

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**THURSDAY, 28 AUGUST 1924**

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

PAPERS.

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

Report by the Under Secretary for Public Lands under the Closer Settlement Acts, 1906-1923.

Report by the Under Secretary for Public Lands under the Discharged Soldiers' Settlement Acts, 1917 to 1922.

The following papers were laid on the table:—

Regulation under the Upper Burnett and Callide Land Settlement Act of 1923.

Regulation under the Land Acts, 1910 to 1923.

WEIGHTS AND MEASURES BILL.

THIRD READING.

The SECRETARY FOR PUBLIC WORKS (Hon. W. Forgan Smith, *Mackay*): I beg to move—

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

Question put and passed.

PUBLIC CURATOR ACT AMENDMENT  
BILL.

THIRD READING.

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

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

Question put and passed.

## AUCTIONEERS AND COMMISSION AGENTS ACT AMENDMENT BILL

## THIRD READING.

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

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

Question put and passed.

## JUSTICES ACT AMENDMENT BILL.

## THIRD READING.

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

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

Question put and passed.

## OATHS ACT AMENDMENT BILL.

## THIRD READING.

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

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

Question put and passed.

## POLICE ACTS AMENDMENT BILL.

## THIRD READING.

The HOME SECRETARY (Hon. J. Stopford, *Mount Morgan*): I beg to move—

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

The hon. member for Enoggera called “Not formal.” I do not know why, because the fullest information was given at every stage as the Bill went through the House. I have no desire to discuss the Bill, but I take the opportunity of expressing my keen sympathy with that officer of the Police Force who was subjected to a most cowardly and dastardly attack last night while executing his duty.

HONOURABLE MEMBERS: Hear, hear!

The HOME SECRETARY: Although it has been stated that death was the result of his loyalty, I am gratified to know, from the latest reports I have received from the hospital, that there is still a hope of saving his life.

HONOURABLE MEMBERS: Hear, hear!

The HOME SECRETARY: I have given instructions that everything possible shall be done to preserve his life.

HONOURABLE MEMBERS: Hear, hear!

The HOME SECRETARY: And that everything in the way of medical assistance shall be brought to bear to achieve that object.

HONOURABLE MEMBERS: Hear, hear!

Mr. KERR (*Enoggera*): I endorse the hon. gentleman's sentiments regarding last

night's affair. I called “Not formal.” not with a view to obtaining any more information, but to ask that consideration be given to me and that the recommittal of the Bill be allowed. The Bill went into the Committee stage immediately after the second reading. The Bill appears to have three clauses—clauses 1 and 2 on the first page, and a third clause over page, which is actually, however, only subclause (3) of clause 2. When we were dealing with clause 2 in Committee, I had an amendment to move on that clause, but at the time it looked to me as if it were clause 3 that necessitated that amendment. Naturally, clause 2 went through, and I missed the opportunity of bringing forward my amendment. I attribute this to the way in which the Bill has been printed, and I ask the consideration of hon. members in favour of a recommittal of the Bill.

The circumstances are that the Bill came on quite unexpectedly and we did not have very much opportunity of studying it, and thus the error crept in. Without explaining the amendment, I would suggest that the Bill be recommitted, so that the amendment forecast may be moved by myself and the Committee have an opportunity of discussing it.

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

## WAYS AND MEANS.

## FINANCIAL STATEMENT—RESUMPTION OF DEBATE.

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

Question stated—

“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 twopence, in lieu of the sum of one penny presently chargeable on every such bill of exchange.”

Mr. SWAYNE (*Mirani*): I noticed yesterday that one of the speakers on the Government side expressed the opinion that it would be a huge calamity if there was a change of Government in this State. I think it is generally conceded that finance is the test of fitness for any Government to retain office, and it must be obvious to every thinking person that, if you apply that test to the present Government, it will be a national calamity if they continue to hold office. What have we had year after year? Financial Statement after Financial Statement forecasting or recapitulating huge increases in revenue and huge increases in expenditure, although it was pointed out by hon. members on this side that an end had to come to that sort of thing, and that, unless

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something was done to encourage production and to distribute the weight of taxation over a larger number of people, disaster was bound to come. We have had evidence from hon. members on the other side that that time is very near indeed. Did you ever listen to a more hopeless defence of the Government's policy than what we have heard? Even hon. members on the other side have had to admit that the position is a most serious one, yet all that we get from them is abuse of this side. They go back to ancient history when they forecast what some of them, if they got into office, would do to those in Queensland who have any money or property left.

