestion of endeavouring to extricate ourselves from the

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position we are getting into. There is no suggestion that the amount of money which is going to be spent this year—which is going to be a record—is going to place us in a better position twelve months hence than we are in to-day. The Statement does not say that there is going to be any development by which the situation will be relieved when the dead-end comes as the result of the great expenditure which is being incurred. There is nothing in the way of encouragement to private enterprise to start factories which will create employment and relieve the position when our loans will necessarily have to be curtailed. We know that they will have to be curtailed at some period—the Treasurer would like to curtail them to-day if he were in a position to do so. There is apparently no justification for this loan expenditure in the spending of money for the necessary development of this State. There is no excuse for keeping this enormous expenditure going except that, if it were to stop, a large number of men would be thrown out of work. Does this expenditure that we are going on with promise to make the position any better at the end of the year?

The TREASURER: There is £100,000 extra for prickly-pear destruction this year.

Mr. MOORE: Is that going to make it any better as regards the difficulties that confront the Government to-day? Nothing is suggested in the Treasurer's Statement by which this difficulty is going to be met. After nine years of socialistic experiment we have got into this position—that, unless over £4,000,000 of loan money is spent every year, there will be a large amount of unemployment—that we must spend something like that sum every year, not owing to the necessity for opening up new portions of the State or further development of our industries, but merely because of the fact that a curtailment would cause unemployment. It is a most serious position. In many directions the loan expenditure will have to be cut down—possibly not this year, because arrangements have already been made, but at some time or other. The Treasurer recognises that it must be cut down. When the Acting Treasurer returned from Melbourne he stated quite definitely that the loan expenditure must be curtailed.

The TREASURER: Because of a more or less temporary monetary stringency.

Mr. MOORE: The expenditure of public money upon the works on which it is being expended is not returning the money that is required for interest, and the result is that we are getting further and further into debt.

The TREASURER: Some loan expenditure may not return to the State the full amount of interest and redemption, yet it may be very profitable expenditure for the State.

Mr. MOORE: That may be, but at the present time our rate of expenditure is very high and the rate of interest is high, and it seems to me that we are not getting the amount of interest that we should get. The amount of money that has to be found out of ordinary revenue rather than out of the services that are rendered by the works on which the money is expended is becoming greater year by year, and we are getting to that stage where it is becoming a big burden for the country to bear. If the expenditure of this loan money were going to bring about a condition of development in its train and we were going to receive some benefit in two or three years, we could see some relief from

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the position, but I do not see any such prospect. In twelve months the hon. gentleman knows that the position will not be any better.

The TREASURER: The hon. member takes too gloomy a view of the situation.

Mr. MOORE: In the Treasurer's own Financial Statement is an admission that, unless a large amount of money can be expended, the position will be serious. Even when the hon. gentleman came back from his trip to England he said that it was necessary to find £5,000,000 a year of loan money.

The TREASURER: I did not say that. What I said was that there was sufficient justification for an expenditure on public works and development of £5,000,000 a year, and we could carry on with that.

Mr. MOORE: The hon. gentleman said that, unless we could spend £5,000,000 a year, it would lead to disaster.

The TREASURER: That is a ridiculous distortion of my statement. To say that we would be faced with disaster would be absurd.

Mr. MOORE: I can get the statement, if the hon. gentleman wishes. If he thinks that I am making a false statement and he did not say that it was necessary to spend £5,000,000 a year, the published statement should be contradicted.

The TREASURER: I challenge the hon. member to show that I made any such statement. He is misconstruing my statement.

Mr. MOORE: I cannot get that statement now, but I will get it immediately after I have finished.

When the policy of the Government was first outlined it was contended that the establishment of State enterprises was going to retrieve the position, that taxation was going to be reduced, and that the profits that had previously gone into private enterprise would go to the State. All that has been a hopeless failure. All the State butcher shops have had practically to close up, and last year the Government had to admit that they could not compete with private enterprise. The State fish business, which was going to provide cheap fish for the people, turned out to be a hopeless failure, and had to be abandoned. The State Sawmills were going to provide cheap homes for the people, but we find the Treasurer in his Statement saying—

“Notwithstanding the high cost of building, the provisions of the Workers' Homes Act were very freely availed of, and funds had to be provided for about 1,000 dwellings during last year.”

The Treasurer marvels at the amount of money required in this direction. According to the report issued by the Workers' Dwellings Branch of the State Advances Corporation, we find that for a similar class of house the cost of construction in 1915 was £255, whereas last year it cost £485, showing an increase of 89.4 per cent. When one finds a statement to the effect that a certain policy is going to result in a certain direction, and then we find that the direct opposite has resulted, and there is no indication in the Financial Statement as to how there is to be any improvement in what is going to happen in this State, we wonder how the State is going to get into a better position. Everybody knows the serious financial position that we have got into through the continually mounting expenditure.

Some notice should be taken of the position, and some endeavour should be made to stop some of the financial leaks. The Treasurer in his policy speech on 9th April, 1923, said—

“Careful administration and economy have enabled the Government to carry on the service of the State without serious difficulty. The position of the Consolidated Revenue Fund is well in hand, as is shown by the reducing expenditure. . . . The talk of public extravagance and financial instability in Queensland under Labour rule is the result of a malicious distortion of the facts by the Tory Press and Tory politicians, and has not the slightest foundation in fact.”

To-day, instead of reducing our expenditure, we have an annually increasing expenditure, resulting in increased taxation. In 1923-24 the Treasurer expected to receive in revenue £464,697 more than in 1922-23, and he actually received £228,636 more. He expected an increase in expenditure of £272,681, and actually spent £639,950 more than the previous year. For 1924-25 he expects to receive £14,147,000, or £719,039 more than he received last year. He anticipates a surplus of only £9,850. He also expects to receive £6,454,965 from Trust Funds and £4,340,000 from the Loan Fund. In all, he expects to receive almost £25,000,000 from all sources. For the forthcoming year it is proposed to expend about £5,700,000 more than was expended during the year 1921-22. Notwithstanding all the loan conferences and all the warnings issued in the Press as to where this extravagance is bringing the State, and notwithstanding the statement by the Acting Treasurer regarding the absolute necessity for the curtailment of loan expenditure, we are proposing to go along at the same old rate of expenditure, which is more than the State can bear.

I would now like to deal with the high cost, compared with other States, that Queensland has been subject to in connection with borrowing money through the legislation enacted.

The hon. gentleman endeavoured in his policy speech before the general elections last year to point out that any amount of money was available for this State at a low rate of interest. He said this—

“LOANMONGERS COME TO HEEL.

“At the last election the State was faced with a critical position with regard to loan funds owing to the operation against us of a political boycott on the London money market. The sinister designs of our opponents were entirely thwarted by the success of the Government in gaining access to an unlimited market in New York. Our success in establishing a connection with that market has been of considerable benefit to the whole of Australia. The London money-lenders can no longer dictate the domestic policy of Australian Governments. On the contrary, in fear of losing more customers, they have shown the greatest alacrity in agreeing to all reasonable loan proposals put forward from the various States.”

When it came to the redemption of the loans and the period when the Premier was about to go home to secure their conversion, we found him making an appeal for assistance owing to the difficult situation which he

had to face. The Acting Premier, Hon W. McCormack, at the last Labour Day dinner, was asked why the Government did not go to New York for their loan money, and he replied—

“The interjector did not understand the position. The New York financiers were just as hard as the British financiers. Nationality made no difference with the money-bags.”

The TREASURER: That is a very sensible statement.

Mr. MOORE: It is, but it is an absolute contradiction of the statement made by the hon. gentleman in his policy speech when he said that the financial people were rushing Queensland with offers of loan money at a low rate of interest.

The TREASURER: You cannot depend too much on newspaper reports.

Mr. MOORE: This was not a newspaper report. This was a statement from the policy speech of the hon. gentleman. I want to show the diametrical difference between what was promised by the hon. gentleman when he was endeavouring to get into power and the position as he finds it now that he has attained that position.

The TREASURER: I have been able to successfully arrange the conversion.

Mr. MOORE: The hon. gentleman has also pointed out that an attempt at the dictation of the policy of the Government had been made by people outside. The Acting Premier, when speaking at the Labour Day dinner, said—

“If we want real control of our own affairs, without dictation from the lenders of money, then we will have to cut out loan expenditure to about £1,250,000 a year, and dismiss thousands of men who are employed on loan works.”

The Treasurer admits that, if we continue our present rate of loan expenditure, we are going to get more and more dictation as to how that money has to be spent, because the security we are offering, though good enough, is liable to fluctuate. The financial circles also take into consideration the extravagance of the Government.

The TREASURER: What I said was that an expenditure of £5,000,000 from loan was necessary for the proper development of the State—not that, if we could not reach £5,000,000, there would be disaster.

Mr. MOORE: I consider that under the present circumstances and the high rate of interest that has to be paid that is a suicidal policy.

The TREASURER: The local authorities will absorb £1,500,000 of that sum.

Mr. MOORE: The Government get a very good return on that money. I also want to point out that, although the Treasurer is pleased that the way for raising new loan money has been cleared, and is pleased with the preliminary arrangements that have been made for the conversion of the maturing loans, Queensland is paying a higher rate of interest than the other States and New Zealand are called upon to pay. The Treasurer himself states that, after providing for depreciation and expenses, the new loan will work out at £6 ls. 10d. per cent. Let me compare these terms with the terms

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secured by New South Wales on loans floated in London since December, 1923. On 6th March, 1924, New South Wales floated a redemption loan of £12,000,000. The issuing price was £97 10s. per cent., and the rate of interest 5 per cent. The interest, after allowing for expenses of flotation at £2 per cent., worked out at £5 4s. 8d. per cent. The term of the loan was from eleven to thirty-one years, with the option of redemption on or after 1st October, 1925. That term is not so much longer than the term of the recent conversion loan floated by the Treasurer. They got their loan at practically 16s. per cent. cheaper than Queensland. On 28th May, 1924, New South Wales raised a loan of £10,000,000 at par; the rate was £5 per cent. Interest, allowing for expenses of flotation at £2 per cent., was £5 2s. per cent., term eleven to thirty-one years, with option of redemption on or after 1st October, 1935. The interest cost, including redemption in 1935, was £5 4s. 11d. per cent., and in 1955 £5 2s. 6d. per cent.

That is practically £1 per cent. cheaper than Queensland obtained its loan. That shows the price we have to pay for the maladministration of the present Government.

Recently, New Zealand floated a loan for £10,000,000. The interest cost, including redemption was £5 0s. 10d. per cent. If New Zealand is able to secure money so favourably in the same year as Queensland secured its money, there is some cause for complaint.

The TREASURER: It was in the same year, but the market fluctuates.

Mr. MOORE: The fluctuation should not be from £5 0s. 10d. and £5 1s. 10d.

The TREASURER: The rate varies a great deal.

Mr. MOORE: It does, but not to that extent. What I am endeavouring to point out is that the Queensland Government, through maladministration of the affairs of the country, have caused us to pay more than we should for the accommodation we require. The Treasurer practically admitted that a mistake had been made, and the Secretary for Public Lands also admitted that a mistake had been made. The latter hon. gentleman put the cause down to unemployment. In my opinion, it is a stupid thing to continue borrowing when we have to pay £6 1s. 10d. for the money with which we are to construct our various public works. It looks as though many of our works are only going to bring in 1 per cent. or 1½ per cent. The biggest part of the money is expended on railway construction, and a lot of that is not going to bring in any revenue for a considerable time.

The TREASURER: Is it your argument that we should close up those works until they can return 6 per cent.?

Mr. MOORE: No, but there should be a prospect of a reasonable return within a reasonable time. The whole excuse is not that the necessity exists for developing the country, but rather that we should keep a great number of men in work—that that work should not be curtailed. That is absolutely wrong.

The TREASURER: There is no such reference in my Financial Statement.

Mr. MOORE: No, but that is clearly the inference all the way through it. To my mind, the silence of the Financial Statement is most eloquent. There is no sugges-

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tion that the position is to be relieved in the future. This money is going to be spent merely because unemployment would accrue to an enormous extent if the money were not spent. That is the position after nine years of experimenting by the Government. The position wants reviewing. We should consider whether it would not be more beneficial to start new industries and to assist private enterprise. It would be better if this loan money were spent to encourage men to invest in lucrative industries. As it is, this loan money is expended to keep men in work, and as soon as it is gone, those men have to fall back on the Unemployment Insurance Fund or Government relief. That is intolerable. Every year we find that more and more goods are coming to Queensland from the South. If a person goes into any shop in town, he will find that most of the goods sold come from New South Wales or Victoria. There was an increase in certain classes of goods coming into Queensland from the South between the years 1920-1921 and 1922-1923 of nearly £2,000,000. Take such things as boots and shoes, wearing apparel, preserved fish, fruits and vegetables. The following table will prove most interesting:—

IMPORTS INTO QUEENSLAND FROM OVERSEAS.

	1921-22.	1922-23.	Increase.
	£	£	£
Apparel ..	258,471	511,986	253,515
Boots and Shoes	9,858	21,659	11,881
Drapery ..	124,939	228,850	103,921
Preserved fish ..	109,438	144,000	34,562
Fruit and vegetables	57,157	58,934	1,777
Hardware (iron and steel manufactures)	1,579,322	2,225,307	645,485
Hats and caps ..	20,553	43,171	22,510
Leather and leather goods	9,763	21,223	11,460
Textile materials	2,145,423	2,769,902	624,539
Machines and machinery	450,303	610,972	260,669
	£4,775,727	£6,736,044	£1,960,317

Mr. BEDFORD: In spite of that Queensland is the only State which has an excess of exports over imports.

Mr. MOORE: That may be. That position was brought about because we have such a large export of wool. That has saved the situation. What I want to get at is this: If we were to give encouragement by our loan expenditure to industries to start in Queensland and give them the same opportunity for expansion as they have in the Southern States, our workers would find employment instead of being cast on the street.

Mr. F. A. COOPER: You want to see us growing cauliflowers instead of sheep.

Mr. MOORE: It is all very well for the hon. member to make fun of the position. The fact remains that we are drawing most of the stuff that should be made in Queensland from the Southern States or from abroad because conditions are better in those places than they are in Queensland.

The TREASURER: Where do the other States get their sugar from?

Mr. MOORE: They get their sugar from Queensland because we are in the fortunate position, because of climatic conditions, of being able to grow sugar to better advantage than they can in the South.

The TREASURER: And the Southern States are in a better position to produce certain goods than we are.

Mr. F. A. COOPER: Cauliflowers, for instance, grow better in Victoria than in Queensland.

Mr. MOORE: Industries should be encouraged in Queensland instead of being discouraged.

The State enterprises again have been a drag on the State. The Treasurer, in his Statement, says—

“It is not possible at this date to furnish complete information in respect of the financial results of the enterprises for the year just ended, but the balance-sheets and reports dealing with the operations of these activities will be made available to hon. members as early as possible.

“I might say, however, that generally the operations for the past year have been satisfactory, and as a result the financial position has been considerably strengthened.”

I do not know what the Treasurer considers satisfactory. Does he consider it satisfactory because we did not have quite as big a loss this year as we had last year?

The TREASURER: Any improvement is better than none.

Mr. MOORE: The position may not be quite so disastrous as it was last year, but it is anything but satisfactory. The following table shows the position so far as the various State enterprises are concerned:—

Net loss to 30th June, 1923	£1,010,104
Loss on Income Tax—	
State	£54,726
Commonwealth	110,199
	164,925
Unpaid interest	97,425
	262,350
Total	£1,272,454

The losses for last year have to be added to this accumulated loss. Yet in his Statement the Treasurer says he considers the operations for the past year have been satisfactory. He considers a loss of over £100,000 to be satisfactory. He is a remarkably easily satisfied man if he considers a position like that satisfactory. After all the promises which have been made as to the benefits Queensland would derive from these State enterprises, the people are not one whit better off than they were before these State enterprises were established. There are no more men employed; we have a considerably larger interest bill to pay; the people are not served any better; and the Government have succeeded, so far as coalmines are concerned, in stopping what might have developed into a huge trade. A large number of men who would have been lucratively employed cannot now find employment, merely because the State insisted on establishing State coalmines.

I think that anybody who reads the statements which were made by Blair Athol coalminers will realise that the experiment of endeavouring to develop State coal mines in opposition to mines which are better able to provide for the needs of the railways is an extravagant and costly one. With regard to income tax the Treasurer stated in his policy speech at Cairns—

“Not only was it anticipated that

there would be no necessity for additional taxation, but with a continuance of commercial and industrial activity there was every likelihood of a lessening of the burdens of taxation where it was found on investigation that the present tax applied with undue severity.”

I do not know what has happened—whether the continuance of commercial and industrial activity has not been what the hon. gentleman expected it to be—but, at any rate, we have here an increase in taxation in that direction of £25,000, which is not very much, certainly; but there is an increase of £350,000 in regard to fares and freights, and that is taxation of the people who use the railways just as much as if it had been imposed on them in a direct manner.

So far as I can see, the increasing expenditure must increase. I would like to examine the position as we find it to-day. Taking the amount of money which comes from public works and services on which loan money is spent and the amount which falls on the revenue, what position are we likely to get into supposing we continue this policy which we are going on with this year for another four or five years?

The following table shows the result of a policy of expenditure of £5,000,000 of borrowed money per annum, costing 6 per cent., and giving approximately the same return as at present:—

Year.	Amount borrowed.	Additional Interest.	Approximate return from Loan Works and Services.	Approximate additional charge on Revenue.
	£	£	£	£
1924-25	5,000,000	300,000	120,000	180,000
1925-26	5,000,000	600,000	240,000	340,000
1926-27	5,000,000	900,000	360,000	540,000
1927-28	5,000,000	1,200,000	480,000	720,000
1928-29	5,000,000	1,500,000	600,000	900,000

No one can say from the manner in which money is being spent that things are likely to improve in the future, and it will mean that in four or five years we are going to have £300,000 or £900,000 more of an annual interest bill, which has to come out of direct taxation or be obtained by some other method from revenue. There is nothing in the Statement which enables us to look with any confidence on the position that the development of the State is going to lead to an indirect benefit in the way of greater revenue accruing. In fact, nearly all our increased revenue is coming from taxation. With regard to expenditure the Treasurer states—

“Whilst, in the framing of the Estimates of expenditure for the year, the requirements of the State have been kept in mind, the pressing need that exists for economy in public expenditure has not been overlooked. The anticipated expenditure for the year shows an increase of £721,818 over 1923-1924.”

But for what purpose is it? We do not seem to be getting any further ahead. If the Treasurer had said that any of the expenditure proposed, although it was extremely large, was likely to place us in a better position to enable us to meet the expenditure in the shape of a high interest bill at the end of the year, one would be able

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to see some hope; but under the present conditions I say that next year, if the loan conditions are unfavourable—and possibly they will be, as money seems to be getting dearer—we shall be placed in exactly the same position again, and we shall continue to go on in that position unless there is a change of policy, and unless the Treasurer looks round and sees where leaks can be stopped. If a business man finds that he is spending more than his business can stand he does not go on trusting to luck or to a miracle or an act of Providence to place him on the right side of the ledger at the end of the year. He endeavours to find out what leaks can be stopped, where extravagances exist, and whether the difficulties can be met by a simpler method—if the same results cannot be secured by a more economical method. We do not find the Treasurer doing that to-day. He says that he will keep an eye on the expenditure, but that is all; we do not get any further. At the end of the Statement he has a remarkably lame statement—

“Naturally the amount of money to be raised governs our loan expenditure.”

Apparently but for the difficulty of exchange and the scarcity of loan money, the sky would be cloudless, but, owing to the financial stringency, the hon. gentleman is forced to keep within a loan expenditure of £4,380,000. If the stringency did not exist, it is to be inferred that there would be no limit to the amount which would be spent. We are increasing our expenditure year by year. If from the expenditure of loan money we have been indulging in for the last five or six years we were in any better position to meet the situation to-day, I should be glad to keep it on; but each year means an increased expenditure because we have more men depending on the Government solely for their occupation.

Mr. BEDFORD: What is the remedy—sell the railways?

Mr. MOORE: Possibly they might be run in a better way than they are to-day.

Mr. BEDFORD: Would you sell them?

Mr. MOORE: No; but I would use a portion of the loan moneys we are getting to assist new industries to start in Queensland and help to make the conditions in this State equal to what they are in the South.

Mr. BEDFORD: Would it not be better to retain Australian money here instead of the banks sending it abroad?

Mr. MOORE: The banks are investing money to an enormous extent in Australian securities. One of the principal reasons why we have to pay such a high rate of interest for money for developmental purposes is owing to the money which the Government have extracted from the banks. We know that the banks were forced to find money on two or three occasions under threats, and it has meant the withdrawal of money from the development of primary and secondary industry.

Mr. BEDFORD: Is it the money of the public?

Mr. MOORE: It is private investors' money, and it should be used as far as possible for developmental work. The more money the Government take for State enterprises the less there is for developmental works.

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Mr. BEDFORD: What about the sky-scrapers in Brisbane?

Mr. MOORE: That is all very well, but the hon. member must recollect that the building of sky-scrapers in Brisbane is the direct result of the action of the Government. We know perfectly well that the tax on undeveloped land and ordinary taxation is so heavy that the people are compelled to build expensive high buildings with large suites of offices.

The TREASURER: What do you say compels them to build?