I will try to cut my remarks as short as I can, because I am speaking at a disadvantage. A very fair indication of what would be done by hon. members opposite is to be found in the utterances of the hon. member for Warrego, who followed the leader of the Opposition. I take it, from the prominent position that hon. member occupied in the debate, that he was put up to voice the opinions of the Government party on this matter. As reported on page 368 of "Hansard" of this session, the hon. member said—

"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."

He further said—

"The interest on the public debt has expanded by merely £500,000"—

The CHAIRMAN: Order! Is the hon. member quoting from a speech made during this session?

Mr. SWAYNE: I am quoting from the speech of the hon. member for Warrego during this debate. The hon. member continued—

"and the position is that 28 per cent. of our total revenue goes in paying interest on foreign loans."

The figures 28 per cent. are his. He said that the conditions we have to face to-day were not created by the present Government. Then he went on to say—

"This is not only the case in Queensland, but it is the case all over Australia. . . . 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."

Then he proceeded to enter on a diatribe of abuse of the banking system. All I can say is that, if the position which he referred to exists, we have had a Labour Government

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in Queensland for nine years and we had a Labour Government for many years in the Commonwealth. If what the hon. member says is true, it is certainly a reflection on the Labour Governments which have held the reins of office in the Commonwealth and this State. I cannot see where the abuse of the British Empire comes in in regard to the position. I think that the trouble has arisen through our own actions, and all the abuse and tub-thumping in the world with regard to the alleged shortcomings of the British financiers are not going to help us and have nothing to do with the position which obtains in Queensland to-day.

In connection with this matter of finance we know that, when this Government attained office, they said a lot about their socialistic objective, and the people were rather taken at the elections with what they considered the bold reform policy of the Government in connection with finance. This was the sort of thing that we had talked about at the time. The hon. member for Bowen remarked about that time that they had attained office largely on their promises. If they attained office on their promises, most certainly those promises have been dishonoured. However, this was a statement which appeared in one of their leaflets—

"If a man borrows £5 and pays back £7 in interest and still owes £5 of the original debt he is a fool."

That was some of the stuff issued by the Treasurer and his colleagues. When these gentlemen took over the reins of office only £56,000,000 of loan money had accrued during a period of over fifty years. In the nine years since then the amount has arisen to £86,000,000. The point is that it is not so much the amount of the debt that we are concerned about, but as to whether the money has been spent wisely and for good purposes—whether it has led to more development and, in turn, added to the wealth of the State.

Before I go any further I would like to refer to the statement of the hon. member for Warrego that the huge annual interest payments now necessary are largely due to previous Governments. I would point out that, when this Government took office, the gross interest payment was only £1,975,000, while the actual charge upon revenue for interest was only £268,000. Now after nine years of office, according to the Auditor-General's figures, the gross interest charge is nearly double. The figures I have here indicate an interest bill of £3,589,714, but the charge on revenue has increased from £268,000 to £2,112,000, or something like tenfold. That means that, whereas when the Government took office it required only 3.72 per cent. of the revenue to meet the interest charges on the public debt because that borrowed money had been spent on enterprises which were productive, it now takes 16.48 per cent. to meet the interest on the money which has been borrowed and spent by this Government largely on enterprises which are not productive. The incorrectness of the assertion made by the hon. member is obvious. Hon. members will see that the actual charge of the interest on the public debt upon the revenue has increased enormously, and that during the term of this Government our interest bill in actual cash has doubled itself. That

has been done by the Government who said that when a man borrowed £5 and paid back £7 and still owed £5 he was a fool. Who is the fool? This Government in 1922-23 paid in interest on the public debt £3,589,714, instead of the £1,975,581, at which it stood when they took office. It has been doubled, and the debt also largely increased, so they are convicted out of their own mouths.

Then we find that taxation has increased enormously. When the Government took office it was £1 8s. 2d. per head of the population, and it is £4 9s. 2d. at the present time. On this question one of the speakers on the other side yesterday said that all the other States of Australia were in exactly the same position. Again I say, what sort of a case must they have when they have to misstate facts to support them? The other States have not had increases equal to that in Queensland. Quoting from the "A.B.C. of Queensland Statistics," page 572—that is, taking the last figures that are available, those for 1922-23—I find that the taxation per head of the population in the various States at that date was—

	£	s.	d.
Queensland ... ..	4	4	4
New South Wales ... ..	3	11	10
Victoria ... ..	2	9	5
South Australia ... ..	3	10	9
Western Australia ... ..	2	17	7
Tasmania ... ..	3	6	6

Those figures show that Queensland is more highly taxed than any other State. Yet we find that, although this extra taxation has been imposed upon us—or because of it—the unemployment problem is enlarging to an extent which must alarm any of us, and that enterprise is being stifled.

In Queensland the revenue from taxation has increased from £954,475 in 1914-15, when this Government first took office, to £3,617,201 in 1923-24. In other words, it has increased from £1 8s. 2d. per head of the population to £4 9s. 2d. per head. Hon. members on this side have foretold that this burden of taxation must have a confiscatory effect. Many electors who supported hon. members opposite believed that socialism was a long way in the distance and that nothing of the kind was likely to occur in our time, but I pointed out that the heavy taxation, adverse and discouraging legislation—legislation which makes it almost impossible for one man to employ another—it is tending that way—and the increasing burden upon the industrious and thrifty, taking away all encouragement to anyone to acquire property, must have the effect of making people believe that it is not worth while striving or saving or working in an endeavour to own anything of their own, because, if they did, it would be taken away from them. It is apparent to anyone who has analysed the legislation for a number of years that that is its trend, and it is beginning to have its effect, and socialism is coming very near. I find that, while there has been an increase in revenue from taxation, the taxable income of private individuals has diminished. In the year that this Government took office the taxable income of individuals was £12,272,576, whereas to-day that taxable income has been reduced to £10,905,794, showing a diminution

of £1,366,782 in a State like Queensland, which I suppose is one of the most wealthy countries in the world, from the point of view of potentialities. The more the Government get the more they want. During the time I have mentioned the rate of taxation on individuals has increased by 223 per cent., while the taxable income has decreased by 11 per cent. How does that affect the workers? I think it was the Treasurer who pointed out that if you overtax it is bound to react to the detriment of the whole of the community.

Dealing with unemployment, I find that in 1914-15 it only required £5,870 to feed the unemployed, and the amount that is required for the coming year is £219,486. How do the workers come in there with this huge increase in unemployment? I have a paragraph from the "Daily Standard" which shows that the workers are dissatisfied with the present rate of wages. They have lost all round from this increasing burden that has been placed upon enterprise and upon the thrifty. Some hon. members opposite yesterday said that the other States of the Commonwealth were in the same position. The rest of Australia is not in the same position. While we are increasing our taxation the Federal Treasurer, according to his Budget Speech, proposes to reduce taxation. Taking the small income of £400 per annum the Federal Treasurer proposes to reduce the taxation upon that income from £6 16s. to £2 13s. 7d. per annum. The Commonwealth Government have had all sorts of heavy burdens thrust upon them through the war. This Government did not suffer those burdens, but actually profited by the war. Notwithstanding the huge expenditure to which the Commonwealth Government were subjected during the war, they now propose to reduce taxation to the extent of £2,000,000 in the aggregate. I should like an explanation on that from hon. members opposite.