Mr. MOORE: The Government's policy, which causes them to erect high buildings in the city of Brisbane, and restricts the money available for developmental purposes outside. The Treasurer himself said at the Show dinner last week that the development that was going on in the city of Brisbane showed that the banks were lending money for development in Brisbane and not in the country.

The TREASURER: I did not say that.

Mr. MOORE: The banks are forced into the position of charging a high rate of interest by the continued efforts of the Government to secure loans, and, when the land tax was put on, the people had to distribute the burden over a larger area, so that money was spent in buildings instead of on the development of the country. The whole thing is a result of the policy of the Government. Taxation has become so high that the position is alarming. I do not know whether the Treasurer realises the actual position of affairs, but, when the Acting Treasurer returned from his visit to the Loan Council meetings, he was very definite in his statement as to the absolute necessity of curtailing loan expenditure. In view of what he said, I thought that some endeavours would have been made whereby we would have been able, if not at once, at any rate in twelve months' time, to curtail it. Instead of that we are going on and on. We know, furthermore, that we are heavily taxed in addition. Everyone must recognise that with the population we have we cannot go on continually increasing taxation and living at the rate we are. In 1914 our average rate of taxation was £1 8s. 2d. per head, and to-day it is £4 9s. 2d.—an increase of 216 per cent. in nine years. No country, unless it was a most extraordinary country—and I realise that Queensland is an extraordinary country—could have stood it so long. But Queensland cannot stand it indefinitely. We cannot go on spending at that rate and getting no return. Any man can have a good time, if he owns private property, so long as he can borrow money; but when that time ends he must get out or there must be a restriction. So far as I can make out, there is a considerable balance of our assets on which we have spent loan money of late years which are not realisable.

The TREASURER: What nonsense! They are all realisable.

Mr. MOORE: We are not getting the return from them that we should be getting, and the result is that taxation has to be increased year by year to provide the interest on that money.

The TREASURER: Taxation is not increasing year by year.

Mr. MOORE: The increase has been enormous over a number of years.

The TREASURER: You are referring to the Commonwealth.

Mr. MOORE: I am referring to the State taxation. It has increased in Queensland. I have here a record of taxation from 1915 to 1924—

Year.	Taxation Receipts.
	£
1915-16	1,455,358
1916-17	1,564,045
1917-18	1,761,233
1918-19	2,772,269
1919-20	3,323,745
1920-21	3,632,642
1921-22	3,420,296
1922-23	3,330,885
1923-24	3,617,201

The TREASURER: Can you quote any country in the world where they have not had to increase their revenue during the same period?

Mr. MOORE: Of course there have been increases, but taxation has not been increasing in other countries in the same proportion as in Queensland. Moreover, our population is not increasing in the same ratio.

The TREASURER: The hon. member must know that in the two States to the South—New South Wales and Victoria—their increases have been greater in proportion than the increase in Queensland. (Opposition dissent.)

Mr. MOORE: I do not know that. I know that, although their revenue may have been increasing, a large amount of it has been devoted to developmental work owing to the wise expenditure of money by their Governments. In Queensland our loan expenditure is not returning annually the amount required to pay interest, and the result is that we have to pay the deficit from ordinary revenue, with the result that taxation has had to be increased. Just recently the Government have had to increase the fares and freights on the railways.

The TREASURER: In New South Wales the fares and freights have been increased by 66 per cent.

Mr. MOORE: I shall deal with the railway fares and freights later on. Just now I want to point out that the total taxation for the nine years prior to 1915 amounted to £6,290,174, and for the nine years following 1915 to £24,927,674. That means that from a limited population £24,000,000 in taxation has been collected in nine years. That means that the money is taken from the avenues of natural development, with the result that we have to import goods from outside Queensland.

Now I want to deal with the position in the railways. There was again a loss in 1923-24 of approximately £1,600,000, making a total accumulated loss in nine years of £11,482,484. This in spite of the fact that earnings per train mile have increased from 6s. 4½d. in 1915 to 9s. 11½d. in 1923, or 55 per cent. The following table will indicate the increase in the average revenue per ton carried:—

Year.	Tonnage of Goods and Livestock Carried.	Revenue.	Average Revenue per Ton.
		£	s. d.
1915	4,970,883	2,516,380	10 1
1924	4,208,989	3,290,471	15 8

Average increase in freight per ton carried, 5s. 7d.
Average increase in freight per ton carried, 55 per cent.

That is an extraordinary increase to place upon the people. One has to recognise that in Queensland we are approaching the stage where increases in freights and fares will not return the estimated amounts, because to-day we have the competition of motor vehicles running alongside the railways. In the country districts, for instance, we have motor cars with tenders running in and out of the towns 30 or 40 miles and making profits.

Mr. BEDFORD interjected.

Mr. MOORE: Naturally the people who live in the country want the best means of getting about. They do not want to be subject to inconvenience, and, if they can avoid stopping the night anywhere and also avoid paying higher rates in fares by using motor cars or trucks, they will do so. The more you raise fares and freights on the railways the more will the receipts be affected in that way. I do not want to see the Government continue to build railways with money borrowed at a cost of 6½ per cent. and 6 per cent. when they are only returning 1 per cent., and it is no use endeavouring to remedy the position by increasing the fares and freights if that course drives people away from the railways. Take the butchers. They have all been in the habit of trucking their cattle from Toowoomba to Brisbane, but there are hardly any butchers doing that now. They travel their stock from Toowoomba to Brisbane because droving is more economical than railway carriage—the freights have gone up so much that it is cheaper to drove. It is not likely that that course is going to benefit the Railway Department or the revenue of this State. I recognise that people who are very far out and are not in a position to use motor cars must use the railways, but people who are not living very far out—within 100 and 150 miles—will avoid using the railways if the fares and freights are so high that it is cheaper to get to market in any other way.

If the railways are going to supply trucks at a more economical rate than the facilities supplied by private tractors, then, naturally, the people will use the railways. To endeavour to compel the people to pay higher rates is not going to ease the position, and I rather doubt the anticipation of the Treasurer that he will receive £350,000 extra in this direction.

I would like to stress the difficulty experienced by soldier settlers, especially in regard to some who are not getting the "fair go" that they should get. If a settler has drawn the maximum amount of £675, he should not be pushed off his holding merely because he asks for a further advance to tide him over bad times. There is a supervisor in charge of the Cecil Plains settlement, and if the Government receive applications for assistance from those settlers who could be placed upon their feet with very little further assistance, they should forward those applications to the supervisor to make inquiries into the character of the man who has made the application, what property he has got, and what work he has done on that property, so that he might be granted further assistance beyond the maximum of assistance permitted. Under the present system, when a settler applies for further assistance, he is told that he has reached his limit and can receive no further benefit. Perhaps it would not be wise to give some of them who have not reached the limit any further assistance on their

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holdings; but there are many who, owing to bad climatic conditions and other causes, should be given some further assistance to enable them to recover and get on their feet. If they apply for that assistance, it should be given to them. There is no doubt that many of them are fighting a hard battle, and are not receiving the consideration that they should receive. It is all very fine to encourage people to go on the land, but if they are to be treated in that way, and are going to be forced off the land when a small amount of assistance would assist them to remain there, then that is not going to be encouraging to other settlers.

There is one item of £191,000 from Trust Funds for expenditure under the Unemployed Workers Insurance Act. I cannot quite understand that, but I presume it is to put into operation some of the clauses in the Act making it compulsory for local authorities to commence certain work. That might help to relieve the position in regard to certain applications which the Treasurer says he has had to turn down. We know that at the present time the cost of local authority work is remarkably high, and the local authorities have just as much difficulty in securing funds to carry out necessary work as the Government, but I cannot make out what this £191,000 is for. I do not know whether it is to be used in a discriminating way between one local authority and another, or whether it is put there for some specific purpose. I do not know whether the local authorities in the North, where work is of such a seasonal nature, are going to be forced to accept certain sums of money to carry out certain work under the Unemployed Workers Insurance Act or not. Possibly the Treasurer will be able to give an explanation of that sum later on. The position appears unsatisfactory. The Treasurer has not set out any contemplated attempts to deal with the present financial position, except temporarily. It is a terrible position to find loan money being continually expended, especially when it is recognised by the Government that curtailment in that direction is absolutely essential. They go on merely trusting to a miracle to get them out of an awkward position, which is not playing fair to the State, and is not giving to the people of the State a fair chance.

The Government have to look forward to the prospect of continually increasing taxation. We are creating a class comprising an enormous number of men who are solely dependent upon the Government for their occupation. The increasing number of public servants and the number of men dependent upon the Government is the most regrettable feature of the whole position. The Government are placed in the position of having to carry out works that they deem inadvisable, and they cannot postpone those works at any time, simply because a large number of men is dependent upon them for employment, and those men force the State into a position which it has no right to occupy. The only reasonable method to be adopted is for the Government to expend loan money in such a way as to give assistance to individuals or co-operative associations which will enable them to start industries on favourable terms, so that when the dead-end in connection with public works is reached, there will be opportunities of absorbing the workers rather than that they should be thrown out of employment. We

are going along temporising every day, and endeavouring to secure enough loan money to keep men employed, hoping against hope that something will turn up to remedy the position, but all the time we are getting into a worse position. Every year more men come to Queensland, hoping to get a job from the Government in connection with railway works and other public works. When the time arrives for those public works to be closed down—and the Cabinet recognise that they should be closed down—they will find themselves in a hopeless position, because to close down such works will mean disaster to a large number of men. The whole position is absolutely unsatisfactory, and the sooner the Government recognise that and alter their policy so as to enable the money to be expended in such a manner as will get us somewhere rather than lead us to a dead-end brick wall, the better it will be for this State.

Mr. BEDFORD (*Warrego*): To the speech delivered by the leader of the Opposition I have listened with interest, tinged with respectful pity. The hon. gentleman seems to consider that, because we are in difficulties as to loan money, the only thing to be done is to crawl up a hollow log and die. We did not create the loan position that is here to-day, nor has any act of ours during the nine years that we have been in power been responsible for it. (*Opposition laughter.*) It is a legacy of the bad old Government of which the hon. member for Albert was a member.

Hon. J. G. APPEL: We had something to show for it. You have not.

Mr. BEDFORD: I know the hon. gentleman has something to show. We have the fact that we have to pay nearly £4,000,000 per annum in interest in London, which sum represents 28 per cent. of our income. Although we have succeeded to that legacy and have accepted the responsibility, we are perfectly ready to face the difficulty.

Hon. J. G. APPEL: Your Government have doubled it.

Mr. BEDFORD: And doubled the prosperity of the masses in this country. (*Opposition laughter.*) The position to any hon. member representing a country electorate is one of great seriousness, seeing the large quantity of public works required, the amount of assistance wanted by selectors for the purchase of netting, and the money wanted for the purposes of water supply and irrigation. It is a bad thing to [11.30 a.m.] see the Estimates of the Lands Department cut down as they have been, in face of the greater necessities of this year over last year. The interest on the public debt has expanded by nearly £500,000, and the position is that 28 per cent. of our total revenue goes in paying interest on foreign loans. This is not only the case in Queensland, but it is the case all over Australia. This interest is mostly for money wasted in the bad old times, when men served in Parliament without payment and for the honour and glory of the job of getting a railway built into their back yard. Hon. members can see money wasted in this way in every State of Australia. In New South Wales £4,000,000 has been wasted in an attempt to make Newcastle a port, while Port Stephens, a few miles away, a better harbour than Sydney, is in the position of Sydney in 1793. In our own State we can

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see money wasted at Townsville in building a harbour because the vested interests of Burns, Philp, and Company, Limited, necessitated that money should be spent there and Bowen kept in the background, while Townsville should have been nothing better than a railway station. Hon. members can see how the vested interests of Rockhampton demanded that a port should be made at the end of a drain while Port Curtis was lying idle.

Mr. HARTLEY: You want a railway made up to Mount Isa. (Laughter.)

Mr. BEDFORD: When the mines develop to offer the freight, yes. In Victoria millions of loan money have been spent in making a harbour at the end of a drain at Melbourne and at the end of a sandpan at Geelong in order to keep Western Port and Portland, which did not have such strong vested interests, in the background.

The conditions we have to face are not of to-day's creation; but it is a question for the whole future of Australia as to whether it shall energetically grapple with the problem of finance. The fact that loan moneys to the extent of £147,000,000 are falling due before 1927 signifies that even putting off for a few years the £25,000,000 of loan money falling due in Queensland does not get Australia out of the wood, and the Australian position will react on all the States. The trouble is that we have been continuously taught to worship the fetish of British ideas of government. Government by the ruling classes in England has placed that nation in the position it is in to-day, so that since 1919 no less than £227,000,000 has been paid in unemployment doles. Although the sum expended in that direction last year amounted to £20,000,000, it is now £47,000,000. Adherence to the political and fiscal ideals of Britain has resulted not only in putting Australia where she is to-day, but also in threatening a larger menace in the future. If we take the case of restricted works and consider for a moment, we realise that anything we can do must be only a palliative against a recurrence of the same position. There is the vicious system going on in Australia of exporting money to pay interest on foreign loans when it should be exported in goods. Even if we had the exchange position in our favour on the other side of the world, we would still be asked to take our credits in goods owing to the artificial tax of 3 per cent. on industries represented by exchange.

There is one item that the whole of the world must have, and that is Australian wool. The wool clip this year will probably be worth £60,000,000. We could in this particular staple dictate terms to the people who are buying. We could dictate those terms sufficiently strongly to necessitate credits being made in Australia for the purchase of that wool. (Hear, hear!) We are in a bad position in connection with all our other exports of primary produce because the British market loves the "dear Australians" who helped them in the war so much that it would buy butter from Denmark, or even the devil, for 1d. a lb. less, while vested interests of the Argentine have captured the British meat trade apparently for years, or for a long time ahead. That means we cannot dictate terms for any other staple than wool. We are too much in the habit of believing that this Empire has so expanded and grown that it

will last for ever. No empires do. They all go. The first sign of decay is rottenness at the heart. That is where rottenness first starts. Britain is rotting at the heart, and any enlightened person following current affairs must so interpret them. For instance, not only has Britain spent £227,000,000 in unemployment doles since 1919, but last year her imports exceeded her exports by £212,000,000, and between 1921 and 1923 her national debt grew £190,000,000. The position in Australia is practically as bad. That is to say, it is bad proportionately, and worse for us, considering that we have a large public estate, comparatively cheap land, and one of the most fruitful countries that the sun has ever shone on. The position of Australia last year was that her imports amounted to £140,000,000 and her exports to only £119,000,000. A real national Australian Government would retaliate by a high tariff and a national system of banking. The Commonwealth started as a truly national bank. At least, that was the intention of its founders. The present position of finance is not due to the Labour Government. Let us review the finance of private enterprise. Take what socialism did for finance in 1893, and it may be found necessary to save private enterprise banking again unless we put it out of business first. Mr. Edward Miller, the chairman of the Bank of Victoria, suggested at a recent meeting of shareholders the importation of Bank of England notes in order to relieve the position. He also wept because private banks were not now permitted to make their own note issue and carefully evaded the fact that his own bank in 1893, when it did put out its own private note issue, suspended payment and had to be brought back to a position approaching solvency by socialism. The Government is asked to do things that do not always pay. It has to run the railways. The hon. member for Aubigny suggested, in one of the most hopeless speeches that an hon. member has ever made in this House, the only way in which he thought they should be made to pay. There are only two ways to make them pay. One is by grinding the forehead of the employees on the doorstep for dividends, and the other is to put up fares. The hon. member objected to fares being raised, because he says that people will travel by motor driven transport. They will take the roads to travel by, and at the same time he and all local authorities are pressing the Government for more money to build those roads.

Mr. KING: You put 10 per cent. on the second-class fares.

Mr. BEDFORD: Why not, if it is necessary? There is the fact. The only way the hon. member can ask us to escape from our present position is by making the railways pay and yet not put up the freights and fares. One thing this Government will never do, and that is the old Tory alternative of making the working man pay at both ends. About the alleged trouble in the Labour ranks, from which the Opposition hoped so much, there was never any debate as to the justice of higher wages—only a debate as to finance. It is necessary for me to put the position to the people of the State generally to show that it is not our fault, but that it is a legacy which we cheerfully take on and intend to make good.

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Let us examine the constitution of banks and insurance companies. I shall take a few haphazard to show the way they have democracy leg-ironed by privately controlled finance. I shall give a sample of the system of the private banking of the world. One of the worst samples that I can remember is that of a little suburban bank in Washington in the District of Columbia. That bank had a capital of 150,000 dollars—£30,000 actual capital. £20,000 of that money was represented by a deposit with the Federal Deposit Bank, which was necessary to enable them to carry on business. The capitalised profit had increased the capital to about 250,000 dollars, and all of that was represented by a building. It had deposits of 7,000,000 dollars. 3,500,000 dollars paid no interest, and 3,500,000 dollars represented savings bank accounts at an interest of 3 per cent. That is, the bank had 7,000,000 dollars at 1½ per cent., and this enabled them to make the profits they did by letting the money out at 8 per cent, 10 per cent., and 15 per cent. to Wall Street on loan at call. That bank used that trust money practically for the purpose of making pools so that the man who had a deposit in the savings bank, when he might take a little flight of speculation, would discover that he was being killed by his own money that he had placed with that bank.

Although we have not such a flagrant case of the iniquity of the confidence trick called private banking, yet we have plenty of cases, some of which I will now go through. In 1922 the Queensland National Bank paid 12½ per cent., and now its dividends are to be kept at 10 per cent. It made £126,000 profits last year, partly because socialism saved it, and it has over £3,000,000 deposits for ever at 5½ per cent. If an individual did that, it would be theft; but with this confidence trick of banking it is not theft but business.

The Bank of New Zealand made profits of £535,000 last year because in 1893 socialism guaranteed its issue of £2,000,000. The old banks have a contempt for the new, just as the successful confidence man has a great contempt for the pickpocket; and you have only to read the comments of established banks on the little Primary Producers' Bank—which, of course, is filled with the noble idea of helping the farmer, and incidentally taking all the profit—as is every commission agent. The nominal capital of the Primary Producers' Bank is £4,000,000, and it might as well be £400,000,000, because it is only marks on pieces of paper. Its subscribed capital is £1,475,276, and it has paid up in real money £156,258. It has deposits of £300,000. In its first year it made a profit of £976, but it refuses to allow anybody to see its books. Here is a case where, with a little money, mostly represented by buildings, it is possible to double in a year the working capital of a concern by using the public's money. It is a case of that money being used as a bludgeon to give industry another black eye. That is the position of every upholder of the present banking system—he is only attempting to leg-iron and do violence to industry.

The Bank of Australasia has a paid-up capital of £4,000,000. It is only Australian in name as it a foreign bank—a London bank. £1,000,000 of its £4,000,000 represents capitalised profit, and capitalised profit is only another name for successful overcharge.

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Everybody knows that the rate of exchange from one Australian State to another is quite antiquated and extortionate. There is no question of sending money to Cloncurry, on which you have to pay a charge of 1 per cent. from Melbourne, it is only a matter of a telegram or a book entry. Yet Australian industry and inter- and intra-State industry, too, are held down by the large volume of exchanges, one of the ways in which banking makes its profit.

The Bank of New South Wales has a capital of £6,000,000 and reserves of £4,000,000, the result of overcharge. It has deposits of £55,000,000, and its confidence trick is so gilt-edged that the market value of the shares is £12,000,000.

The Bank of Adelaide has a paid-up capital of £875,000 and reserves equal to that amount, the result of overcharge. It has deposits amounting to £6,000,000, and pays dividends of 10 per cent.

The English, Scottish and Australian Bank has a paid-up capital of £1,500,000 and made a net profit in 1923 of £470,848—partly because it has £2,340,466 of old deposits locked up as perpetual stock at 3½ per cent. So they profit by their own crime of thirty years ago, and have £12,000,000 free-of-interest deposits, and £13,000,000 bearing interest. The wages of sin in this case are 12½ per cent. dividends.

The West Australian Bank has a paid-up capital of £378,000, of which £50,000 represents capitalised profit, and even with that watered stock they pay a dividend of 17½ per cent.

In the matter of insurance we have only to consider the cost of insurance before the State Insurance Office started and the present cost. The finance of insurance companies was even more rotten than the finance of banking companies. They are both ladies of easy virtue, but one is better dressed than the other. The Life Insurance Company of Australia has a nominal capital of £250,000, a paid-up capital of £71,500, and total funds of £534,633. Although they are not in that paying position, the Australian Provident Association, another concern that demands a policeman to accompany its management, have gone so far as to pay £1 10s. for the Life of Australia's 10s. shares.

Mr. KERR: A pretty "crook" world, is it not?

Mr. BEDFORD: Well, when I look at the hon. member who interjected, I do not think it is as "crook" as it is silly.

The Trustees and Executors Agency Company of New Zealand pays a small dividend of 15 per cent., while the Bankers and Traders Insurance Company of Sydney has a nominal capital of £1,000,000, a paid-up capital of £27,600, and a reserve of £30,754. This reserve of 35 per cent. of its capital after only three years of life is the result of overcharge. The Mutual Life and Citizens Company is one of the worst. This was started with an alleged capital of £5,000, but by extortion and overcharges for service and fraudulent methods in securing the lapses of industrial policies it has increased its capital out of capitalised profits up to £200,000. Years ago I published the true and false balance-sheets of that company side by side. The company issued one false balance-sheet to the public with the dividends concealed in an item called "bonuses surrendered, etc." But apparently, being of a very

religious turn of mind—on Sunday or after office hours—they decided they would not commit perjury in the declaration necessary to the Registrar of Companies, and there they made a true return, showing that they were paying themselves £100,000 a year on an original capital of £5,000.

The Australian Metropolitan Life has paid-up capital of £131,000; total funds amounting to £422,822. Its dividends are also about 20 per cent., though hidden like the Citizens Company.

New Zealand Insurance Company has a capital of £900,000 (£450,000 of it capitalised since 1912); £1,127,312 in reserves. Its dividend is 15 per cent., which really amounts at the least to 30 per cent.

Standard Insurance Company has an alleged paid-up capital of £100,000, of which £25,000 are reserves capitalised since 1919; the dividend (as declared) is 17½ per cent.

The Perpetual Trustee Company has a capital of £125,000, of which £25,000 are capitalised profits, reserves £158,000, and 12½ per cent dividend.

Equitable Life of Queensland—which is less Queensland than life, and less equitable than either—has a paid-up capital of £59,833—of which £7,500 was the promoters' cut. Its last year's cost rate of insurance was 164 per cent., and the cost of floating and establishment took £25,230 of the capital. Contrast the State Life Office of Queensland with this and talk of the wastefulness of the Government ownership over private enterprise.

The Colonial Provident Life (Sydney) invests first issue of capital, £150,000 the other day, and the promoters got £17,000 of that.

The Commonwealth Life Assurance Society has a paid-up capital of £99,257, of which £5,000 was paid to the promoters; and at the end of the third year they are still spending 29s. 11d. for every £1 received.

The Producers and Citizens' Co-operative Assurance Company has more assurance than co-operation; a paid-up capital of £103,956, of which the promoters' cut was £14,000.

The United Insurance Company has a paid-up capital of £350,000, of which £225,000 represents watered stock. This company pays 10 per cent. on the lot, or really 25 per cent. on the actual capital.

The South British Insurance Company of New Zealand has a capital of £773,730, of which only £67,686 was real money paid by shareholders. The capitalised profits since 1917 amounted to £450,000. The nominal dividend is 11½ per cent., but the actual dividend is about 150 per cent.

The Permanent Trustee Company (Sydney) has actual capital of £60,000, but they pay a dividend of 7½ per cent. on £110,000, which is almost 15 per cent. on the actual capital.

The People's Prudential Assurance Company has a capital of £10,000. This company lumps the dividends and expenses and has an insurance fund of £135,000.

The Queensland Insurance Company has a paid-up capital of £500,000, of which only £75,000 was paid in cash, and £425,000 represents capitalised profits from extortionate charges. It pays 12½ per cent. on £500,000, but really 83½ per cent. on the actual capital put into the concern.

So that we must nationalise banking and finance and cut out preference. We must insist on Australian credits for wool; increase

the general tariff, decrease imports; export more to pay foreign debt; and make reciprocal tariffs with any one good enough to trade with. We must look at immigration proposals through a microscope. Ramsay MacDonald's offer of £34,000,000 to assist immigration is no good, as the immigrants will not come in our ships, and the £34,000,000 will come in goods that we do not want. We must make the Commonwealth Bank what its founders intended, and not permit it to be what the American Federal Reserve Bank is—the wet nurse of private banking that in its turn wet-nurses trusts to beat the worker, no matter what State legislation is made for him.

Mr. KERR: I thought it was out of order to read a speech?

Mr. BEDFORD: It is very much out of order not to listen to it. I hope the hon. member is getting his mind improved, as it is sadly needed.

Other Railway Departments of Australia have been quoted as showing that the Queensland department was costing too much, and I wish to call attention to certain statements made by the Melbourne "Age"—an anti-Labour paper—which made these statements just prior to the defeat of the Peacock Government, and which did not intend to write another line for the purpose of putting another Labour Government in power:—

"Shaming ignorance amidst popular contempt, the State Government, which has just been renovated and repainted, was an example of egregious weakness. The Federal Government is inclined to stifle mention of Australian wrongs by resounding shouts of 'Empire'."

"The combines that prey upon the people in restraint of trade have an intra-state as well as an inter-state aspect. Their controllers have chosen on many occasions to give them that aspect—to represent their operations as being within the State—as if the State Government were a tried and trusty friend, never likely to threaten any loss of profits.

"It is remarkable how formidable they appear to the ordinary political and official mind when action is proposed to the disadvantage of great wealthy interests. The disclosures made from week to week about the tyranny of combines intensify public opinion against the ruling parties.

"The retail price of foodstuffs had long been a scandal. Numerous appeals were made for protection from the gangs who, by means of combines, rings, and 'understandings,' were deliberately bleeding the community. The Government protested impotence and practised indifference.

"Ministers made a grave error in judgment when they decided that the high cost of living problem would yield to the customary treatment. All classes of citizens are feeling the pinch too keenly to submit to the extortioners tamely.

"The Victorian citizen is specially entitled to voice his indignation. For his State has throughout been the black sheep, the awful example. In increased cost of living Victoria is not only leading the way, but at times it has been leading by a great length.

"No Government may affect to be impotent when the mass of its citizens are

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obviously being made the victims of organised imposition practised for the pecuniary benefit of some few. The offenders are taking the fullest care to keep their methods cunningly screened. But that methods are at work, and are responsible for the unnatural iniquitous position that at present exists, no sane disinterested person in the State for a moment doubts.

"Indeed, the Government of Victoria might well regard the Commonwealth Statistician's recurrent figures as a series of votes of censure.

"That local profiteering in foodstuffs is rampant is notorious. The fact seems a glaring advertisement of the utility of modern government as displayed at least in this State.

"Between the Government's impotence and the profiteer's impertinence the citizens stand helpless victims.

"The wealthy banking combine is not too proud to point out with a whine that the proposed increased cost will mean only a few pence a week. These few pence will amount to nearly 2s. in an averaged-sized family, and it will probably mean that many an already ill-nourished child will have to go even more hungry.

"Mr. Eggleston sneers at the vagueness of Labour's allusions to profiteering. With greater vagueness he alleges that the Ministry had a perfectly definite way of dealing with the profiteer. The High Cost of Living Commission is the only visible effort this precious Ministry has made. And as long as men and women remember, they will remember that Commission with derision. Never did any Government make a display more impotent. To-day the operations of trust and combine are rampant; their influence is evident, and the food we produce here is dearer to our people than to people at the other end of the earth.

"If the new Ministry pursues its proposed line of action determinedly it will make a welcome breach in that hitherto impenetrable barrier between the victimised consumer and the rapacious exploiter. And, if the Premier is true to this latest pledge, he may settle himself fairly assuredly in his Ministerial chair.

"The new Ministry is now the public's hope. If it probes this bread mystery thoroughly there is a strong probability that the citizen will be delivered from these audacious attempts at extortion."

In a more recent issue the "Age" showed the condition of the railways: the train miles run; and the cost of train mileage run was less in Queensland than in Victoria, although Victoria is a small compact State with one of the busiest railway systems in the world, and with an immense amount of suburban traffic to handle.

Labour will win through so long as it remembers that it is Australian Labour. We have the best of good feeling towards Labour all over the world; but if we stopped for the democracies to march with us shoulder to shoulder, we should have to wait fifty years for them to catch up. Our finance also is not improved by stupid immigrant Communists, who ask the Australian trade unions

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to lend £200,000 to Russia. (Opposition laughter.) As a matter of fact, they are so stupid that it is a wonder they are not sitting over on the other side of the Chamber. Such Communistic immigrants as the Gardens and the Walshes are so anti-Australian that, if charity did not believe them unutterably stupid, it might learn to believe them corrupt—even if only corrupted by their own vanity.

Mr. KERR: You are reading your speech are you not? That is against the Standing Orders.

Mr. BEDFORD: Do you think so?

Mr. KERR: Yes.

Mr. BEDFORD: You know something, then. (Laughter.) Australian labour will go on in its own good way, learning by mistakes and trying to do better. It will remember that its three most extreme immigrants—Cook, Hughes, and Holman—were extreme only until Australia fed them, and that they deserted Australia at the conscription call of the Imperialism that had starved them in their youth. It will learn to avoid the extremist in its own ranks as a kind of inverted Tory and help Australia to a safer position than the money power holds it in at the moment. There is not the slightest doubt that Labour is firmly fixed here. We know that the difficulties which will probably arise will be the means of enabling us to prove our quality if we have any—we know that the Opposition have none. (Laughter.) Recognising these facts, and seeing that most of our trouble is due to a bad old legacy which we assumed with the responsibilities of office, we are quite satisfied—and the country is quite satisfied—of our ability to put Queensland on the right road to development.

At 12.5 p.m.,

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

Mr. G. P. BARNES (*Warwick*): I shall not follow on the lines of the last speaker. I am not disposed, at any rate in the first instance, to cut out items in the Financial Statement which may be significant in a given direction, and allow of congratulations to the Treasurer and his Government, as they stand out in very bold relief against the appalling facts which are revealed in the Statement.

First and foremost, I think the Treasurer is entitled to congratulations in connection with the successful flotation of the loan. It is not everyone who is manly enough to make amends and undo a difficulty which has been created. This is where I differ from the hon. member for Warrego. I think the Treasurer did magnificent service to the country. He showed wonderful diplomacy, and the success, at any rate, of having received applications for £73,000,000 as against some £12,000,000 of loan money required really speaks for itself, and indicates intelligent diplomacy, the merits of which cannot well be over-stated. That service was noteworthy, because all Queensland—and further than that, all Australia—was directly interested in such a successful achievement. I think the "Trustees' Quarterly Review" expressed what the true attitude of Queensland should be regarding this matter. It states—

"Whatever may be said by extremists

on either side, we think it will be admitted by all fair-minded and unprejudiced persons that whilst the principle of the sanctity of contracts has been amply vindicated in the arrangement come to, Queensland has not been unduly humiliated or penalised by the terms which Mr. Theodore has accepted. The Government of this State has agreed to take such executive and administrative action as may be necessary to give effect to the arrangement that where rents of pastoral leases have been reassessed under the Act of 1920, though appearing in the second schedule as entitled to limitation of increases of rent, the maximum rents payable in respect of the unexpired term of such leases shall be the rents in force on 13th May, 1924."

That has been quoted from the "London Times"—

"In a letter from the two British-Australian societies chiefly affected, it is stated, in announcing to Mr. Theodore the acceptance of these terms, 'as a full and final settlement of the controversy and a demonstration of goodwill' that 'you make this offer, having regard to the view strongly held here that the Act did alter the existing contracts, and you recognise that the English companies affected by the Act of 1920 are convinced that they have legitimate grievances which you wish to remove and desire to satisfy investors that Queensland is as faithful to contractual obligations as any other portion of the Empire.'

"A noteworthy feature of the same letter is the statement that the societies were influenced by the considerations that the Queensland Government had been advised that the 1920 Act did not constitute a breach of contract, otherwise it would not have passed the Act. Although no mention is made of legislation being required to give effect to this arrangement, it is understood here that in view of judgments of our Supreme Court, an amendment of the Land Act Amendment Act of 1920 will be necessary, and this no doubt will readily be passed by Parliament at an early period of its next session, a few months hence."

I take it that that is about the attitude in which Queensland views the arrangement made by the Treasurer. I think further that congratulations are warranted in regard to the fact that the Treasurer shows a credit balance for the year, notwithstanding the great and alarming expenditure that had to be covered. However much we may squirm over it and regret that such an expenditure was necessary, I think there is food for thankfulness that Queensland was able to stand up to the very heavy imposition that has fallen upon us. We have been able to stand up against wasteful expenditure to an extent that we have never known in Queensland heretofore—and I doubt if it has ever been known in Australia—but we have been equal to the task, and the Government have come down with even a small credit balance. After all, there is room for congratulation. It is true that the surplus is the result of unexpected happenings, but these are always coming about. These happenings aggregate some £363,939.

That result is brought about by the following increases and decreases:—

	Increase.	Decrease.
	£	£
Commonwealth receipts ..		3,108
Taxation	277,201	
Land		71,050
Mining	5,405	
Railways		15,347
Other receipts	170,832	

The gross increases amount to £453,444, and the gross decreases to £89,505, or a net increase of £363,939. In addition to that, there is an amount of £180,000 of accumulated profits of the Government Savings Bank, retained when the bank was transferred to the Commonwealth Bank. That £180,000 came in very happily, and made it possible for the Treasurer to show a surplus.

I think the Treasurer should receive credit for the clear and reasonable way in which the Statement has been presented. When the Statement might have been camouflaged in some way, and the hon. gentleman presents it clearly, we should acknowledge his presentation of the state of affairs of the country in an appropriate manner. But, however full our congratulations may be, the hard bold facts which are presented even in the Statement itself and the figures it contains force us to express the deepest concern at the condition of things which obtains to-day. It is impossible for the State to go on as it is moving at present. For the last nine years there has been an increase in expenditure in an unbridled way. There has been no check, as there should have been. There has been a great increase in expenditure generally, and the heavy rise in taxation is becoming, if it has not already become, a pressing burden upon the people.

Mr. COLLINS: Terrible!

Mr. G. P. BARNES: I am sure that no truer word ever came from the hon. member for Bowen, because it has a terrible influence on the life of this community. To-day we see the result of it in the vast army of unemployed and dissatisfied citizens on every hand. But the Treasurer's Statement makes no real acknowledgment of the State's critical financial position. It merely says—

"Whilst, in the framing of the Estimate of expenditure for the year, the requirements of the State have been kept in mind, the pressing need that exists for economy in public expenditure has not been overlooked."

And in referring to the Loan Fund he makes this remark—

"Owing to the financial stringency which has been brought about by the exchange position, the Commonwealth and all the States have agreed that it is necessary to curtail loan expenditure until the position adjusts itself. Queensland must limit its borrowings oversca for the current financial year to £3,000,000, and the Commonwealth is to raise a loan in Australia, for the States, of £10,300,000, of which this State will receive £1,340,000."

That gives the hon. gentleman rather less than he anticipated, because he is reported to have said on his arrival in Queensland—

"They had to set themselves an absolute minimum of £5,000,000 per year

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programme from loan money. If oversea markets were closed, could they raise that £5,000,000 within Queensland or Australia? No. They could see from this that if they did not have access to oversea loan money the State would be faced with disaster. Queensland carried a small population, and inordinately heavy burdens and, therefore, it had to draw upon capital, knowing it had the resources which would be turned into real assets later on, and that the new capital induced and expended would be no great burden upon future generations. They either had to go on with that policy of developing and borrowing, or have stagnation and an arrested policy of development, which no sensible public man would advocate or tolerate."

The TREASURER: I said that, if we did not have access to the overseas market, it would be very embarrassing. Do not misquote what I said.

Mr. G. P. BARNES: That is as the hon. gentleman was reported. From that it would appear that the only thing that troubles the Government to any extent is that they cannot get money to spend—a possible failure in new money—and it is noteworthy that, although many hon. members on the other side are everlastingly blaming the capitalist, here is an expression of the deepest concern that capital should be introduced into the country and the assurance that, when it is introduced, it will be put to the best use. I take it that the Government should be gripped with some other thought than this. I remember that on a previous occasion when the outlook was black the present Treasurer called attention to the finances of the country and not only spoke to members of his own party but also very boldly and wisely made a strong appeal to hon. members on this side of the House to step in and aid him in the task he had ahead. Speaking for hon. members on this side of the Chamber, I think that wherever economy could have been exercised we have always been desirous of assisting to bring it about.

The SECRETARY FOR PUBLIC WORKS: If the recommendations of the Opposition on the last Estimates had been carried out, the expenditure would have been increased by 95 per cent.

Mr. G. P. BARNES: That is always the case. Every member has at his elbow his own local requirements, and it is his duty to present to the Government any requests that may be made to him from time to time. I do not say that I have got all that I would like, but it is certainly due to the Treasurer to admit that the Government are always disposed to listen to the requests that are made of one kind or another and make an effort to meet them.

[At 12.20 p.m.]

The CHAIRMAN resumed the chair.

Mr. G. P. BARNES: I think it is regrettable that there is in the Financial Statement an absence of any indication that the conditions which exist will be remedied. Those conditions are responsible for extreme taxation and the unemployment that is rife to-day. There is no indication that the excursion into mad State enterprises is to end. Indeed, the little that is said indicates a degree of satisfaction that all is going well with State enterprises; but the information vouchsafed is so extremely small

that it is to be looked upon in the light of suspicion, and on the records of the past hon. members can only feel extremely sceptical as to whether any good can come out of State enterprises. There is no indication, such as we might well have expected, that direct taxation will be reduced, and there is no encouragement to enterprises which in turn would swallow the unemployed. There is no indication that the Government propose to change their policy with a view to bringing about a cessation of unemployment and creating a high state of prosperity in our State. There is no indication of encouragement in connection with settlement, or with any migration scheme. There is not a whisper about those all-important things. No thought of the Government availing themselves of the offer of the British Government of that money that may be forthcoming! Surely a statement in regard to that might have found a place in the Financial Statement in these days when we are hard up and desirous of loan money! There is no expression about the alarming growth of the public debt, and very little said with regard to the great increase in the interest bill. There is no word about our producing interests, or about helping to find markets. The Treasurer admits that there is a lack of money for the development of our industries; yet the Government have strangled, and are strangling, many of our enterprises.

Mr. COLLINS: That is nonsense.

Mr. G. P. BARNES: The money that should have been used in this way has been appropriated and wasted.

Mr. COLLINS: It has been distributed amongst the people through increased production.

Mr. G. P. BARNES: The Government have nothing to show for expenditure in that regard.

Mr. COLLINS: The hon. gentleman adopts a false idea of economics.

Mr. G. P. BARNES: The Government have been in power for nine years, during which time things have been fairly prosperous; and the people, though crushed to a large extent, have been able to respond in the direction of direct taxation and indirect taxation and other impositions by the Government. Consequently the Government have sailed along, until to-day the country has practically come to a dead-end.

Mr. COLLINS: No.

Mr. G. P. BARNES: For the nine years from 1906 to 1915 the revenue of the State was £49,969,218, whilst for the nine years of Labour administration between 1915 and 1924 the revenue had increased to £96,852,221, or, in other words, the present Government have been in receipt of nearly double the amount received by their predecessors. During the period mentioned, previous Governments expended from the Loan Fund a sum of £17,000,000, whilst the present Government have expended in the same time about £30,000,000. Altogether, the present Government have handled £126,747,389 as against a little under £63,000,000 handled by their predecessors.

Mr. COLLINS: To be fair, the hon. gentleman should now quote the population for the respective periods.

Mr. G. P. BARNES: I am going to quote the population directly. One aspect that

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must make men think is the unproductive loan expenditure. Unfortunately, every Government is responsible for a certain amount of unproductive loan expenditure. For the years 1906 to 1915 previous Governments were responsible for £3,699,585 in connection with unproductive loan expenditure, whilst the present Government have to their debit in that direction a sum of £15,757,835. Surely the fact of that amount returning nothing whatever to the State—which is yet only in its infancy—should make men think. The revenue received by the Government last year was just about double what they received in 1915, when they came into office. We expect natural growth, and we are only too glad to see natural growth; but, notwithstanding the excessive revenue received during their nine years of office, the country finds itself to-day with an accumulated debit of £810,000, and a credit of only £12,000 for the past year. The interest on the public debt is £3,761,140 per annum, which is just about double what it was in 1914. The interest has increased because of the increase of the public debt. That debt, which stood at £56,300,000 in 1915, has now reached the enormous figure of £91,200,000. One would not mind if there was anything to show for it; but I defy anyone to place his finger upon what has been produced by that huge sum of money. I said a moment ago that there was the sum of £15,575,835 expended in unproductive work, which is not a very satisfactory fact to know. We find that out of the great increase in the public debt, only half of the increase in borrowed money is earning anything in the country, and because of that the people are being burdened in other directions. In 1914-15 the revenue per head of the population was £10 12s. 10d., whereas to-day it is £16 11s. 1d. The expenditure per head for 1914-15 was £10 12s. 9d., whereas to-day it is £16 10s. 1d.

We are advised that there will be a degree of increased taxation through additional stamp duty, which is estimated to bring in £25,000. We also have the fact that there is to be an increase in indirect taxation of £356,000 or £370,000 through the Railway Department. Taxation is still going on, but in this instance it is being spread about, and unfortunately the greatest sufferer in connection with this increased taxation will be the man on the land. I raise my objection to that. In connection with increased taxation something else is being done in preference to putting it directly on the goods required by those doing the developmental work of the country. Direct taxation in 1915 yielded £954,000. It now yields £3,617,201. It has risen from £1 8s. 2d. per capita in 1915 to £4 9s. 2d. in 1923-1924.

No matter how we regard the Administration, the records of the Government are disastrous. Hon. members cannot get away from that fact. No thoughtful man can be satisfied with the presentation of the Statement that has been placed [12.30 p.m.] before us. Notwithstanding that the revenue has been doubled, there is an accumulated loss of £810,000. We are faced with the lamentable truth to-day that the cash balances and trust funds between them are practically in debit, and Queensland is running on a local overdraft to the tune of £1,700,000. Every source of revenue has been exhausted, and we are simply falling back on an overdraft. Is that a record to be proud of? The national debt has been

increased to over £90,000,000. The railways—which were a fine profitable concern when this Government came into office—now show an accumulated loss of £11,483,000. There has been no attempt to explain that, and no real attempt made to remedy it. What position can be more serious than that? Land settlement is at a very low ebb. Taxation has been increased, and the amount levied in taxation in nine years by the Government totals £24,927,674, as against £6,290,174 levied by their predecessors in the previous nine years. The amount of taxation levied in excess of the amount levied under the previous Administration in a similar period is £18,637,500. That is the amount that the Government have filched out of the pockets of the taxpayers and the people on the land over and above their predecessors over a period of nine years! Surely no fact could be more serious than that! The increase amounts to 216 per cent. My contention is that if that capital had remained in the hands of the people, it would have been expended in private enterprise to assist in developing the country, and thus would have provided more employment. If £17,000,000 are taken out of ordinary channels of business, some real check must be expected in consequence, as that money would have been largely invested in enterprises.