I would further like to point out, in reference to the remark of the hon. member for Warrego, that loans to the amount of £147,000,000 are shortly falling [10.30 a.m.] due in the Commonwealth, that the Commonwealth and other States can show that they have done something to meet that position by the creation of sinking funds. No such provision has been made in Queensland. The Commonwealth Government have a sinking fund of £10,297,000 towards meeting their loans as they fall due, and the other States have in the aggregate sinking funds amounting to £14,147,000 to meet their maturing loans. The total amount in those sinking funds is approximately £25,000,000. The only such provision that I have been able to discover that has been made by the Government which the hon. member for Warrego supports is an amount of £393,000. The Queensland Government stand head and shoulders below any other Government in Australia in their failure to make provision for the huge loans shortly falling due. They cannot excuse themselves on the ground that they have not extorted from the people ample revenue to square the ledger. When they took office the revenue amounted to £7,202,658, whereas the revenue for the year just concluded was something like £14,000,000. They have doubled their revenue; but, in spite of the fact of having so much more money to pay their way and meet their liabilities, they

have gone back to the extent of nearly £1,000,000. The Government in one of their election dodgers in 1915, said that a man with an income of £3 a week who spent £4 a week was on the road to insolvency. (Laughter.) They have spent nearly £1,000,000 more than their income; so, if that statement of the Treasurer in 1915 is correct, this State must be well on the road to insolvency. Hon. members opposite are continually abusing the Administration that was in office prior to their assuming the Treasury benches. The Treasurer, in the first Financial Statement submitted by him on 13th October, 1915, at page 1271 in "Hansard," said—

"Our manufacturing industries continue to expand"—

That was under the previous Government—

"in a satisfactory manner, as the following table will show."

All was well when the Government took office. It is only since they took office that stagnation and retrogression have taken place.

Hon. J. G. APPEL: Blue mould.

Mr. SWAYNE: The hon. gentleman further said, at page 1272 of the same "Hansard"—

"The following table, dealing chiefly with our productive powers, further indicates the progress made in recent years."

That was the progress made in recent years under the Liberal Administration. Can he show any progress? No.

Referring again to this, the Treasurer, speaking at page 1274 of the same "Hansard," said—

"As the Government holds the view that all expenditure for services and administration, interest on public debt, payment for sinking fund, and non-productive works, should be met so far as practicable out of revenue in the year in which it is incurred, and that it would be unwise to pass on a deficit obligation to add to the burdens of future years, it is therefore proposed to meet the shortage—

(a) By adjusting and increasing the income tax; and

(b) By imposing a land tax."

They did that. They increased and increased and increased; and ever since they have been increasing. Yet out of the balance of £2,672,325 to the credit of the Loan Fund at the beginning of the present financial year, £1,700,000 has been required to cover accrued deficits to the extent of £810,000, Trust Fund debits, and other charges. So far from a national calamity resulting if the Government were to go out of power, I think everyone must see that such a change would be greatly beneficial to the State.

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

Mr. SWAYNE: In view of these facts I do not think anybody could think otherwise.

The Treasurer himself acknowledged that our industries were flourishing at the time his Government took office. I desire to deal with that phase of the question. These figures have been quoted previously during the

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debate, and I do not wish to labour them. While the number of factories in the other States of Australia show much the same progress, Queensland is retrogressing. New South Wales shows an increase in factories since 1921 of 1,087, while Queensland shows an increase of 14. Again, in the matter of factory employees there has been an increase in New South Wales of 32,265. In Queensland there has been a decrease of 1,034.

I have an extract from the Sydney "Bulletin" of 17th January, 1924, which comments on this position. Dealing with Australian progress, it says—

"Manufacturing showed a solid increase of over £11,000,000 in the amount of wealth produced. And it furnishes employment to a larger and larger proportion of the population, except in Queensland, where Theodore reigns, and in Westralia where Mitchell rules. The figures (which the Statistician calculates on the mean population of each year) are as follows:—

FACTORY WORKERS PER 10,000 MEAN POPULATION.

	1914.	1921-22	Increase
Victoria ..	832	934	102
New South Wales ..	626	699	73
Tasmania ..	450	475	25
South Australia ..	611	620	9
Western Australia ..	545	544	1
Queensland ..	641	553	88
Commonwealth ..	674	719	45

All but Western Australia and Queensland show an increase.