There has been a loss on State enterprises of £626,743. There is also the loss of our Savings Bank, which in the past we considered was something to glory in. The State formerly made excellent use of the bank in many ways. We have to-day a public service which is distinctly unsettled, with the public servants from one end of the State to the other dissatisfied. Although the credit of the State has been restored as a result of wise diplomacy, we nevertheless suffered before its restoration. Then we have unemployment rife. To remedy all these matters we shall have to turn our attention to doing things in a very different way from the way we have been doing them. The burden of taxation should in some way be lifted.

Mr. COLLINS: That is quite true, but you cannot get away from the idea of low wages.

Mr. CORSER: You tackle your own Government on that question.

Mr. G. P. BARNES: A mistake has been made in the past in taxing the wrong people. A huge blunder has been committed in the issue of Government bonds free of taxation. I do not say that this State is more responsible than any other State in raising loan money by that means. The direct result is that the man who puts his money into private enterprise is taxed, and half the business people of the land would be very much better off if their money was invested in Government bonds free of taxation than in private enterprise. They would then be free from the worry of business. The same thing is happening in America, and similar complaints to that which I have been making are being made there on this very question. The "Dry Goods Economist," of New York, on this question states—

"As has already been pointed out in these columns, the effect of the high surtaxes amounts to a practical nullification of the income tax law, for the simple reason that the excessive surtaxes are not paid. In other words, through the high income taxation imposed on them, men of swollen fortunes have been led to avoid the payment of income taxes as far as

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lies in their power. And their power to avoid payment is very great, thanks to the constantly increasing opportunities for investment in tax-exempt securities.

"This is, indeed, a case where one evil quickly brought another in its train. The opportunity offered to states, counties, townships, and municipalities to borrow money, in proportions undreamed of prior to the creation of the demand for tax-exempt securities, has been availed of until almost unknown is the community that has not a greater or less amount of floating indebtedness.

"The degree in which the payment of Federal income taxes by men of swollen fortunes has shrunk, as a result of the opportunities for tax-exempt investments and of the urge to avoid the tax when excessive rates are imposed by law, is unmistakably indicated by the tax returns.

"In 1916 there were 206 persons in the United States who paid income taxes on incomes of 1,000,000 dollars or more. In 1921 this number had shrunk to twenty-one. These figures need no comment. They speak with the utmost eloquence.

"Such tax dodging cannot go on without an unwarranted tax burden being laid on other shoulders. The tax returns figures show that in 1921 the total amount of taxes paid on incomes of 1,000,000 dollars and over totalled only 49,411,329 dollars—just one-fourth of 1 per cent. of the total amount of income taxes paid in the United States in that year.

That is just what I am urging—that the persons who should pay tax as a result of these tax-free bonds that have been issued, not only by this Government, but by the Commonwealth and other Governments, escape taxation, and this is having a very serious effect on our finances. The man who prefers to sit down and do nothing towards helping his country to progress is escaping taxation, whilst the man who does his level best by his brains to make it prosperous by taking upon himself the burdens of ordinary enterprise is the man who pays the tax in the country. This paper goes on to say—

"There is another powerful reason why the inducements to tax evasion by the owners of excessive incomes works harm to our citizens in general. This is—the diversion of funds from creative channels into various forms of public outlays non-productive of new national wealth."

I am sure that quotation is worth noting, because the influences that are referred to there are identical with the influences that are abroad in Queensland in matters of that kind.

I made the remark just now that taxation is interfering with our development. There is proof on every hand that such is the case, as will be shown by the following comparison:—

FACTORY WORKERS PER 10,000 MEAN POPULATION.

	1914.	1922-23.	Increase
Victoria	832	940	108
New South Wales ..	626	695	69
South Australia ..	611	670	59
Tasmania	450	479	29
Western Australia ..	545	548	3
Queensland	641	541	Decrease. 100

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In Queensland we have a decrease of 100. There is a concrete fact indicating that something has influenced to our fearful disadvantage the employment of labour. Instead of increasing pro rata with the other States we have gone down 100.

We are told very frequently in this House that the doing away of the middleman will work a wonderful advantage. I have been totalling up the cost to the community of some of our State enterprises. Many people in the country seem to have the idea that if a State runs an enterprise it is done "free, gratis, for nothing" as it is put sometimes. The expenses are so huge that they are worth noting here. The total expenditure incurred in some of our State enterprises, comprising State stations, butcher shops, cannery, hotel, refreshment-rooms, fishery, and produce agency, was £521,006 for twelve months. Things are not done for nothing. Sometimes we hear of the Wheat Board doing wonderful things, but the expenditure is high; they have wages to pay, also shipping dues, etc., as has the middleman and the manufacturer. The expenditure of the Wheat Board for the years 1920-21, 1921-22, and 1923-24, totalled no less a sum than £372,442, so that the producer who imagines that things are being done for nothing is sadly mistaken. Indeed, after all that expenditure the State still had to come forward and make its contribution of some £20,000 in order to balance the account.

I think the time has come when there should be an insistence upon the Government doing something in the matter of State enterprises. We have something like £3,500,000 sunk in those enterprises and the losses incurred are £626,000, as well as other losses in connection with the trawler and other things, which makes a total of something over £1,000,000. The Government have courage, and it is time that they should have the courage to say that this thing must end. Is it to go on for ever? The only indication in the Financial Statement regarding State enterprises is that they are somewhat satisfactory. We have to wait until something more satisfactory is produced. The records of the past in regard to State enterprises are so unsatisfactory that any Government of courage should immediately come to the conclusion that expenditure on those enterprises should cease. One looks forward to an exercise of the courage which has been shown in other directions by the Government. They should wipe out these things which interfere with our growth and prosperity, which are a menace to us, and which are strangling our operations. If the Government had the courage to do that, they would certainly win the high approval of the general public of Queensland.

Mr. CORSER (*Burnett*): On the last occasion when the Treasurer delivered his Financial Statement he indicated that control of finance had been exercised in all departments and the Government had been placed under the necessity of exercising economy. During the last financial year quite a number of necessities in the development of our industries have suffered on that score. Yet we find that the Government have handled no less than £363,939 in excess of the Treasury estimate, and have spent £358,269 over and above the estimate when the Treasurer last spoke on the question.

We are pleased to find that a surplus of £12,707 was realised.

It might be well for me first to deal with the statements of the hon. member for Warrego. He said that there was a bad old legacy handed to the Government by their predecessors in the shape of railway construction—that it had brought about much loss of expenditure in the past.

I shall first refer to the impression that one gets in listening to the Financial Statements as delivered by the Treasurer from year to year. It is that Queensland in the hands of Labour may be depicted as a strangled beast—

GOVERNMENT MEMBERS: Hear, hear! and laughter.

Mr. CORSER: And the Administration as Bolsheviks which have picked the eyes and every available part from it in the hope of continuing their existence. From the last Statement and the present one, we find that we are a rationed State. The Government have brought us to the position that they are rationed in their loan supplies. They have gone to their limit on the money market and now have to ration all money available. The position in Queensland has occasioned some action by the Commonwealth Government, and an offer was made by that Government, which the Acting Treasurer, on behalf of this Government, has been pleased to accept.

A rationed Government! A Government who have increased their expenditure year after year, and increased the public debt to such a tremendous degree, with increased interest! We know that the policy laid down by Labour before it got into power was that it did not want to borrow money, and that loan money should be redeemed by revenue. They did not believe in a developmental policy, which gave to outsiders the money received. Yet we find they have established a record in that direction. The hon. member for Warrego said that the public debt which was due by this State when Labour took over office was a bad old legacy. This "bad old legacy," as it has been termed, built the Great Western Railway, and developed the southern portion of Queensland and the Warrego electorate. Not the expenditure of this Government, but the expenditure of past Governments developed in that huge territory the great wool industry of to-day. This "bad old legacy," as it was termed by an hon. member who was not in Queensland when these moneys were spent, built the railway connection to Rockhampton, the Great Central Western Railway extension, and the extension from Townsville to Cloncurry. Whilst I cannot claim, nor can any member of this House claim, that he is responsible for the spending of these moneys, not one of us but would be pleased to think that he was associated with the Government that had the foresight to build those railways under a big developmental policy as against many of the railways constructed by the present Administration, which, as well as the expenditure on many of the public works, is a shocking example of the maladministration of Labour in Queensland. From a table which has been compiled I find that practically the whole of the loan money expended by previous Governments was expended on reproductive work. In 1914-15, of the total amount of loan money expended only £267,000 failed to be reproductive.

Mr. HARTLEY: That is the first half year we were in office.

Mr. CORSER: Now we shall see what is the position after the Labour Government have been in office for several years. In 1923-24 the unproductive loan expenditure amounted not to £267,000 but to £2,213,000 for one year. Where is the truth in this cry about wild-cat railways? Where is the truth in the argument about political railways and "bad old legacies," when we find such a large expenditure of loan money under the present Government is unproductive as against the expenditure by previous Governments? This cry about a "bad old legacy" would give people outside an idea that the present Government were not responsible for increasing the public debt; that the public debt was something that some old Tory conservatives may have been responsible for in the past, and which they were going to mend. We know that before they came into office they told the people over and over again that they were against public borrowing. What happened? This "bad old legacy," as it is termed, in 1915 had reached £56,000,000.

Hon. J. G. APPEL: After sixty years.

Mr. CORSER: After fifty or sixty years of responsible government the national debt in Queensland amounted to £56,000,000, the greater part of which was paying interest. The present Government have been in power for about nine years, and we find they have increased the public debt to approximately £91,000,000.

Hon. J. G. APPEL: It is a tragedy.

Mr. CORSER: They show an increase in the loan indebtedness of practically £4,900,000 a year. Under the last Administration there was some sort of management in connection with the expenditure of loan money. Past Governments claim that an expenditure of £3,000,000 a year of loan money was sufficient, and that £2,000,000 on railways was enough. That expenditure generally was considered to be a sufficient tax on the State and sufficient to absorb the unemployed. Last year the Labour Government set out to spend £5,000,000 of loan money. They did not spend all that amount, but they did spend £4,600,000, and, in spite of that huge expenditure, unemployment this year is rife. That huge amount was expended because there was an election on at the time. This year the Government do not propose to expend more than £3,000,000. They have spent a large amount of money in starting quite a number of public works, and many of them are not being continued. I have seen 30 miles of earthworks and bridge work done for a railway, but no rails have been laid. Those earthworks have been completed for the last five or six years, and nothing has been done, except by nature, which has washed the embankments away. The Government have done nothing to save from fire the bridge that has been constructed. The Government have boasted a great deal about what they have done. They have only started huge works here and there at election time and have ceased operations when the elections were over. They started irrigation works at Nathan's Gorge and have spent a large amount on the Dawson Valley Irrigation Scheme, and now it is proposed to close down on that scheme because of the want of money. I would like to contrast the actions of the Government on these

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matters with the actions of past Administrations which were criticised by the hon. member for Warrego. Up till 1915, 1,700 miles of railway had been constructed by past Administrations, and, although a greater amount of money has been spent by this Administration, only 1,067 miles of railway have been constructed since Labour took office in 1915.

Mr. WRIGHT: Your Government paid the men 8s. a day.

Mr. CORSER: The wage paid at that time was of more value than the wage paid at the present day. To-day the Government are paying huge wages to specialists in some industries, but there is a large number of men without work at all. It is a Government which is run in the interests of a few, and is not a democratic Government. The Government should work for the benefit of the whole of the people of the State. The hon. member for

[2 p.m.] Warrego claimed that the Russian Communists had appealed to the trade unions of Australia for a loan of £200,000. Just imagine the Communists on one side of the earth thinking that the Socialists on the other side were going to advance them a loan—and their own money! It would be all right if they were lending them other people's money. We hear the remark made that Great Britain should find for Russia the amount of money which is essential for that country, but imagine them talking of asking the trade unions of Australia to advance them £200,000!

We find that the responsibilities of office are to some extent contradicting the preaching of the Administration. The Treasurer states that he has made a sufficient settlement for our credit in Great Britain. He has found that the statements of the Opposition that the strict fulfilment of contract is the foundation of credit is, after all, the right policy to adopt. We know that Government members are against anything in the nature of secret diplomacy, but we find that on this occasion, in order to secure a credit in this State, they have had to adopt secret diplomacy, and secret arrangements have been made of which Queensland knows nothing—of which the Labour movement knows nothing—except that it is just a secret arrangement, as against an arrangement that the people outside stand up for through their elected representatives in Parliament. We know that the responsibility for a settlement lay with the Treasurer, but the responsibility for the trouble also lay with him. Whilst I am not going to make him responsible for all the extreme desires of his party, he must stand up to the criticism of actions which are only entered upon when he is a consenting party.

Since the Labour Government took office we have had an orgy of expenditure. The total expenditure from revenue from 1906 to 1915 was £67,000,000. In the following nine years of Labour it has been—not £67,000,000, but £126,700,000. Yet we have unemployment, and we want larger amounts of loan money to carry on with. We have come to a state of affairs in which we have had to pour oil on the troubled waters at home, and have to depend on raising loan funds in Australia. The expenditure per head of population was £10 12s. 9d. in 1914-15, while it was £16 10s. 9d. in 1923-24. In 1914-15 the sum of £7,200,000 was sufficient revenue to carry on with, but we anticipate from the Treasurer's Statement to-day an

expenditure of £14,137,150 for 1924-25. Our revenue has increased by £6,944,000, or practically £7,000,000, in the period of nine years under review and our expenditure by practically the same amount.

If finance is the secret of good government, it must be admitted that we have certainly had very bad government since Labour came into power, judging by the facts which are revealed by the Financial Statement. The record of taxation since 1914 shows that in the financial year 1914-15 a sum of £954,000 was collected, whereas last year £3,600,000 was not enough, and during the current financial year it is estimated that £3,769,000 will be obtained.

Mr. COLLINS: Hear, hear!

Mr. CORSER: On the last occasion when the Treasurer made his Financial Statement he predicted that there would be no increase in taxation, yet this year, although we have collected £750,000 more than it was estimated we would receive, the hon. gentleman predicts a further increase in taxation, and the hon. member for Bowen says, "Hear, hear!" If we want a picture of a successful country where employment is plentiful, we must go to a country where the taxation is low. The Commonwealth Government are able considerably to reduce their taxation.

Mr. COLLINS: By increasing the Customs revenue.

Mr. CORSER: On the other hand, although the Treasurer and the Government of this State—for which the hon. member for Bowen must take his share of responsibility—anticipated no increase in taxation, they have secured £360,000 more than they expected. Nevertheless this year they bring in two increases in taxation—an increase in stamp duty on bills of exchange and a rise in railway fares and freights. The hon. member for Warrego said a little while ago, "Look at the public debt of Australia! See what a debt the Commonwealth has! Queensland is not the only Government responsible for a huge public debt." Does the hon. member not realise—or will he not realise—that the Commonwealth Government's huge public debt was incurred as a result of war, and that the Queensland Government were not saddled with one penny of war taxation? Yet the Commonwealth Government are able to reduce their taxation, whereas we have to increase ours. As a matter of fact, this Government received some advantages financially from the war, yet they are forced to increase their revenue tremendously, exploit every avenue of taxation, pick the eyes out of everything, and wherever possible defray public expenditure out of loan funds. Since 1914-15 our taxation has risen from £1 18s. 2d. a head to £4 9s. 2d.—an increase of 216 per cent. And this from the Government who were not out for undue taxation, who were going to carry on by productive works, and who were going to pay their way!

This increase in taxation is due to maladministration in financial matters. For instance, the Government are reducing the expenditure on the Department of Agriculture from £195,000 to £155,000. In other words, they are killing the hen that lays the golden egg—they are reducing expenditure on essentials and increasing it in other directions, particularly on the ever-increasing relief of unemployment.

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Mr. COLLINS: Your party went out with thirty-four members and came back with twenty-nine.

Mr. CORSER: Because of the way the Government were able to shuffle and juggle the cards, it is a wonder that we have any representatives here at all. They have the power, and they can adjust the seats in the way that any man who is unfair can adjust a pack of cards before handing them out. The Government wiped out three representatives from this side before we went to the elections, and now the hon. member for Bowen has the audacity to boast that they came back with a majority in this House notwithstanding the fact that they received 15,000 votes less than the Opposition. That was all brought about through the tactics of the Government, occasioned by the expenditure of public money.

Mr. COLLINS: A considerable amount of money has been spent in the hon. gentleman's electorate.

Mr. CORSER: And, despite that fact, I am still here. It goes to show that the electorate has been very well represented by me when more than half of the total railway expenditure in Southern Queensland for last year occurred in the electorate that I represent.

Mr. WRIGHT: The hon. gentleman is a lucky man.

Mr. CORSER: Hon. members opposite could not do any better even if they had two, or three, or even six Labour members representing that area. All those circumstances go to show that I was able to secure all the essential expenditure in connection with railway construction in that area.

But what I am concerned about is the way in which the Government are spending that money. Why do they not go on with railways in a business-like way and bring the work to a conclusion? Why not show some business ability in the way of developing and opening that land by the construction of those railways, instead of fiddling about from month to month until the settlers do not know whether the railway is going on or whether it has stopped? That is an unsatisfactory position for the men, and they have found it necessary to protest against the closing down of work in certain districts.

The Treasurer has claimed quite a lot of credit for his endeavours on the other side of the world. He tells us that no less a sum than £66,000,000—or a total of £73,000,000 counting the previous subscribers—was applied for by persons looking for financial accommodation.

The TREASURER: Not £73,000,000 from persons looking for accommodation.

Mr. CORSER: It includes £7,000,000 from the present holders.

The TREASURER: Yes—that is the most significant part of it.

Mr. CORSER: What the old Tory Government had borrowed by paying 3½ per cent. for the Treasurer had to offer 5½ per cent. at £99 10s. Under the circumstances it is only natural that the present holders should allow their bonds to be converted. The point is that it was claimed that there was no money in Great Britain for Queensland, but as soon as the Treasurer made promises to certain interests, he received his offer of £73,000,000.

Hon. J. G. APPEL: He did the right thing.

Mr. CORSER: Of course he did, but hon. gentlemen on the other side do not agree with us in that, nor do some of them agree with the Treasurer. In this case secret diplomacy has won out, and hon. gentlemen opposite have got to submit to it. The last conversion loan is to be redeemed in 1929, or the redemption is optional in 1926. How are we going to redeem the loan in 1926 or 1929? The interest bill will be increased by £295,000.

We have £12,000,000 of loan money at 4½ per cent. falling due in 1925. We shall probably have to pay 5½ per cent. or 6 per cent. for the conversion of that loan. The Government have not attempted to make any arrangement to prevent such a large sum of loan money falling due at one period. They are continuing to do the very thing for which they blamed previous Governments. There is still a chance of this £25,000,000 of loan money being required again in a year or two, as was the case in the past. More and more money is wanted, and more and more maladministration is taking place on the works where this money is being expended. We know that in the past the Government have been accommodated locally with respect to loan money, and one hon. member claimed that was a proof of the confidence of financial companies in the Government. Hon. members know that these people were practically forced to subscribe to those loans. They know that legislation was contemplated, and threatened if the financiers of Queensland did not put their money into those loans. Therefore that money was practically forced from those companies through the action of the Government and the commandeering methods which are known only to such Governments as is in power in Queensland to-day. In 1914-1915, £2,638,000 was expended from loan funds on railway construction, and a sum of not more than £2,000,000 should be spent on railways in any one year. We find that £4,650,000 was spent last year from loan moneys on these works, and we want to know when this borrowing craze is going to cease.

OPPOSITION MEMBERS: Hear, hear!

Mr. CORSER: The Government should inform the House when this unlimited borrowing craze will come to an end. The policy of the Government should be understood if this country was carrying a huge population, and if large numbers of people would otherwise be unemployed. When are we going to get on to some solid basis?

Mr. COLLINS: Ask the hon. member for Wynnum.

Mr. CORSER: It will be agreed that in times of stress, when our staple industries, such as the wool, sugar, and cattle industries, are suffering from drought or some other cause, it is a good thing to have avenues of finance available for exploitation to secure money.

When in times of plenty we find large numbers of people dependent on the expenditure of loan money it is obvious that there is something wrong with our system. No hon. member will agree that the progress or development of private enterprise is satisfactory. We have to look for the reason, and we find it in the want of confidence in the Government. If we look a little further, we shall find that the Government have

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not encouraged thrift, or the spending of money in industry, because they have not respected the rights of the people who have put their money into it.

OPPOSITION MEMBERS: Hear, hear!

Mr. CORSER: We also find that, when the opportunity comes for hon. members opposite to kill an industry, they seem to avail themselves of that opportunity. Let me give this one word of warning. I consider that, whilst both the Federal and State Governments are exploiting our local markets in Australia and not introducing new capital, we are hampering new industries.

OPPOSITION MEMBERS: Hear, hear!

Mr. CORSER: We are not a country like Denmark or Belgium, where industries have been established for many years. We are trying to convert our forests and scrubs into a payable asset. We are trying to place people thereon, and we have to try and find the necessary funds to do it. We must build up our industries throughout the country to make it possible for our population, both town and country, to make a good living. We should allocate an amount of money to bring about the improvement of private enterprise instead of putting that money into Government securities on every possible occasion.

We have ever-increasing revenue from the railways, and surely the running of those railways and the payment of interest by the Railway Department should be guided to some extent—for it is expected that it should be guided by its actual operations—by the amount of cash it receives from the users of the railways. During the nine years from 1906 to 1915 the railways showed a net deficit of £220,000, while during the subsequent nine years, under a Labour Administration, those railways showed a net loss of £11,500,000, and this with ever-increasing receipts. We find that the larger the receipts from our railways the greater seems to be the deficit. The more railways we open the fewer miles our trains run. We are reduced even to this state of affairs. Whilst the Treasurer foreshadows an ever-increasing expenditure for the construction of engines and rolling-stock, we learn that the week before last one train in Maryborough, running to Pialba and supposed to leave Maryborough at 5.30, did not leave until 6.30. That was because there was no engine. (Laughter.) It was the only train running to the Bay that day—the business train—and the authorities had the whole day to arrange and build that train. The tickets were inspected at 5.20 p.m., but the train did not leave until 6.30 p.m.

Hon. J. G. APPEL: They were lucky that it went at all. (Laughter.)

Mr. RIORDAN: Yes, without an engine. (Renewed laughter.)

Mr. CORSER: The Minister with the "bunchy top" in his button-hole who was going to effect a saving—. (Laughter.)

Hon. M. J. KIRWAN: Don't be personal.

Mr. CORSER: I was not being personal but merely referring to the hon. gentleman's coat. (Laughter.) The hon. gentleman was going to save us £250,000 in the running of the department, and he now dares to interject when I am criticising the Railway Department.

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Hon. M. J. KIRWAN: I never interjected.

Mr. CORSER: When the hon. gentleman promised to bring about that saving he was put on a Commission to show how it could be done, and produced a report. As yet the hon. gentleman has saved us nothing. As a matter of fact, we have increased our trouble ever since, so far as the Railway Department is concerned.

We find, according to the Treasurer's Statement, that a sum of £30,872 was expended in giving relief to farmers on account of drought. I would like to ascertain just what this expenditure was, if it was not direct relief. I would like to know where it was spent and how it was spent, because it was not direct relief. I am hoping that the Secretary for Agriculture will make this matter clear. We know that we passed a Co-operative Agricultural Production and Advances to Farmers Act, which was to provide over £200,000 for farmers who had not sufficient capital to purchase dairy herds. It was to give assistance to the person who could not help himself. If a farmer had not a certain number of cattle, he could secure £200 to purchase cattle practically without security under this new liberal measure.

The SECRETARY FOR AGRICULTURE: The measure has been a great success.

Mr. CORSER: We shall see what a success it has been. According to the Press of 19th December, 1923, a deputation, representing farmers who had lost their stock during the drought, interviewed the Minister and applied for relief under that Act, and the hon. gentleman expressed his thanks to the deputation for coming along, but he said that this relief was only available for beginners. When this deputation came from farmers on the Darling Downs who were established before the drought came, and when requests were made by settlers in the Burnett district at the time of the last drought, the Minister said that assistance under this Act was only available to beginners, and the drought-stricken farmers were cut out altogether. If it is available to beginners, why is it that last week and the week before I received from settlers in the Upper Burnett replies which they had received from the Advances to Settlers' Department in answer to requests for assistance, stating that they had been refused advances under the Co-operative Agricultural Production and Advances to Farmers Act as they did not come under it.

Hon. J. G. APPEL: Were they beginners?

Mr. CORSER: They were beginners. They had only just been placed there. Why are we not told that there is no money? These new settlers went there because the Act provided that they could get that assistance for the purchase of cattle and for other purposes enumerated. The Secretary for Agriculture in 1923 introduced a new measure. He said, "You can only get £1,200 to-day, but we are going to broaden the Act," as Labour broadens everything—"and we are going to give you £1,700."

The SECRETARY FOR AGRICULTURE: Make it possible.

Mr. CORSER: "Make it possible," the Minister says! They are going to make the impossible possible. To show how impossible it is to secure that advance, I need only

state that, although that Act was passed as an urgent measure in 1923, it is not law yet. It has not been gazetted. But all measures dealing with taxation have been gazetted. These unfortunate settlers claim that they ought to receive the assistance that Parliament provided, but, when these unfortunate drought-stricken settlers, who have lost all their stock make application to the Government they find that the Labour Government are only generous by word of mouth. When it comes to giving anything to a section that is not their own, those people have as much chance of getting assistance as the Socialists in Russia had of getting it from the Socialists and the Trades Hall here. The audacity of these Russians in asking their comrades in Australia at the Trades Hall for a loan of £200,000! (Laughter.)

Mr. KERR: And pay interest?

Mr. CORSER: They would not pay interest on anything. The party opposite thought their Russian comrades had a very great impertinence in making such a request for a loan.

Mr. KERR: Birds of a feather.

Mr. CORSER: The increased revenue which the Treasurer is boasting of is to some extent taken from the primary producers. The hon. gentleman in his Statement refers to the increasingly heavy cost of building workers' homes. We must remember that the producer has to build a home too; but who is responsible for this every increasing cost of the workers' home?

The SECRETARY FOR AGRICULTURE: Is not the worker a producer?

Mr. CORSER: It all depends upon just what he works in, but no one is a greater producer than the man who is delving and struggling in the backblocks. The Treasurer states that the ever increasing cost of the workers' homes is responsible for the large amount required for the building of 1,000 workers' homes; but who is responsible for that? We find that the timber royalties collected by the Department of Public Lands in 1914-15 were £75,277. In 1923-24 this Labour Government—which is out allegedly for the people—took from royalties the sum of £223,137! That is the reason for a great part of the increased cost of our workers' homes, and one of the reasons why settlers in our new districts have been

[2.30 p.m.] refused advances for homes at all. One settler in my district—he was a new settler in the Upper Burnett—made application for an advance, and was offered £32. That would not provide him with a home; it was only sufficient to provide for the clearing of some scrub. Until our ever-increasing revenue is devoted to assisting to a greater degree the people in our back blocks to settle on the land, making it possible for them to get a remunerative existence, there must be some leakages in connection with our expenditure.

We find that the men on the land, who are overtaxed, paid in 1914-15 when this Government came into office the sum of £961,000 in direct revenue by way of rents to the Crown. This Government in 1923-24 collected—not £961,000 but £1,480,000. The Treasurer states that out of the increased expenditure £100,000 is provided this year for the Prickly-pear Board; but, if £100,000 is placed on the estimates for that purpose, it must be remembered that the rent settlers

are paying on pear land is so excessive that not £100,000 but probably millions of pounds have been taken from them which it was not right to take. We should not boast because £100,000 is being devoted to assisting these persons, when we know that fault has lain with the State in collecting too much from them in the past.

On page 4 of the Financial Statement I find that savings have been effected in connection with the Works and Lands Departments of £126,000 and £517,000 respectively. When we find that the Government have expended £360,000 over and above their estimate, and that, nevertheless, there has been a saving to that extent in the expenditure of one department, we must realise that things are not panning out as they should at all. When we go further and consider how they are treating the Department of Agriculture, we must realise that we are not giving that attention to our primary industries which was given to them before Labour came into power. In his policy speech on the 9th of April, 1923, the Premier said—

“Careful administration and economy have enabled the Government to carry on the services of the State without serious difficulty. The position of the Consolidated Revenue Funds is well in hand, as is shown by the reducing expenditure.”

Yet to-day he has told us of increased expenditure, so that we have in no way got out of the trouble of last year as we enter a new one. In the same speech he said—

“Not only is it anticipated that there will be no necessity for additional taxation, but, with a continuance of commercial and industrial activity, there is every likelihood of a lessening of the burdens of taxation, where it is found on investigation that the present tax applies with undue severity. The earliest opportunity will be accepted to increase the income tax exemption to £300 and to increase the deduction allowed for children and dependant relatives to £50.”

Yet we are to have, as I say, an additional tax on cheques as well as an increase in railway fares and freights instead.

That brings us to the question of our State enterprises, in launching which the Treasurer, through his then Secretary for Public Lands, indicated that they were instituted for the benefit of the whole of the people of the State. Yet we find that the State meat shops have been responsible for the high price of meat. When the department controlling them saw that if the price was reduced it would mean a very big loss on the cattle stations and meat shops, through their price fixer they established such a price as enabled them to be pulled out of the wood and made possible big profits throughout the State. Those engaged in the cattle industry were struggling to get some assistance to enable them to pay their rentals because they could not export their commodity, but they found that nothing was done to increase the price to them. Action was taken merely to increase the price the consumer paid in the State meat shops. Hon. members will realise that, as in the case of the butter industry, the Government have always found it possible to reduce the price of a commodity when the consumer found it to be too high. This Government—who

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would point the finger at the Federal authorities for not immediately stabilising the price of butter—had no difficulty in reducing the price when the consumer thought it was too high; but, on the other hand, they have done nothing to increase the price of meat to the producer when he found it too low. They started an agitation against the Commonwealth Government.

Because that Government do not do something which cannot be done they are to be blackballed. The Commonwealth Government have been asked to do something which the Labour Government in Queensland would not do—that is, to allow the producers to have the sole right of fixing the price of their commodity. Would a Labour Government give to the waterside workers the right to fix the price of their services? Would they give to the meat producers the right to fix the price of their commodity? Have they given to the egg producers and the fruit producers the right to determine what is a fair price for their commodity? No. They would not give the butter people the right to fix the price of their commodity, yet they ask the Federal Government to give the butter producers that right. When they knew that the Federal Government were out to do this, the Queensland Government started out on a political campaign and made use of the desires of the farmers—not in the direction of deriving some benefit for the farmers, but for the Government's own political purposes. We have claimed that, if the farmers and the butter producers of Australia were given a board on which they had fair representation, that would meet the case; and we have long urged this unsympathetic Government to give to the primary producers the right of establishing a board to deal with the fixation of prices rather than have an individual price fixer. We asked the Government to establish a board giving the producers full representation, but instead of that, they appointed one man, Mr. Ferry, to a position which should have been occupied by a board. They appointed this individual so that he might adjudicate along the lines the Government wished in connection with one industry and another to the detriment of the industries concerned. The primary producers can hope for nothing from this Government so far as the fixing of the price of commodities is concerned. It is idle for the Government or their supporters or agents to speak of the shortcomings of another Government when they cannot keep the stones away from their own glass house. The Government should remember that generosity starts at home, and if they want to do anything generous for an industry, they should start at home and help the butter industry.

Hon. J. G. APPEL: Did they not confiscate the butter?

Mr. CORSER: They not only confiscated the butter, but they sold it at a loss. They fixed the price at 140s. per cwt. in 1917, when the farmers could have secured 186s. 6d. per cwt. on the Victorian market. By seizing the butter and hawking it round Melbourne at a loss, they broke the hearts of the dairymen when it was possible for the dairymen to make up some leeway because of the fact that Queensland possessed butter whilst the other States did not at that time. By regulation the Government denied the farmers that advantage, and now that the industry is down the Government cannot produce any regulation to help those men. It would be as well to

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establish our butter industry on a well organised basis. We want no political control, but we want the industry placed in the hands of the grower. We want the cotton industry established on that footing. We want the industries to be controlled absolutely by those engaged therein. We want the money that is voted here to be spent in such a way that those engaged in the industry will receive the greatest advantage.

Mr. COLLINS: Syndicalism.

Mr. CORSER: No. The only idea of syndicalism in the mind of the hon. gentleman is to collar the produce of somebody else and cut it up amongst his own supporters. Democracy they call it—government of the people by the people for the people! The hon. gentleman's democracy is misgovernment of the people by a section of the community in the interests of a few.

Mr. NOTT (Stanley): I was impressed with the complete silence with which hon. members opposite received the Financial Statement after the Treasurer had delivered it.

OPPOSITION MEMBERS: Hear, hear!

Mr. NOTT: There was not one "Hear, hear!" when the Treasurer sat down.

Mr. KERR: And it is his last one, too!

Mr. NOTT: It is not a particularly happy Statement, because on reading it through and reflecting upon it one does not see any hope of things brightening very much in the immediate future. In fact, it seems that we must make up our minds to the imposition of considerably higher taxation and the further mispending of considerably large amounts of money. We know that, when hon. members opposite sat on this side of the Chamber, they professed to be an anti-borrowing party. They have now cast that policy to the winds, and have decided that they must either "borrow or bust."

It is interesting to compare the rate of taxation per head in Queensland with the other States of Australia during the last twenty years. During that time Queensland, with a Labour Government in office for nine years, has a taxation of £4 9s. 2d. per capita. New South Wales has had a Labour Government for eight years during that period, and the taxation there amounts to £3 11s. 9d. per head. South Australia has been afflicted with a Labour Government for eight years in the same period, and the taxation there amounts to £3 10s. 9d. In Western Australia—where a Labour Government has held office for five years in the period under review—the taxation amounts to £2 17s. 5d.; while Victoria—which until recently was not afflicted with a Labour Government—has a taxation per head of only £2 11s. 3d.

Mr. FARRELL: Do you think that is a fair basis to take?

Mr. NOTT: If Victoria is burdened in the future with a Labour Government, the people there will know exactly what to expect.

Mr. FARRELL: Why don't you compare the taxation with the salaries paid in the various States?

Mr. NOTT: The late Mr. D. Bowman, speaking in this House in 1910, when he was leader of the Labour party, said—

"Speaking for myself, and I know a number of members agree with me, while

we are prepared to support a borrowing policy for reproductive works we should be careful in the amount we borrow. We should only have restricted borrowing. I think it would be a big mistake for this, or any other Government, to go in for borrowing indiscriminately."

The Treasurer in 1913 uttered these remarks when talking about the old Tory Government which had left the legacy about which the hon. member for Warrego had so much to say—

"They seem to have no desire to reduce the indebtedness of Queensland. They are well enough satisfied to shuffle out of their responsibilities and to allow future generations to take up the burden—a most ungenerous, uncharitable, and withal unwise policy, and quite unnecessary."

AN OPPOSITION MEMBER: Who said that?

Mr. NOTT: The Treasurer.

Hon. W. H. BARNES: He has become converted.

Mr. NOTT: The hon. gentleman, speaking a little later, said—

"There is no doubt that the interest burden in connection with the expenditure of loan money is borne to a large extent by the primary producers and to an enormous extent by the workers of the State, who do not enjoy the benefit of the expenditure of loan money in the same proportion as speculators and investors."

In the face of those two statements by the Treasurer, it is rather remarkable that the Labour Government have changed their policy and have outdone the old Tories, the people who, according to the hon. member for Warrego, left this tremendous legacy. Regarding that legacy I would like to point out that the loan indebtedness of Queensland up to the time the Labour party came into power was increasing at the rate of about £1,000,000 per annum. Since the Labour party came into power our indebtedness has not increased by £1,000,000 but by £4,000,000 per annum.

It is rather interesting to examine some of the figures in regard to quite a number of different classes of expenditure during the period that the Labour party have been in power. Just as the amount of the loan indebtedness of Queensland has increased under them by about 400 per cent., so these various expenditures have increased to the same extent. I have some tables here showing the extent to which loan money has failed to be reproductive, and giving the amount of interest which has had to be paid each year out of the Consolidated Revenue. I shall not inflict the various amounts for each year upon hon. members, but will show the amount over nine-year periods. The total amount for the nine years prior to Labour coming into office was £3,669,585; for the nine years Labour has been in power £15,757,835. If you multiply expenditure by Liberal Governments by four, you will have about the amount expended by Labour in the same time.

Again, in regard to taxation the total amount received for the nine years prior to Labour coming into office was £6,290,704. For the nine years Labour has been in power

it has been increased to £24,927,674. Again, if you employ the method of multiplying Liberal taxation by four, you get about the same amount as that imposed by Labour in a similar period.

Mr. FARRELL: And about twenty times as much progress.

Mr. NOTT: I do not think there has been anything like as much progress. If anybody was born in Queensland and is not merely a newcomer, he has only to cast his mind back nine or ten years and look at the progress that was made under the Liberal Administration with an expenditure of about £56,000,000, and that made under the Labour Administration for a similar period with an expenditure of £129,000,000. The comparison shows much greater progress under the Liberal Administration. Not only that, but under the Liberal Administration we never suffered at any time during our history from the amount of unemployment that now exists under Labour Administration.

Mr. BRUCE: There has been a war since then, you know.

Mr. NOTT: A number of members on the Government side have made a great song about the foolishness on the part of previous Governments in allowing such a large amount of loan money to fall due at the one time. That statement is somewhat misleading, because in 1913-1914, when a loan for something over £11,000,000 was renewed, the due date was fixed at 1925, but the Queensland Government had the option of redeeming it at any time after 1st April, 1920. There was nothing therefore to prevent the present Government, which was in power in 1920, redeeming that loan at any time within the last three or four years, but they failed to do so. One reason why the Government could not redeem the loan before 1925 was that in 1920, when this loan of £11,000,000 could have been redeemed, the present Government passed the so-called "Repudiation" Act. By their own action they made it impossible for them to redeem that loan at that time, and it was impossible for them to redeem the loan until they had come to an agreement with the money-lenders in regard to the "Repudiation" Act, as was done quite recently by the Treasurer when in London.

The Treasurer in his Financial Statement states that there has been a considerable improvement in regard to State enterprises; but most of us who have had any experience with those enterprises do not hope for any great improvement. We do not see how it is possible that there can be any great improvement. According to Table D1 of the Treasurer's tables, the amount received for the year 1923-1924 on account of the Chillagoe State Smelters Fund was £174,420, and in Table D2 the expenditure in connection with the same fund is shown at £426,277. On that State enterprise, therefore, there was a loss of something over £250,000. I am sure that not only members of the Opposition but also members of the Government, in the light of the experience gained in the last few years, know that they can expect very little improvement in the State enterprises at any time, and that instead of these activities being of benefit to the State they are likely to be a drag on the country until such times as they are disposed of absolutely.

The Financial Statement also says that there has been a decrease in revenue from land settlement. That decrease should be taken

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as a warning by the Government, because in a young country like Queensland, with the rich land that we have, as well as the quantity of land and the climate, the revenue from land settlement, instead of being a diminishing factor, should be an increasing factor.

We know that the Government [3 p.m.] are embarking on particularly large schemes of land settlement. Those schemes are likely to be very costly. By spending money in that direction, without being certain that the men who are put on the land are going to make a success of it, great disaster is likely to occur. The large amount of money invested in these schemes—especially when they are being administered as they are by the Government—will mean a tremendously increased cost to the settlers. So long as the Government find these new settlers the money to improve their selections—and they also have money of their own to spend and establish their homes—things are likely to be satisfactory; but as soon as the homes are built and the settlers have spent the money obtained from the Government on clearing work, the question of a market will arise. They will then find that they are a long way from market. During the last few years the men who have been growing these products have been on a particularly poor wicket. When that period arrives there is likely to be a great deal of discontent. It will ruin and drive to the cities more settlers of the type which Queensland requires than anything else can do. The money that is borrowed and spent on that particular land will to a very great extent be wasted; perhaps not to such a degree as money has been wasted on Coominya and some of the other soldier settlements, where the money spent has been absolutely wasted, and the land is going back to a state of undergrowth. Some of the good improvements have been moved, but the fences and wire which are there at the present time will be an absolute loss to the State. There will be absolutely nothing there, and the land will not have even the redeeming feature of being put to any future use.

The hon. member for Warrego said that, so far as immigration is concerned, we have to look at it with a microscope. We have been trying by immigration to settle our land with groups of farmers and other men who we hope will become farmers at a later date. I think the community settlements are likely, as they have done in the past, to end in failure. There is only one way that I can see to bring about successful settlement in Queensland, and that is for men to be ready to come and take up land for themselves, incited to do so by the fact that the men they see on the land are making comfortable livings and doing well. To my mind there is nothing else which is going to do anything towards bringing about a successful immigration policy. If that happens and men go out and produce raw material of their own free will and with their own money—and they will do so if they see that the men on the land are doing well—(Hear, hear!)—plenty of opportunities will be offered for the establishment of secondary industries. On that question I would like to remark that, although I agree with the leader of the Opposition that it is most decidedly necessary that monetary assistance should be forthcoming—which has not been given—nevertheless in addition we must have the goodwill of the man who is hoping to establish secondary industries, because no

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man will come here to establish them unless he can feel that he is safe in doing so. If he feels that he is liable to be heavily taxed to an ever-increasing amount, he will not be so anxious to come. So also if he is going to be interfered with industrially, if the industrial legislation is not more in his favour than at the present time. He is not frightened of paying high wages, but he is afraid of being unfairly interfered with and of being placed in such a position that he does not know exactly where he stands. He is also just a little bit afraid that, when he does get a start, he will be weakened by strikes. That can happen, and it does happen.

Mr. COLLINS: In every part of the world.