It may be said that this does not very much concern the farmer. It does. I think it has been forced home to the farmers of Australia that the best market is the local market. According to the "Producers' Review" of 9th August, Mr. Stirling Taylor submitted to the Commonwealth Bureau of Industry—

"figures to prove that Australia consumed more of the primary products of the Commonwealth than the rest of the world put together, excepting wool and dried fruits."

The "Producers' Review" in commenting on those figures says—

"Those figures force upon us a realisation of the fact that the home market is consuming the greater part of the produce of the farmers of Australia. The home market can be controlled under efficient schemes for farmer-control marketing.

That indicates that even the primary producers stand to gain by a proportionate increase in the consuming population of the towns. I would like to point out that the conditions in Queensland are very favourable for the establishment of one secondary industry—the manufacture of wool. We produce from one-fifth to one-fourth of the total wool output of Australia, and we have all the essentials necessary for the manufacture of woollen goods. We have larger coal resources than any of the other States, and we have some of the finest coal in the world. Our finest sheep country is in the Central District,

and we have large coal deposits at Blair Athol within a radius of 200 miles or 300 miles of that great sheep country on the Barcoo and Thomson, and that should be the place to establish the wool-manufacturing industry, with raw material and fuel so close together. The "Courier" of 2nd August of this year says—

"The Commercial and Industrial Bureau of the Board of Trade in Melbourne has published tables showing the development of Australian woollen and tweed mills. At present there are fifty mills, of which forty-six are in operation and four in the course of building. The last mentioned are to begin operations before 31st December next. On 30th June, 1923, there were forty mills at work, giving employment to 3,768 male hands and 3,160 female hands."

That is in regard to Australia. In Queensland there are only two mills. There must be some reason for that, and I contend that it is owing to the confiscatory, restrictive, and persecuting policy adopted by the Government. Even in Perth, according to the "Courier" of 20th of this month, they are establishing a new woollen venture. Again, as showing that industry is not progressing as it should do in Queensland, I find, according to the "Daily Mail" of 2nd August, 1924, that the new Premier of Victoria has been urging the Melbourne Harbour Trust to tender for dredges required by the Queensland Government and to tender for railway engines required in Queensland. He evidently thinks that, owing to the high cost of production in this State, the foundries in Queensland have not a fair field as against the Southern manufacturers. I have shown that progress is not taking place in Queensland as it should in a young State such as this with great natural resources.

I wish to deal now with what has been one of the biggest questions during this debate—that is, the renewal of our loans. Anyone who compares the terms on which loans have been granted to Queensland with the terms of the loans that have been obtained by other States, must realise that Queensland is paying very dearly for the breach of faith that was involved in the Land Act Amendment Act of 1920.

I have already quoted speeches made in 1905 to show the specific promises which were then held out to investors on the other side of the world in order to get the money necessary to develop Queensland. Those investors were told that certain rights would be accorded to them. We know that in 1920 those rights were taken away, and naturally the people who have been taken down in this way were loth to lend again to a State which had been guilty of such action. Hon. members opposite have tried to throw the blame on everyone but themselves, and they have talked about the harm done by the delegation. We on this side had nothing to do with the delegation, but we know that those men represented large interests in Queensland, and that it would be one of the last things they would hope for not to have the loans renewed. No matter what our opinions may be with regard to the huge sums borrowed year after year for political purposes and so on, there can be no two opinions as to the necessity for Queensland being able to take up its paper when the loans fell due. Therefore it is all nonsense

to say that any concerted effort was made in Queensland to prevent that paper from being taken up when the money fell due. As showing that such is the case, it was pointed out in England long before the so-called delegation reached there that, unless something was done to rectify this repudiatory legislation, the difficult position which afterwards occurred would be brought about. But that was quite apart from and had nothing to do with the delegation. I have a letter here, quoted in the Press, from Mr. Robert H. Caird, managing director of the Australian Mercantile, Land, and Finance Company, Limited, in which he states—

"Mr. Theodore, in recent speeches, has sought to fasten on the financial companies in London the responsibility for this failure, and attributes to them a power to turn the British investor against Queensland, which I do not think they would use even if they possessed it; and Mr. Theodore and his party should attribute their failure to borrow money in London to the true cause, which is that, by their acts and by their words, they have created an impression in London that they do not respect a contract if it suits them to break it, and their recent threats to capital and fulminations against what they term 'wealthy London companies' are not at all calculated to remove this impression."