Mr. NOTT: Remarks have been made about the success of the wool industry and the sugar industry, and I suppose that of all our industries in Queensland—particularly primary industries—those two are the most successful. I do not think the Government can claim to have had very much to do with bringing the wool industry to its present condition. It has been done by the hard work and the indomitable courage of the old pioneers, who were not afraid to go miles from civilisation in its establishment or to spend large sums of money in developing those types of wool which give us the advantage of the markets of the whole world. Nor do I think that the Government can claim to have done anything to establish the sugar industry, although it has certainly been very useful to them and to Queensland. It was established long before this Government came into power.

Mr. COLLINS: It was established by the kanakas, whose bones manure the sugar fields of Queensland.

Mr. NOTT: The hon. member for Bowen and every other Labour man, as I think I have remarked before, ought to be prepared to bend their knees to the kanaka, because, without him, a Labour Government would never have had a successful sugar industry in Queensland. Whatever you may say about him, the best monument to the old kanaka is the present state of the industry.

We had an opportunity of establishing another agricultural industry in Queensland quite recently. There is not a shadow of doubt but that this Government damned that industry. I refer to the cotton industry. We had an opportunity of producing a tremendous amount of cotton for export, and, being a primary product, it would have brought new money into Queensland from outside. That industry has simply been ruined by the stand taken by the Government. Had they given the farmers of Queensland an opportunity of establishing that industry, I think that to-day we would have been exporting at least four times the amount of cotton that will be exported.

The Government realise that primary production must be stimulated and encouraged. It is only right that this Government or any other Government should do all they can in that direction. The Government have been endeavouring to assist in that direction by establishing pools with a view to stabilising prices. In some cases I believe the pools may be very necessary, but on the whole I believe they should only be adopted as a temporary expedient. Where we have to compete in the world's market I do not think

that any permanent benefit can be expected from pools operating in connection with certain products. To my mind there is only one method to adopt whereby we can achieve anything that is likely to stabilise the price of primary products in Queensland, and that is for the Government to do all they possibly can to secure a bounty on export. If that is done, the price to the primary producer can be increased, and it can be done without having inexperienced or expensive boards or pools as we have at the present time. Members of the Government have often stated that we should do away with the middleman. It seems to me that that is a futile suggestion. In doing away with the middleman and adopting a system of pool- or boards, it seems to me the Government are only removing a means of distribution that is at present controlled and whipped into a state of efficiency by competition and setting up in its place a body which will have no competition and which will become inefficient; and it will not be very long before the cost of distribution through these inefficient pools will be increased two or three times more than it costs the producer to distribute through the various individual agents at present. I certainly believe in co-operative enterprise and selling, but not to the extent that would do away with private enterprise.

Mr. FARRELL: You do not want to do away with the agents.

Mr. NOTT: The middlemen is necessary for the co-operative system to keep it up to the mark. If private competition was eliminated, co-operative bodies would simply say, "They cannot go anywhere else to buy the produce; they have to come to us, so why worry? We will allow them to come." The expenses would therefore pile up to an inordinate degree.

I have seen one or two letters recommending a bounty on exports, but the opinion is expressed in those letters that the bounty should be paid by a levy on the particular industry. I do not think that should be the case. If a bounty is to be paid, it should be paid out of the consolidated revenue. This is a matter for the Federal Government, but there is no reason why the State Government should not do whatever they can to induce the Federal authorities to pay the bounty. I say that the bounty should be paid from consolidated revenue, because that fund is to a large extent dependent upon duties collected on various commodities used by the primary producer. The duty placed on those commodities is for the benefit and advantage of the manufacturer or trader. The primary producer therefore pays those duties directly to the advantage of the secondary industry concerned.

It appears from the remarks from some hon. members opposite that there are only two ways of improving the condition on our railways. Their method is either sweating the employees or reducing the amount paid to them, and the other is the raising of fares and freights. I believe that both of these methods are quite impossible.

Hon. J. G. APPEL: They have both been adopted by the Government.

Mr. NOTT: There is only way of bringing about a betterment in the condition of our railways, and that is by paying the employees good wages and seeing that they earn their money. If a job on our railways is worth

a good rate of pay, then it should be shown in the return of the service rendered. The Railway Department should see that efficiency is rendered for the wages paid. If that were done, it would be quite unnecessary to increase fares and freights. I am confident that during the next twelve months the increase in freights will not give the desired result. I am satisfied that a tremendous amount of passenger traffic is avoiding the railways as much as possible, not only because of the slowness and discomfort but because of the continued dirty state of a great many of the carriages. I know that many hundreds of people came down to the recent Exhibition by motor-car in preference to coming by train. In previous years they used to come down by train. The increase in freights and fares is only likely to accentuate that position. I know that from round about where I live about 800 people drove down to the Exhibition.

Mr. FARRELL: They cannot be too badly off if they came down by car.

Mr. NOTT: Then there are farmers who have quite a lot of produce on hand which they would send to market if the freights were low enough. I do not refer to lucerne chaff or other high-priced commodities, but to low-value material such as pumpkins and pie-melons. The farmers have quite a lot of melons and pumpkins on their farms. I know of districts where there are hundreds of tons of both pumpkins and pie-melons which will never be used for anything because of the expense of selling and the high freights. If freights were lower, there is no question that a lot of that type of produce would go on the railways, and not only would the railways obtain that freight but the farmers would get a few shillings in return.

Hon. J. G. APPEL: Hear, hear!

Mr. NOTT: A short time ago, when farmers sent down pumpkins and pie-melons, there was a good chance, when they got their returns back, of their having to send a little money to settle the difference. I only hope that the Railway Department will not be long in recognising that a reduction in freights will be, perhaps, better than an increase.

There are other methods of taxation to which I wish to refer. At one time the Treasurer stated there was little likelihood of an increase in taxation. Now he is ready to admit that there will be an increase in taxation, and he has decided to increase stamp duties and railway freights. To my mind, that is not a particularly nice way of allocating the increased taxation. It would be far better if he were more honest and decided to raise the desired amount by direct taxation instead of by increased stamp duties and railway freights. Some time ago this Government were kind enough to the primary producers to commandeer their butter at considerably less than the market value, and some little time after that the Government, through the Price Fixing Commissioner, forced the butter producers in Queensland to accept 238s. per cwt. for their butter when they could have got something over 273s. per cwt. by exporting it. By these two acts of administration the dairy farmers of Queensland lost a considerable amount of money.

The Premier, when introducing a Bill to provide for the establishment of the Council

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of Agriculture, asked the farmers to let bygones be bygones, and he said that something wonderful would be done for them through this Council of Agriculture. The Council was inaugurated, and last year the Secretary for Agriculture appeared to resent the Country party being somewhat impatient in regard to the work accomplished by the Council of Agriculture. He explained that the Council was only in its infancy, and he asked that it be given a longer trial—that we should wait another twelve months before condemning it. We have waited those twelve months. The Council of Agriculture has been working under Government control, but I am at a loss to see what practical good it has done so far. It is receiving the support of the farmers generally throughout the State, as they hope that some good will result from it, and I hope that the Government will see that the Council does something that will benefit the farmers, and do it before long. Nobody knows better than the Treasurer that the agriculturist is a long-suffering individual, and the hon. gentleman is taking every advantage of that. I notice that the estimates for the Department of Agriculture have been reduced this year. The department has been relieved of the expenditure in connection with the Council of Agriculture, but in order to make up that expenditure the farmer is compelled to pay a levy. If a farmer sells £10 or £11 worth of produce, he sees on the statement sent him by the produce merchant a 6d. duty stamp which is his contribution to the Council of Agriculture. He considers that it is up to him to get something for that 6d., and I trust it will not be long before the Council of Agriculture does something that will be of practical benefit to the farmers. Up to the present it has not done anything that will benefit them in the matter of pounds shillings and pence. A great number of them certainly have been losing a considerable amount of time attending meetings.

and in many cases they are getting tired of it. The producers in connection with a good many of the Local Producers' Associations are beginning to think that a lot of their work is going for nothing, and they cannot be blamed for that. That position is going to be accentuated when they have to pay a levy on the produce they sell. And it is not only that levy, but there are various returns that they will have to submit to which will be very irksome. A man selling material privately will have every now and then to send in his returns to the Council of Agriculture, and the sending in of those returns will be particularly irksome. A farmer very often does this buying and selling business in a very haphazard way, and becomes involved in various transactions. For instance, he may swap a horse and take something to boot.

The Secretary for Agriculture has proudly referred on more than one occasion to the increase in dairy products in Queensland, and he takes a great deal of credit for it. I think that the greatest amount of credit for that is due to the natural wealth of the pastures of Queensland. To my mind, it is particularly blameworthy on the part of the Department of Agriculture that we have not further education given to the farmers in regard to dairy products. The products that the Minister is so proud about are practically only butter and cheese. There

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are many other dairy products that should be produced in Queensland that are not being produced. There is a little matter which came under by notice in regard to which I think the department have been dilatory. Some little time ago I had occasion to write to the Minister about the establishment of a new industry in Queensland in connection with milk products, and the question of the value of skim milk came up. The department in their letter to me stated that they considered skim milk was worth at least 1½d. per gallon, yet in some parts of Queensland skim milk is being bought—for instance, in the locality in which I live—at ¼d. a gallon by Nestlé's Proprietary. The producers in my electorate get from a ¼d. to a ½d. a gallon for skim milk, and, if the department consider that 1½d. a gallon is the price which the farmers should get for utilising it in other ways, it is only right to expect the department to give the information to the farmers in that locality that they are selling their product too cheaply so that they may be able to get the advantage of the increased value which the department says the product is worth.

HON. W. H. BARNES (*Wynnum*). who was received with Opposition cheers, said: I want first of all to express my appreciation of the courtesy of the Treasurer in handing to me a copy of the Financial Statement before the House met to-day. That was certainly of some advantage to me; but I want to emphasise the point which I made last evening, and to say that abundance of evidence has been offered to-day that it was unfair for the Treasurer to insist on our going on with this debate to-day. So far as I remember, it is the first time that has ever happened in the history of Queensland. (Hear, hear!)

MR. CARTER: Everything happens a first time.

HON. W. H. BARNES: Of course, and something happened with the hon. member a first time. (Laughter.) Can we not realise that the Financial Statement, especially in its bearing on Queensland as it is to-day, is the most important statement that it is possible for an hon. member to have to deal with. It is not merely something that recounts a number of figures requiring the closest scrutiny. Is it not a question on which every member, no matter of what party, requires time for consideration? In the interests of Queensland is it not imperative that the very best that is in him should be given to it? Is it possible for men who have been sitting here all day to go home at night—I am referring to those of us who were favoured with a copy as I was—and then come back here the next day and do justice to it and place before the country to the fullest extent the views which we think should be brought before its notice?

MR. MAXWELL: That was the reason.

HON. W. H. BARNES: I do not know whether that was the reason, but I do know that anyone who reads the Statement carefully will come to the conclusion that it was hurried for some reason or other. It is not a very full Statement. It could be prepared in a very short time, and it is not in keeping with the Statements which the Treasurer has been in the habit of presenting to us. We differ in politics—hon. members always know where to get me—nevertheless we should have had a Statement which would do credit to Queensland at this particular juncture.

What is the Statement? You go through it, and you find that it is very largely devoid of meat for the people of Queensland.

MR. CARTER: Why talk about it?

HON. W. H. BARNES: Are we to see great things facing Queensland and not talk about them? I shall show step by step that the Government have been consistent in only one thing—that is, in being an absolutely spendthrift Government. I shall proceed to show by facts which cannot be disputed that they are such a Government. Let us hark back to the time when they came into office. What eloquence was displayed by the Secretary for Public Lands then!

THE SECRETARY FOR PUBLIC LANDS: I have forgotten it. It is so long ago.

HON. W. H. BARNES: Of course there are things we would all like to be buried in the past and forgotten. I will tell the hon. gentleman what he said, though, perhaps it would be convenient, in the light of an existing statement, to bury what was said in 1915.

THE SECRETARY FOR PUBLIC LANDS: Surely the hon. gentleman does not keep these statements?

HON. W. H. BARNES: Yes; they were extraordinary statements, and I kept them. Would not the Government now like to have a bonfire and do with these statements what they do with the ballot-papers after an election, when they get an order from this House to have them burned? You cannot burn these. I am going to quote some of the statements, and I am sure they will be very inconvenient to hon. members opposite. Why were the Government elected to office? It was because of the cry of extreme taxation and high cost of living. The people were promised cheap food; they wanted cheap food. That cheap food is still in the distance. It is just the bunch of carrots that is still being held out to the country.

THE SECRETARY FOR PUBLIC LANDS: Did we get those carrots from the hon. gentleman?

HON. W. H. BARNES: No. The carrots we handed over represented sound government. Look at the sorry mess that Queensland has got into financially since the Labour party came into office in 1915. There are hon. members sitting on the Government benches who are doing their very utmost to strangle every commercial venture in Queensland to-day. What is happening? Take the answer that was given to-day to a question asked by the hon. member for Nanaingo. Having advanced £10,000 with regard to a pool that was formed, they must be in a position to know what is happening in connection with that pool; yet there is nothing forthcoming, and we are told to wait. We are told that something will turn up. What is the position? I say deliberately to-day that the Government have created a combine. I thought they were up against all combines! What is the position of many of the poor unfortunate egg producers? I will tell the Committee.

HON. J. G. APPEL: The Government are making criminals of them.

HON. W. H. BARNES: I am not going to refer to a case that is pending. They were receiving 10d. per dozen when they could have received 1s. 2d. per dozen elsewhere, and they were told to wait until a

distribution took place. I make the statement deliberately to-day that many of the small men have practically been driven into a most deplorable position. This is not a laughing matter; I am dealing with this matter seriously. If men are being driven out of the industry, then the pool is acting to the detriment of Queensland, and, if the report is true that it is costing 6½d. per dozen to sell eggs through the egg pool, then it is time that the jolly thing was wiped out and done away with, because it is something that should not be existing. Here is a Government who have had to do with combines. This blue paper will tell us something about the state of industry. Is Queensland going to thrive on combines? The Government have said that they are against combines. They started State enterprises to get at people who, they said, were creating combines; yet—and this is the point I want the Committee to notice—with the existence of a State Produce Agency controlled by the Government—not outside control—they created an egg pool to enter into competition with their own business. I could have understood the Government leaning towards combines after the Treasurer returned from the old country, but I cannot understand its actions beforehand with its policy.

THE TREASURER: You could not understand it being done before my time?

HON. W. H. BARNES: The Treasurer has made some somersaults, and when a man takes to somersaulting, you never can tell where he is going to land. (Laughter.) I want to show that the Government are a Government of absolutely broken promises. They have absolutely broken every promise they made when they came into power, and they have had to repudiate those promises and adopt another course which certainly was not in accordance with the policy they laid down before the country when they were returned.

I must refer to some things which have happened. I am bound to refer again to that famous pamphlet, of which no doubt, Mr. Pollock, you have a copy among your treasures. That pamphlet was prepared by the Treasurer and Mr. Fihelly, and in it they told us that "Finance is the test of government." Just look at the position as it really is. If "finance is the test of government," then the Government have failed absolutely, because when they came into office the total amount of taxation—and there was then no land tax—amounted to £954,000. If hon. members care to take the trouble to look up the Financial Statement tabled last year, they will find that in the previous year £3,600,000 was taken from the pockets of the people of Queensland. This is the Government who said that there should be no increase in taxation and that there should be something done in the way of reducing it.

HON. J. G. APPEL: They were not the Government when they said that.

HON. W. H. BARNES: The Government have exploited the people in every particular direction.

No Financial Statement has ever been placed before this House which has been so unsatisfactory from a financial point of view as the one tabled to-day. I will prove my statement right up to the hilt. When the Government came into office, notwithstanding their protestations and the reference made by

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the Treasurer in 1915, they had £2,100,000 left in the Treasury. What was the position on 30th June last, as shown by the Treasurer?

The TREASURER: You say you left £2,100,000 in the Treasury?

HON. W. H. BARNES: Yes.

The TREASURER: And yet you withheld from the Government employees the £10,000 that would have given them their £10 increases!

HON. W. H. BARNES: If the Treasurer cares to take the trouble to turn up the records, he will see that it was the Government of which I was a member that made it possible for his Government to pay those increases. The hon. gentleman is only trying to side-track me. He has stated that an expenditure of £2,100,000 annually on loan works is too little. What a sorry spectacle! At the end of June the Loan Account showed £972,325. The Treasurer cannot deny it.

The TREASURER: I do deny it. The hon. member is entirely wrong. The Loan Account was very much more than that.

HON. W. H. BARNES: The Treasurer said that the Trust Account was £890,000, and, if you add to that the £810,000 and the £972,325, you get the total amount of loan money.

The TREASURER: No; you get the cash balance—not the total amount.

HON. W. H. BARNES: Well, the cash balance. Year after year the Treasurer deliberately carried over the deficiencies instead of dealing with them from time to time. Those deficiencies are included in the £810,000 to which I have referred.

The TREASURER: Does the hon. member still say that was the loan balance?

HON. W. H. BARNES: At any rate the cash balance was £972,000 odd. The Treasurer said that was the position. Provision had to be made out of the loan money.

The TREASURER: The same thing existed under your Government.

HON. W. H. BARNES: It did not. Hon. members will notice how the hon. gentleman sidetracks again.

The TREASURER: I did not mix up the cash balances with the loan fund.

HON. W. H. BARNES: The hon. gentleman told us that he had to take the amount out of the loan money? Why? I would not be a bit surprised if his bankers said that money was tight and asked him to relieve them of the existing overdraft. It is a sorry thing for the Treasurer, who has increased expenditure to such an alarming extent since he took office, to find himself in his present position. I venture to say that, if hon. members went throughout Australia, excluding Tasmania, they could not find any other Government in such a dilemma. Why are we in such a dilemma?

The SECRETARY FOR PUBLIC LANDS: At the last Loan Council Conference everybody there tried to make out that his State was worse off than we were.

HON. W. H. BARNES: I am quite sure that they did not succeed in doing so, though they might have made the attempt in order to get the money they desired. The Secretary for Public Lands will have an opportunity to tell us how he stood.

The SECRETARY FOR PUBLIC LANDS: He succeeded all right.

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HON. W. H. BARNES: The hon. gentleman will be able to prove that, possibly, when he has a say after me, because he was Acting Treasurer at the time. I have here a very interesting paper, and I shall quote from page 13 of this paper. Very beautiful sentiments are expressed by the Treasurer in the year 1915—I am not now dealing with the £810,000—

“And the Government holds the view that all expenditure for services and administration, interest and public debt, payment for sinking fund and non-productive work should be made, so far as is practicable, out of revenue of the year in which it occurred, and that it would be unwise to pass on a deficit obligation to add to the burden of future years. It is therefore proposed to meet the shortage in certain directions.”

The TREASURER: Hear, hear! Very wise sentiments!

HON. W. H. BARNES: The hon. gentleman has fallen from grace. Those sentiments have not been carried out. I wonder how he faced the English financiers before he came to heel? Did he get out by a back door?

HON. J. G. APPEL: No, he recanted.

HON. W. H. BARNES: Dealing with the Financial Statement again, and taking the Trust Fund, I want to point out to the Committee how we have gone back in twelve months. Here we find a debit of £889,797. It is almost incredible that we should have gone back in this way. It will be known that in 1922-1923 we had a debit balance in the Trust Fund of £34,974—

[At 3.55 p.m.]

The CHAIRMAN: Order! In the absence of all of the Temporary Chairmen, I call upon the hon. member for Port Curtis to take the Chair.

Mr. CARTER (*Port Curtis*) thereupon relieved the Chairman in the chair.

HON. W. H. BARNES: I would like to congratulate you, Mr. Carter, on getting into the chair, and it may be, with all due respect, that my course may be a little easier. (Laughter.)

The TREASURER: I hope you do not intend to cast any reflection on the Chairman. (Laughter.)

HON. W. H. BARNES: Not at all, Mr. Carter. I was referring, of course, to yourself, sitting in your usual place in the Committee. (Renewed laughter.) In 1922-23 the Trust Fund debit was £34,974, while in 1923-24 the debit was £889,797. Look at it—£854,823 gone to the bad in twelve months in connection with the Trust Funds, and the Treasurer has to admit it!

The TREASURER: As a commercial man, do you say we have gone to the bad to that extent?

HON. W. H. BARNES: I have subtracted the balance in 1922-23 from the balance in 1923-24, and I know there is a difference of £854,823.

The TREASURER: Does not the hon. member know that the cotton credits were not included in the account or the sugar proceeds?

HON. W. H. BARNES: They say the way to a certain place is paved in a certain way,

and I am sure the hon. gentleman's way out is paved in a certain way.

THE TREASURER: I thought the hon. member was a straight business man. (Laughter.)

HON. W. H. BARNES: Of course, I am a straight business man. (Laughter.)

THE TREASURER: That is why I put the question to the hon. member. Is it a fair thing to assume that, because there is a difference of £854,823 in the debit balance, that indicates a drift to the bad?

HON. W. H. BARNES: I am quite prepared to admit that there may be assets representing that amount, but the Treasurer has said very little about the assets. He certainly made some reference to cotton payments. But, if you notice, every possible avenue has been searched to get money, and it is amusing to me how the Government have got any at all.

This leads to another very important matter. According to the figures which have been given to us, our public debt now is £90,138,352. Might I refer again to that famous document in which reference was made to a debt of £56,000,000? My, have they not been "Johnny Walkers going strong" themselves since then?

THE TREASURER: What do you know about "Johnny Walker"? (Laughter.)

HON. W. H. BARNES: I have seen the advertisements, and I know there is a reference on them to "Johnny Walker going strong." To have increased the loan indebtedness by £33,000,000 in nine years is pretty strong, is it not? If it had been done by members on this side, whether they be Liberals, Country party, or Nationalists, it would have been said that it was in accordance with their traditions, because we have always believed in reasonably spending loan money. But here a Government that came into office on one cry find that they have gone back very badly.

At 3.58 p.m.,

THE CHAIRMAN resumed the chair.

HON. W. H. BARNES: I was very much amused at the statement that there were substantial savings in the Works and Lands Departments. I shall show later on that it is a singular thing that every time the Government want to save money they have always gone to the Works Department. That department, which means employment for people outside, they assail straight away. Here we are told—

"There were substantial savings in the Works and Lands Departments, amounting to £126,000 and £517,000 respectively."

I should have thought that, if there were two departments that wanted care, watchfulness, and helpfulness, it would have been these; but apparently this socialistic Government, who are supposed to be everlastingly looking after the worker, have said that the first thing they can do is to attack the employee by reducing the expenditure in the Works Department, and it was a poor thing at the very best.

[4 p.m.]

Then there is a very great deal said about the short term loan. I will repeat what I said in the debate on the Address in Reply—that it would have been fatal to Queens-

land if the Treasurer had not made arrangements for the renewal of the loans. No one who takes a wide and impartial view of the interests of Queensland would think that the Treasurer should have got on the high horse and said, "I am not going to be converted." It would never have done for him to have said that, because, if he had come back to Queensland without arranging for the renewal of the maturing loans, it would have been disastrous to Queensland. The Treasurer says in his Statement that the renewal is for five years because it is anticipated that the conditions will be better later on.

THE TREASURER: Surely the hon. member does not object to that?

HON. W. H. BARNES: I may differ from the Treasurer politically, but I would never differ from him with regard to his ability. I am not a public man who cannot recognise the ability of the hon. gentleman.

THE TREASURER: The hon. member cast a reflection upon the accuracy of my statement.

HON. W. H. BARNES: My suspicion is that the people at the other end said, "We want to prove your faith by your works."

THE TREASURER: You must accept my statement.

HON. W. H. BARNES: Of course I must accept the Treasurer's statement.

THE TREASURER: As I mentioned in the Financial Statement, a short-term issue was recommended by our financial advisers.

HON. W. H. BARNES: I accept the hon. gentleman's statement, but a casual person would conclude that it was one of the means adopted to bring the Treasurer into line. What has been the effect of the expenditure of our loan money? The expenditure of loan money is all right if it is in the proper direction, but our loan moneys have not been expended in the proper direction in the main. There is a very interesting paragraph in the Treasurer's Financial Statement made in 1915.

THE TREASURER: Do you store up my past Financial Statements?

HON. W. H. BARNES: I have copies of them here, and, if I am not mistaken, I think it was the hon. gentleman who did me the courtesy of supplying me with them. (Laughter.) I value them just as I value some of the cartoons of myself in the "Worker." (Laughter.) This is what the Treasurer said in 1915—

"The Government finds that the fish supply to the public is in a most unsatisfactory condition in the metropolitan area and the larger towns. It is our intention to enter into this business and place it on a thoroughly sound footing."

"Honourable Members: Hear, hear!"

I do not know whether the hon. member for Bowen said "Hear, hear!" to this—

"THE TREASURER: Delivery of the catch will be taken direct from the fishermen, and, if practicable, we will introduce trawlers into the industry. Proper provision will be made for expeditious marketing and distribution."

"Under this scheme it is believed that this wholesome food, which is now denied to many people, will be made available to all, and that the existing practice of dumping good fish into the

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sea, when there is a temporary glut in the market, will be entirely abolished."

The TREASURER: What is wrong with it?

HON. W. H. BARNES: The only thing is that the fish trawler has gone by the board.

The TREASURER: We had to do away with the insanitary markets in existence under your Government.

HON. W. H. BARNES: The hon. gentleman wants to know what is wrong with it. I want to know what is wrong with the poor trawler, which was sold for about half its cost? Where is the fish that we were going to get so cheap? This is one of the things into which money was put which has been lost by the State. In the interests of the advancement of Queensland, that money could have been spent very much better in railway construction.

The Treasurer no doubt will turn round and say, "We spent ever so much more than you did." In 1914-1915, I find the loan expenditure on railways was £1,739,155, and in 1923-1924 the corresponding expenditure was £2,318,205. Hon. members will notice that, although the cost of material and other things has advanced considerably, the amount spent last year was only £500,000 more than in the last year of the Denham Government. If some of this money which has been put into these doubtful enterprises had been used in helping the development of Queensland, it would have been a great deal better for the State.

Then let us look at the net return from the Railway Department. Someone will say that I believe in sweating people. I do not, nor does any man on this side of the House.

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: I believe that men should get a fair return for their labour.

MR. COLLINS: Six shillings a day!

HON. W. H. BARNES: I do not know what the wage was in 1914-1915, but the chances are that, whatever it was, the cost of living then was only half what it is now. The net return from the Railway Department in 1914-15 was £1,379,355, whereas the return in 1923-1924 was only £693,904, and if you take previous years, you will find that the net return was as low as £290,000. It cannot be said that the Railway Department has been brought into this condition by reason of reduced freights. I am going to show that this Government came into office increasing freights, and the very last thing they have done has been to impose another increase in freights. At every turn they increase railway freights. In proof of my statement, I find, on page 16 of the Financial Statement for 1915, the following paragraph:—

"There has been a revision of the rates charged for the carriage of parcels; and a revision of freights, varying from 2½ per cent. to 10 per cent. on previous rates, on wool, produce, coal and coke, minerals, general merchandise, and on other goods; and from 5 per cent. to 20 per cent. on live stock and log timber, the rates for which have been exceptionally low. In revising the freights, due consideration has been given to people residing in the interior. The maximum rates on merchandise sent to the West will be the same as heretofore, and rebates will still be allowed on goods sent long distances from the railway lines."

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As I say, this Government came into office increasing freights and fares, and only recently the same thing has been done again—done by a Government supposed to be liberal in every respect! In 1914-1915 the charge imposed by the Railway Department on revenue was 3.72 per cent.; in 1923-1924 it had increased to 16.48 per cent.

Earlier this afternoon I stated that I would prove that the Government had not put any money into concerns that had been helpful to the worker. I know that there has been all the necessary padding in Financial Statements and public utterances, but the Government have not put money into those things which would help the worker. Take, if you will, the workers' dwellings. I suppose that every hon. member in this Committee will admit that the cost of building in 1914-15 was very much less than it is to-day. In 1914 those who had to do with legislation dealing with the erection of workers' dwellings spent £453,808. One would have thought that, with the extra cost of building and with the increased population—all must admit that there has been an increase in population—the figure to-day would be very much bigger.

The TREASURER interjected.

HON. W. H. BARNES: If the Treasurer rose to the occasion, he would know that, instead of our population being what it is to-day, it would have been much greater if he had given any encouragement in that direction. How can a country like this, with all its territory, ever prosper unless it has an increased population? In 1923-24 the total expended on workers' dwellings was £495,282.

MR. FARRELL: How much was spent on workers' homes?

HON. W. H. BARNES: The sum of £137,451 was spent on workers' homes. The sum of £453,808 expended in 1914-15 would represent considerably more value than the sum of £496,282 spent in later years. If the hon. member will turn up my previous speech, he will see that I quoted freely to show that the Workers' Dwellings Branch was being administered by a Government which did not believe in them.

MR. KERR: The people want nothing else.

HON. W. H. BARNES: The Government do not believe in them because it is against their policy.

MR. FARRELL: We spent £137,451 on workers' homes.

HON. W. H. BARNES: That is the milk in the cocoanut. They do not believe in workers' dwellings, and they sidetrack the workers on to a leasehold tenure.

MR. FARRELL: Did your Government ever build 1,000 homes in one year?

HON. W. H. BARNES: The evidence is such that it will knock out completely any inquiries the hon. gentleman may make.

MR. FARRELL: Did your Government ever build 1,000 homes in one year?

HON. W. H. BARNES: There were no workers' homes during the time I was in office.

MR. FARRELL: Did your Government ever build 1,000 homes in one year?

MR. KING: Yes—1,465 in one year.

HON. W. H. BARNES: The present Government claims to be the friends of the farmers, and they have been doing all they possibly can to angle for the Country party. What is the position? According to the Treasurer's Tables for 1914-15, the sum of £332,793 had been advanced by previous Governments to settlers, and in 1925-26 the advance to settlers was only £412,697. Under this Government there has not been the progress and advance in settlement that there ought to have been. Speaking as a representative of what may be called partly a country electorate, I hold that, unless we have settlement in the country, the State will never be what it ought to be. Under non-Labour rule between 1908 and 1915 the area under occupation was—

	Acres.	
1906	...	285,000,000
1909	...	305,000,000
1910	...	318,000,000
1911	...	332,000,000
1912	...	343,000,000
1913	...	343,000,000
1914	...	353,000,000
1915	...	350,000,000

The figures under Labour rule are—

	Acres.	
1916	...	353,000,000
1917	...	347,000,000
1918	...	352,000,000
1919	...	352,000,000
1920	...	351,000,000
1921	...	342,000,000
1922	...	328,000,000

A comparison of the two periods will show a decrease under the Labour-Socialistic rule of 32,000,000 acres. That is surely making progress backwards. There is something wrong when that takes place.

I want for a moment to refer to page 22 of the Financial Tables laid on the table of the House by the Treasurer this morning to show where the money goes. I note an expenditure from the Trust Funds for 1923-1924 of £1,045,833 in connection with State enterprises. That is where the money has been going—to these things which have been a white elephant! When the men employed on the railway construction works are dismissed, when those requesting railways are told that there is no money for their construction, and when the local authorities are told when making applications for loans that the Loan Account is exhausted, they have a right to put that fact down to State enterprises. They are the factors which are making it impossible for men to get bread and butter to-day.

OPPOSITION MEMBERS: Hear, hear!

MR. COLLINS: Do you say that more men would be employed by private enterprise on the State stations than there are employed to-day?

HON. W. H. BARNES: I am not arguing on those lines. My knowledge of stations is not large, and if I ventured an opinion, you, at least, Mr. Pollock, would know whether it was correct or not. I do say, however, that the money that was used for the purchase of State stations could have been used more advantageously in another direction.

MR. MAXWELL: The Treasurer himself said he could have used it better.

HON. W. H. BARNES: I made some reference to the manner in which the Department of Public Works was being treated. In 1914-1915 the department spent—from revenue, not from loan—£190,438; and in 1923-1924 £99,931—a shortage of nearly £100,000 in a period of about ten years.

THE TREASURER: You were very wasteful in those days.

HON. W. H. BARNES: Fancy the Treasurer—the most wasteful Treasurer that has ever sat on the front benches—talking about wastefulness!

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: There are two or three ways in which I might remind the hon. gentleman about wastefulness. I know a gentleman was recalled from the position of Agent-General in the old country, and we never knew the reason of it. I also know another gentleman who went there shortly afterwards and came back and met the Treasurer in America. Of course, both these gentlemen went for nothing, and yet the hon. gentleman has the audacity to throw across this Chamber a statement about wastefulness! The wastefulness has been with his Government. I want to put another factor in that regard before the House—and I am not including to any extent the Treasurer, because I hold that, if a Treasurer goes on a mission to the old country, he has a right to go in a way which is a credit to his country; he should not stay at some back-street hotel. If the Government will table the expenditure incurred by its Ministers, the Treasurer will see that his has been an exceedingly wasteful Government.

THE TREASURER: Do you make that statement with the full knowledge of the expenses of the hon. member for Albert when he made his official visit North as Home Secretary?

HON. W. H. BARNES: The hon. member for Albert will answer for himself.

MR. MAXWELL: The majority of his party were Labour men.

HON. W. H. BARNES: I have repeatedly said that my appreciation of the hon. gentleman is very great.

Towards the end of the Financial Statement there is a reference to an increase in taxation. I notice that the Treasurer proposes already to raise an additional sum of money by increased taxation. The hon. gentleman pointed out last year that there would be no increased taxation. The increase is to be in the stamp duty imposed upon cheques and drafts, the duty being increased from 1d. to 2d. Previously there was a remission up to £2, and it could very well take place again.

THE TREASURER: It is very difficult to discriminate.

HON. W. H. BARNES: It was done before. I come now to the Secretary for Public Lands. I am sure we all followed very carefully the speech the hon. gentleman delivered on the Address in Reply, when the Government were in a tight corner. The hon. gentleman made reference to the fact that he did not want to go through an experience that he had previously gone through when Home Secretary, when he had had to find £170,000 for outdoor relief. The Treasurer asks for a sum of £70,683, but I admit that is under the Unemployed Workers Insurance Act—

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The TREASURER: That is an entirely different thing. The workers contribute to that.

HON. W. H. BARNES: As a matter of fact, the Government contribute towards it.

The TREASURER: Does the hon. member criticise that scheme?

HON. W. H. BARNES: I have never at any time criticised the scheme. I appreciate anything in the direction of preventing unemployment. Unemployment is no good to the country.

The SECRETARY FOR PUBLIC LANDS: I saw one of your hon. members in close association recently with that chap O'Driscoll.

HON. W. H. BARNES: It was not me that the hon. gentleman saw.

The SECRETARY FOR PUBLIC LANDS: Oh, no, I am sure the hon. member would not give him any encouragement. But it was a member of your party.

HON. W. H. BARNES: I have enough to do to attend to my own business, and I have nothing to do with what any other hon. member may have done. When the Treasurer went to the Exhibition luncheon last week he had a tilt at the banks, and I do not think he was as discreet as usual when he tilted at the banks.

The TREASURER: Didn't you appreciate my sentiments?

HON. W. H. BARNES: No, because they were not accurate. I shall read from the Sydney "Morning Herald" of Friday, 15th August, to show whether those remarks were accurate or not:—

"MR. THEODORE'S FALLACIES.

"Mr. Theodore is no different from the ordinary politician. He wanted to explain at the Brisbane show why money was short. He blamed, not the politician for borrowing money for State works, but the banker for lending too much money. Mr. Theodore quoted figures of advances, which, we may take it, had been supplied to him. It would perhaps throw some light on the reason of his outbreak if the source of his information were known. His arguments are familiar reading. The figures on which Mr. Theodore based his arguments are not applicable. He stated that the advances of the banks of Australia between March, 1923, and March, 1924, had increased by £20,000,000. Such an increase can only be arrived at if we take the figures of the trading banks in Australia and New Zealand and the Commonwealth Bank. The total included under the term advances, for these banks for the March quarter of 1923, was £296,212,941, for the March quarter of 1924, £316,342,372. That is how the increase of £20,000,000 is arrived at. The term 'advances' includes Government and municipal securities held by all banks. The proper basis on which to found an argument is the advances of the ordinary trading banks of Australia, excluding the banks in New Zealand and the Commonwealth Bank. In the March quarter of 1923 the advances made by the ordinary trading banks in Australia amounted to £197,994,984, and in the March quarter of 1924,

£212,446,077. The increase was £14,451,093. That is a very different total to £20,000,000. Nor was Mr. Theodore more happy in the references which he made to the objects for which the trading banks made advances. Mr. G. J. Cohen, at the annual meeting of the Commercial Banking Company of Sydney, stated that all the deposits received by that bank from rural industry, less 10 per cent. for cash reserve, which was not as much to the amount generally used as cash reserve, were used as loans on rural industry, and he had no doubt that other banks could speak similarly. It is indeed notorious that the banks have large advances frozen in the cattle industry of Queensland."

It was a tactless thing to make an attack on the banks. Let us be fair! Who have done the financing in Queensland in connection with wheat?

The TREASURER: Not the trading banks—the Commonwealth Bank under Government guarantee.

HON. W. H. BARNES: All the banks have engaged in this business, and, when the hon. gentleman is striking at the banks he is not doing that which is going to help the finances of this country. Everyone must admit that at the present moment the financial position is acute. Money is tight; it is no use any man getting up and saying it is not. But in striking at the banking institutions of the State, whom we want in a time of crisis to encourage, the Treasurer committed a grave error. He had no right to do it.

The TREASURER: Do you not know that I have a letter on the subject?

HON. W. H. BARNES: I am told that the Treasurer has a letter, and I would like to see that letter on some occasion.

The TREASURER: I will show it to you.

HON. W. H. BARNES: This Government strangled the State Savings Bank of Queensland, and what is the position? I may have used this paragraph before, but I am going to repeat it. The Auditor-General in his report of last year, pages 106 and 103, says—this is not exactly word for word what he said, but it is a correct summary—

"Since the date of transfer at 30th September, 1921, to 30th June, 1923, three and three-quarter years, the quarterly increases in depositors' balances have totalled £2,398,737, which, if the State had retained the Savings Bank, represents the increased amount the State would have had the use of at 3½ per cent. Instead of this, however, under clause 10 of the agreement, we received from the Commonwealth only 70 per cent., or £1,664,000, for which we give the Commonwealth 4 per cent. inscribed stock. Thus here alone we lose the use of £734,737 in two and three-quarter years."

[4.30 p.m.]

The TREASURER: The hon. member must not forget that under the Savings Bank agreement we have the use of a large proportion of the money at call.

HON. W. H. BARNES: I know all that. The Government were *in extremis*, and had to make some arrangement with the Commonwealth. I challenge the Treasurer to

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Geny that a similar agreement was offered to the previous Government and turned down by them.

The TREASURER: Not a similar agreement.

HON. W. H. BARNES: Somewhat similar—I have a copy of it.

The TREASURER: A vastly different agreement.

HON. W. H. BARNES: It was turned down by us, but the present Government were in *extremis*, and had to accept it.

Before I sit down I want to summarise what I have said this afternoon. The Government are a "combine" Government.

A GOVERNMENT MEMBER: No.

HON. W. H. BARNES: They came into power as a Government opposed to every form of combine. Then they slaughtered the Government Savings Bank, but I have already dwelt upon that. The very best asset that Queensland had they slaughtered, and threw it over to the Commonwealth Government. I cannot understand a gentleman with the keenness of the Treasurer allowing the money to go from Queensland, and, when it came back, to pay 1 per cent. more for it. If this is business, then I say, "Save me from a socialistic Government that runs business in that way."

Then I say that this is a Government which is killing enterprise. Through the Department of Agriculture more particularly they are out to kill Queensland.

The TREASURER: You are not against the Council of Agriculture?

HON. W. H. BARNES: I have said nothing against the Council of Agriculture. The Government are not pursuing a policy which will tend in the direction of helping Queensland, but rather one which will be disastrous to the State. They are a Government who are constantly seeking to blame the other fellow. If there is anything good—it does not matter whether it is their own or not—they jump at it with both hands, and say, "We did it"; but anything that is objectionable they pass on to the other fellow.

I say, in conclusion, that the history of this State shows that the Government are an absolutely reckless Government, and have brought the country into a position which is very serious. I noticed a cartoon this afternoon in the "Railway Advocate," showing the Treasurer sitting on the lap of a big money lender in the old country. I say that, although the Government have been a spend-thrift Government, the Treasurer by doing certain things in the old country in connection with the renewal of the loans, did the right thing in the interests of the worker, more particularly in accepting the loan money, and, if he had not accepted it, the workers would have been the first to kick him for not accepting it. I congratulate the Treasurer as I did previously in regard to that matter. There is hope for him. (Government laughter.) All I can say in conclusion is that I hope the Premier will continue to adopt sound principles and to throw off some of those things which in the past have been such a detriment to Queensland.

Mr. LOGAN (*Lockyer*): It is a difficult matter to deal with the Financial Statement.

It is rather regrettable that we are faced with the difficulty in regard to the money markets, as some of our most important industries are going to be deprived of funds which are necessary to enable them to carry on operations. I regret very much the reduction of the vote of the Department of Agriculture. Any Government who do not recognise their obligations in carrying on the agricultural and land settlement in a right way fail to realise that they are not encouraging the most important industries in the way they should be encouraged. That indicates that the Government are not looking after this important industry in the manner they should. I had the privilege recently of making a visit to the Gatton College. Although that institution is not regarded altogether as an Agricultural College, and has been placed under the Department of Public Instruction, it nevertheless plays, or will play, an important part in agricultural education, and I am glad to see that some interest has been aroused in it by the foresight of the principal of the institution in endeavouring to introduce something new into it in the form of a tractor class. I understand that it is the first of its kind in Australia, and I look forward to the time when it will be of great advantage not only to that district but to the whole of the State. I think that all the visitors to the college on that occasion were very much interested in what they saw there. There is no doubt that not enough interest has been taken in the institution, and not enough has been done to improve it. For a number of years it has been somewhat in the background, and, representing Gatton as I do, I am extremely desirous of seeing this institution do some good work. Every year we have had a pretty large amount placed on the Estimates for the college, and there have been times when the public of Queensland have thought that the expenditure has not been warranted, but by the institution of this tractor class something fresh has been introduced, the effect of which I trust will not be lost.

Reference has already been made to the increases in fares and freights on the railways, and in this regard I want to point out that the agriculturist is not in such a position that he can afford to have increased burdens placed on his shoulders. He has enough to bear without having increased taxation imposed on his produce. We have just passed through a period which has been very depressing to all primary producers, and now they find that increased taxation is placed on them at every opportunity that comes along. I think it is unfair, and I want to protest against it. The greater part of the £350,000 which will be secured by the Railway Department will be an extra burden placed on their shoulders. The hon. member for Stanley pointed out that a few shillings extra in freight imposes a very awkward handicap on an agriculturist sending produce to the southern markets in competition with others nearer to them. There have been times when the farmers in my district have forwarded their produce and have received so little for it that after paying freight and commission they have had to send along a cheque for freight later on.

At the present time the farming community, on the whole, have promise of fair returns. With good seasons they can generally produce

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sufficient to pay a fair remuneration in the industry, but because of the past good season there are certain products which have been grown and which to-day are practically unmarketable. This item, in connection with an increase in freights on the railways, is going to impose a further hardship on those primary producers, and because some commodities, such as pumpkins, are almost unmarketable, it is going to take away the little bit of profit that is due to them. I think the Government have not acted wisely in going on with railway construction in districts where settlement is not yet assured. There are a number of railway stations that have been standing partly constructed for a number of years and have been held up because funds are not available to allow the work being completed. One could refer to such stations as Ipswich and Laidley, which are on the main line. The foundation work for both these stations has been completed for a good many years, and many thousands of pounds have been spent on them already, but the work is allowed to depreciate and fall into ruin. If the Government had completed the jobs they had in hand, they would have still given employment to workers and would have been carrying out works which, perhaps, would have been more remunerative if they had been completed instead of being left in their present unfinished state.

I would like to say a few words in connection with the building of the railway line from Lanefield to Rosevale. This line was approved by a previous Government, and I understand that an amount of money was placed on the Estimates for the construction of that line, but unfortunately the present Government came into power, and nothing has been done since. I hope that, when funds are available, the Government will carry out their pledges in connection with that line after having completed the construction of the railway lines in the Burnett district and other places, which work I desire to see completed now that it has been started. I have no doubt but that the line from Lanefield to Rosevale will prove a paying line. I do not anticipate that this line will pay for the first year or two, but there will be an increase in the area put under crop through the construction of this line, which will mean bigger returns to other departments by way of income tax payments through greater production, and all those circumstances will compensate for that expenditure of money. It will bring in more revenue than the State is receiving from that district at the present time. Not only will the line benefit Rosevale, which I can safely say is one of the finest lucerne-producing portions of the State, but other good land will be opened up and will be proved to be exceptionally good land capable of growing practically anything. The Mount Walker and Mount Mort districts and other country at the back of Rosevale will be benefited, and there will be a very big area of first-class agricultural land handy to the city, which in future will carry two or three times the population that the land is carrying to-day.

I notice that £24,000 less is provided in the estimates for the Lands Department. Perhaps the Secretary for Public Lands will at a later stage tell us if that reduced expenditure has been brought about by a reduction in land settlement. The anticipated surplus revenue for the financial year was about £5,000. It actually amounted to £12,000.

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I am pleased to notice that there has been a slight improvement in this direction, but, although we have such a small surplus, it is certainly not in comparison with the increased interest on our public debt. I unhesitatingly say that, if our expenditure from loan money is to go on at the rate the Treasurer suggested was necessary—about £5,000,000 a year—then Queensland will quickly be in financial difficulties from which it will be almost impossible to extricate her.

A great deal has been said during the debate about the cheap-wage Government. Hon. members opposite will no doubt endeavour to show that the working man to-day is much better off than he was under the previous Administration. I fail to see how that is correct. Certainly, wages have been increased, but the cost of living has risen disproportionately. Any hon. member who has perused the last "Quarterly Statistics" of the Commonwealth Statistician will see that the cost of living is much higher to-day because the value of the sovereign is much less than it was in 1911 under a Liberal Government. In the face of statements that the people are much better off to-day under a Labour Government, it will be found from those statistics that it takes 33s. 7d. to-day to purchase what a £1 would purchase in 1911.

Mr. COLLINS: The people are better dressed, and better off in every way than they were under the previous Government. You have only to walk down the street to see that.

Mr. LOGAN: I would like to quote a statement that was made by the Treasurer during the last election campaign. He said—

"Not only are nominal wages higher in Queensland than in any other State, but the effective wages are higher, because the cost of living is lower. And the effective wages in Queensland to-day, especially for Government employees, are substantially higher than they were in 1911."

The "Daily Standard" on 14th March, 1922, also said—

"The actual money value of the present high wages is 11 per cent. less than during the pre-war period. As a matter of cold fact, the Australian workers were receiving higher wages ten years ago than at any period since."

That is a statement from a newspaper which is standing behind the Government to-day and consequently we can take notice of it. Then the "Railway Advocate" of 10th February, 1922, said—

"The basic wage in 1911 was 51s. 3d., equal to £4 17s. 4d. in January, 1922. Therefore, the present basic wage is 17s. 4d. per week less than in 1911."

In dealing with this "dear wage" Government, one can easily see from a report such as this, that although the Government advocate and say so much about increasing wages and improving the status of the worker, these statements from their own Press certainly contradict their claims.

Mr. COLLINS: Do you believe everything you read in the Press?

Mr. LOGAN: I certainly believe that the hon. members have retail prices, according to statistical returns, and it will be found that in 1911 the value of the pound sterling was greater in Brisbane than it was in any other town or city in Queensland. To-day it costs 33s. 11d. to buy what could be purchased for £1 in 1911. Taking the whole of the Commonwealth we find there is a greater increase in the cost of living in Queensland than exists in any other State. The highest capital city is Brisbane, with an increase of 52.9 per cent., which is followed by Melbourne with an increase of 54.8 per cent.

I desire to refer to certain matters in my own electorate, but before doing so I will touch on State enterprises. It is regrettable that the Government have seen fit to carry on these enterprises in view of the fact that they are such an enormous loss to the State. The amount of public money sunk in those enterprises has been withheld from developmental works in other places. In addition to competing with private enterprise, it has the effect of tying up a good deal of public funds which could at present be spent profitably in reproductive work.

I am sorry to say the dairying industry is not flourishing as it should. In different parts of the State to-day we find that a drought still exists. In the neighbourhood of my own dairy we have only had 71 points of rain during the whole winter, and I am well situated so far as rainfall is concerned. Unfortunately, we have not been favoured this year. Of course, that does not apply all over the State. I am pleased to say that the greater part of the State has been benefited by good rains.

Referring to the cotton industry, which the Government have practically strangled—

Mr. COLLINS: What nonsense!

Mr. LOGAN: During the discussion on the Cotton Industry Bill, my first statement was that I stood behind the ratooners. The Secretary for Agriculture interjected, "You stand behind the small Queenslander." I am very pleased indeed that the Secretary for Agriculture has at least given me credit for standing behind the "small Queenslander." If hon. members will hunt up "Hansard," they will see that my statement is correct. I do stand behind the "small Queenslander" in this matter of ratoon legislation. I am entirely sympathetic towards him, because I know the disadvantages and deprivations he has suffered from under this legislation. The Government now intend to amend the legislation, but unfortunately the harm has been done. Without exaggerating, one may say that those primary producers who were growing cotton have suffered a good deal from the effect of the anti-ratoon legislation of this Government. There is no doubt that the men who obeyed the law and destroyed their crops have been great sufferers, and on this occasion the man who disobeyed the law has certainly been the one who has benefited. While the Government support the man who has disobeyed the law as against those who have loyally obeyed the law and thereby have been deprived of many of the necessities of life, they are certainly not working in the interests of the State. I have had numerous requests from farmers in my electorate who have endeavoured to obey the law and have destroyed their annual cotton plant at the end of the season. These people are seeking

compensation, but we are told that it is not the intention of the Government to compensate them. For my own part I must say that I do not see that it is possible to compensate them because the amount involved would be too great.

During the debate last year on the Estimates of the Department of Public Works I brought under the notice of the Secretary for Public Works several public buildings in my electorate that needed attention, and in some cases I had to condemn the department for the manner in which they were neglecting public buildings. Up to date these buildings have not received attention, and I have still reason to enter a protest because of the manner in which some of these buildings are allowed to remain in a state of disrepair. There is an old saying that "A stitch in time saves nine," and, if a little paint were applied to some of the school buildings in my electorate, it would save considerable expense later on. One school building in the electorate which has been built over seventeen years has never had a coat of paint on it since it was built. That means deterioration and depreciation, and it is certainly not in the best interests of the State. When we are on the Works Estimates again I intend to draw the Minister's attention to the state of that school, and I hope that on this occasion something will be done.

I hope that the seasons will be sufficiently good to enable the Government to get a sufficient surplus revenue to make up the leeway in the matter of repairs to public buildings. I hope also that the Government will use the public money in a manner which will be of advantage to the State and not squander it in the way they have in the past.

Mr. KERR (*Enoggera*): Hon. members opposite are very silent, and apparently do not desire to take part in this debate. Possibly the subdued atmosphere is due to the somewhat gloomy Budget delivered by the Treasurer. (Laughter.) However, I recollect reading the Treasurer's Financial Statement of the preceding year, when he said that few people would envy the Treasurer in his position at that time. Undoubtedly few people

would have envied the Treasurer [5 p.m.] then, and no one would envy him on this occasion. I do not think it would be possible to have a less satisfactory Financial Statement than the present one placed before us, especially in a State like Queensland, which has a great future before it if the administration of affairs is handled properly. While we are told in the Statement that the accounts are balanced, that does not indicate very much to us. If we turn to the accumulated deficit shown in the Auditor-General's report, mentioned by previous speakers, of £810,000, which the banks have had to carry with loan money which is there to the credit of Queensland, we shall see that our small surplus will be turned into a tremendous loss if the Government make due provision in connection with that amount. That, of course, would be added to the public debt, and the interest on that sum would be very great. That interest alone would absorb enough revenue to wipe out the surplus which appears in the report. As the years roll on there are deficits year after year, and, when they are tacked on to the public debt, one is inclined to forget that there are such things as deficits. In 1917-18

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there was a deficit of £400,000: in 1918-19, £171,000; in 1921-22, £188,000; and in 1922-23, £184,000, in round figures.

In the Statement there is no provision made in the current year without proper safeguards. A comparison between different periods with regard to deficits is very illuminating. In the eight years from 1907-1908 to 1914-1915, under the previous Administration, there was a surplus every year, the total being £179,957. For the eight years of office of the present Government, from 1915-1916 to 1922-1923, the deficits have amounted to £992,000. The deficits alone have added an annual interest charge to the revenue of something in the vicinity of £50,000 or £60,000 a year, which is a pretty heavy burden to carry. The loan money, instead of being spent in productive works, has been used for paying the salaries of public servants and in meeting ordinary revenue commitments. To make a further comparison, we find that the revenue collected in eight years under the Liberal Government was £46,000,000, while under the eight years of the present Administration it has been augmented to £82,000,000. In itself that means nothing. The greater loan expenditure you have in a State the greater the revenue that will be received in the ordinary course of events.

The Government have also increased the public debt from £56,000,000 when they took office to £88,000,000, or by £32,000,000 in nine years. So we have the interest on the public debt automatically rising from £1,575,000 to £3,589,000. These figures alone—the increase in the revenue, the increase in the public debt, and the increase in the interest on the public debt—indicate nothing unless you consider the source from which you are going to get the interest. That is the thing of paramount importance, and I want to examine the position from that point of view. In the eight years before this Government came into power the works and services the cost of which had been defrayed by loan money gave a return short of the interest charge by £3,259,000—so that actually only that sum had to be made up by taxation in eight solid years by the previous Government. During the succeeding eight years, under a Labour Administration we were short by £13,544,000. We have had a good deal of talk in this Chamber about financial stringency, and we have heard many reasons why the Government find themselves in their present position, but I want to say straight out that, if the same proportion of return on the public debt had been received by this Government as under previous Governments, we would have been on the right side by somewhere in the vicinity of £8,000,000. That is where the loss occurred—in over-borrowing. For fifty-six years we borrowed and the expenditure gave us practically a sufficient return to meet all interest charges and sinking fund payments; but under this Government £32,000,000 has been received by way of loans, and, instead of the return being $3\frac{1}{2}$ per cent. and $4\frac{1}{2}$ per cent., it has been about one-half per cent. There is only one method by which the deficiency can be made up, and that is taxation. The Secretary for Public Lands told us the other day that taxation had to stand still.

We can gain much instruction from the fortunate position of the Commonwealth

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Government, under the administration of another party. I have some figures worth quoting, taken from the Federal Budget of this year. It disclosed a surplus of £2,587,084, and an accumulated surplus of £10,015,758, less an amount paid off the National Debt of £4,915,003. When a Financial Statement is brought before the House, we expect to have disclosed to us some method whereby the State is going to be financed during the current year, and, if you turn to the Commonwealth Budget, delivered by a non-socialistic Treasurer, you will find that he proposes to use his surplus in this way—main roads, £500,000; marketing primary products £500,000—I particularly draw attention to that—defence and naval construction in Australia, £3,500,000; and the balance to the reserve fund.

The debts of Australia are tremendous, yet the Commonwealth Government—a Government not tainted by State enterprises or the unwise spending of money or the spending of money on unproductive work—were able, in 1923-1924, to pay £4,915,755 off the national debt from the accumulated surplus and £1,430,191 from a Sinking Fund. They were able to pay from revenue to the British Government a sum of £1,117,682, and from Sinking Fund the sum of £1,578,092, making a total payment of £9,041,670. While the Commonwealth Government of Australia are able to repay part of their national debt, the Queensland Government are not able to reduce their accumulated deficit of £810,000, or even try and make provision for it.

Mr. WINSTANLEY: The Commonwealth Government collected over £30,000,000 in Customs duty.

Mr. KERR: Perhaps they did; but this Government should have been able to collect more than the amount they did from their investments. The stringency of the monetary position should never have been advanced as a reason why there could not be an increase in wages. It is all very well to talk about the money being in London. If the Government had not wasted their money, they should have been able—as I shall show before I finish—to have sufficient money to grant not only a 44-hour week but a restoration of wages as well to their employees. It is all very well saying that the money is tight in London. The Acting Treasurer, after nine years of deplorable financing in this country, gains an education after going to a Treasurer's Conference. He is ten years gaining an education, but the State has to suffer in the meantime because of the lack of education on the part of those responsible. That is why Queensland is suffering to-day.

The Commonwealth Government have also been able to increase the income tax exemption from £200 to £300, relieving 250,000 persons of the necessity for paying income tax and granting relief in 380,000 cases.

Mr. FARRELL: They should not tax at all.

Mr. KERR: I quite agree with the hon. gentleman, and probably before long the Commonwealth will go out of the field of direct taxation. The Commonwealth Government do not propose to tax profits made through goldmining because of the depression in the mining industry, and the total reduction in income tax is estimated at £2,000,000 per annum. Why are the finances of the Commonwealth Government in such a very fine position to-day? There is no

necessity for them to reduce the wages of their employees. They employ many thousands of employees, but because of proper and wise administration they will not be compelled to reduce the wages of their employees. The Queensland Government complain that, because of the financial stringency, they cannot get the money.

The HOME SECRETARY: Are the Commonwealth Government treating the T.B. soldiers as they should be treated?

Mr. KERR: They have done a good deal, and possibly this Government could help them a little more.

The HOME SECRETARY: What have they done?

Mr. KERR: I do not know whether the hon. gentleman has been to the various sanitariums. I have, and I know that the Commonwealth Government have done a great deal, and I hope they will do a great deal more.

The SECRETARY FOR PUBLIC LANDS: A forlorn hope.

Mr. KERR: The hon. gentleman had no hope at all the other day; he was right down on the rocks. I have been in this Chamber for four years, and I have never known a Minister of the Crown bring down the Government so much as the Secretary for Public Lands did the other day. He explained to this Chamber that the Government were in a hopeless position. If they are in a hopeless position, then it is through the lack of ability on the part of the administrators. While borrowing is a virtue, I consider that over-borrowing and the unwise investment of that money is a vice. Every Labour Government has preached the policy of "No borrowing." Mr. Charlton, the leader of the Federal Labour party recently told an audience that it was time that oversea borrowing ceased. Labour has always preached a non-borrowing policy. What has been their record? We had Mr. Scaddler in Western Australia, and Messrs. McGowan, Story, and Holman in New South Wales at the head of Labour Governments which proved to be spendthrift Administrations. Their records show that they squandered money, and the Labour Government in Queensland has not been behind the times.

There is no necessity for the Government to create the gloomy atmosphere which they have done outside this House in Queensland. They have created an atmosphere which is not in the best interests of the State. The Treasurer and his colleagues both in and out of Parliament have assisted in this direction. They have only got to look at the financing of the Federal Government, which has produced a large surplus. They are able to set aside money for purposes of defence, assisting primary producers, grants for main roads, and in other directions to assist in the development of this great country. The Federal finances are in a very healthy state, and possibly more healthy than those of any State in Australia.

Mr. FARRELL: Have you read Mr. Scullin's speech?

Mr. KERR: The aggregate public debt of Australia is about £1,000,000,000, and the States during the years 1921, 1922, and 1923 have borrowed not less than £100,000,000. The Australian Governments collect in revenue £145,000,000 a year of which amount £70,000,000 is in direct taxation. These

figures do not worry me because the Commonwealth have not over borrowed. They have made every provision to pay the national debt created by the war in a number of years time, and I venture to say that the predictions of that Government in that regard will be realised.

The revenue from public works and services disclose the fact that, while there has been no over-borrowing in the other States, there has been in the case of Queensland. The returns from the public debt in works and services in the various States show the revenue return to be—

New South Wales	...	63 per cent.
Victoria	...	58 per cent.
South Australia	...	58 per cent.
Western Australia	...	56 per cent.
Queensland	...	43 per cent.

I will quote a reason later on as to what is happening in this State, particularly in the Department of Public Works, causing the small revenue return from our public works and services in Queensland. The Department of Public Works has been responsible to a large extent for spending loan money in excess of the amount expended in 1914, and I have averaged that excess out somewhere in the vicinity of £100,000 a year.

The SECRETARY FOR PUBLIC WORKS: You will say anything.

Mr. KERR: I am telling you the facts. You cannot get way from figures, and my deductions are right.

The SECRETARY FOR PUBLIC WORKS: Your deductions are quite wrong, and I proved that on the estimates last year.

Mr. KERR: When we have figures showing that the department in 1914 spent a certain sum of money from revenue and another sum from loan account, it is an easy matter for an hon. member, on perusing the figures for 1923-24, to see that these figures have been twisted round and that the loan expenditure is now greater than the expenditure from revenue.

The SECRETARY FOR PUBLIC WORKS: You are twisting the figures.

Mr. KERR: I am not.

The SECRETARY FOR PUBLIC WORKS: You are making wrong deductions. You would spend millions and growl over threepence.

Mr. KERR: I am not growling over 3d.; I am growling over £100,000 a year.

I want to have a look now at the position with regard to borrowing. The position was—

In Victoria—

"Loan expenditure per head was—

	£	s.	d.
1914	...	2	6 4
1922	...	7	12 3

and Victoria has had to contend with the same difficulties that we are faced with to-day.

Mr. CARTER: A cabbage garden?

Mr. KERR: I am not talking about cabbage gardens, but about the loan expenditure per head. In Queensland the loan expenditure per head was—

	£	s.	d.
1914	...	3	7 6
1922	...	3	5 11

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There has been no difference in the spending capacity of the people so far as loan money was concerned, yet that loan money has not been utilised as it should have been.

I have a couple of notes here which will interest the Secretary for Public Works. The proportion of loan money has increased from 28 per cent. in 1914-15 to 64 per cent. to-day. That shows a margin of increase of almost three times the original amount. The hon. gentleman cannot get over that. It means an increased interest bill of £50,000 if the loan money and revenue is spent and you still have a surplus. Seven or eight years would soon run you into millions of pounds. There has been an over-expenditure of loan money in public works. When we look at these things it is no wonder that the Government have to retrench. I refer now to State enterprises. I know that there has been a suspension of grants for workers' dwellings for six months. Would it not be wiser to suspend expenditure on those State enterprises and let the workers get their homes? The hon. member for Rockhampton asked, "When did your Government ever build a thousand homes?" For his information I will quote from the official report of the Department of Public Works.

In 1914, prior to this Government being in power, there were 1,591 houses completed; in 1914-15 there were 1,586 houses completed. Since Labour came into power this number has been cut right down to as low as 252 houses completed in one year. No one can gainsay that it is to the detriment of the worker that there should be a suspension of the grants under the Workers' Dwellings Act.

The SECRETARY FOR PUBLIC WORKS: There has been no suspension under the Workers' Dwellings Act.

Mr. KERR: Will the Secretary for Public Works grant an advance up to £500 within the next six months?

The SECRETARY FOR PUBLIC WORKS: Yes, if the application comes within the living conditions of the applicant.

Mr. KERR: The hon. gentleman said that there would be a suspension of grants for six months.

The SECRETARY FOR PUBLIC WORKS: No.

Mr. KERR: The Act lays down £800 as a maximum advance, and the Secretary for Public Works, by Order in Council, on his own prerogative brought that down to £500.

The TREASURER: There is a preference clause to applicants.

Mr. KERR: I say that, if the Act stipulates £800, that should be granted.

The TREASURER: That is the maximum.

Mr. KERR: What is the good of bringing in an Act of Parliament if it is not going to be adhered to? Only the other day we had a considerable debate on that particular question. If a man wants to have a worker's dwelling he should receive the full amount prescribed under the Act, if he so desires.

At 5.25 p.m.,

The CHAIRMAN left the chair, reported progress, and asked leave to sit again.

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

The House adjourned at 5.30 p.m.

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