That was the cause of the conditions which were so detrimental and humiliating to Queensland a few months ago. We know that a Bill was previously foreshadowed which would have authorised forced loans and taken away money from the people here. That is the sort of thing which will react upon us when we have to go to these capitalists. In spite of all that has been said, apparently there are no means by which those who want money to spend in opening up new enterprises can get past the man who represents those who in the past have saved and who lend money. No way has ever yet been shown by which we can do that, and that is where the trouble arises.

What did the action of the Government in regard to the Land Act of 1920 cost us? I have here a comparison of loans which have been recently issued in Australia about the same time as the Commonwealth. I find that we had to pay more for our money than other States which borrowed at the same time. Take the American loans. The position in that regard was not revealed to the people of Queensland by the Treasurer when making his speech on that occasion. I am quoting from his speech as reported in "Hansard" for 1922, page 613—

"Although the nominal rate of interest was 7 per cent., after allowing for the profit made on the conversion into sterling, the rate of interest was less than that at which money could be obtained on the London market on the date the loan was raised. The issue was made at 99, the term of the loan being twenty years, and the rate of interest 7 per cent. The proceeds, exclusive of the profit on conversion, amounted to £2,441,430, and the profit on conversion into sterling was £523,713, making the gross proceeds £2,965,143. The expenses were £102,439, leaving the net proceeds £2,862,705. The result would have been still more favourable to the State but for the sudden

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and rapid improvement in the pound sterling and the consequent decrease in the profit on the later conversion transactions. The rate of interest only, on the net proceeds, is £6 0s. 7d. per cent., but as the net realisation was £116 1s. 8d. per cent., the effective cost (including redemption) works out at £5 12s. 10d. per cent."

Hon. members will see that that profit on the conversion has already been counted in. I have had calculations made as to the actual percentage, and it is obvious that this is a case of double-banking his profit. The interest on the loan is 840,000 dollars per annum, which is equal at par value of the dollar to £172,626, and on the net realisation (including all profits) of £2,862,705—those are the Treasurer's own figures—the rate of interest is £6 0s. 7d. per cent. If dollars have to be bought at 4.45 for £1 sterling, the rate of interest is proportionately higher, namely, £6 11s. 10d. per cent. instead of £5 12s. 10d. as alleged by the Treasurer—the effective rate of interest being dependent upon the dollar at the rate of payment—it seems that, if the bondholders choose not to accept payment during the first five years, they can choose the most suitable time for themselves, and as after that time they can claim redemption at a premium of 2½ per cent. it is exceedingly probable they will do so with a corresponding increase in the cost of this loan to Queensland. It is evident that, instead of securing these loans on advantageous terms and at the lowest market price, the Treasurer may have to pay a good deal more than he led us to believe in his Financial Statement two years ago. I have here also a table showing the rate of interest paid for the year 1923-24 on the first American loan—

	<i>Principal.</i>	£	£
Total proceeds of the Loan, including profit on conversion amounted to .. .. .			2,862,705
Deduct—			
Amount retained in America	106,864		
Sinking Fund payments .. .. .	226,058		
		332,922	
(a) Net amount used or available for use by the State .. .. .			£2,529,783
<i>Interest.</i>			
Interest paid during year, including loss on conversion .. .. .	188,750		
Deduct—			
Interest earned in Sinking Fund, etc., during 1923-24 (estimated) .. .. .	8,195		
		180,555	
Rate of interest paid for 1923-24 (Net interest on net amount of Loan available (a) per cent. .. .. .)			£7 2 9

The Treasurer also made a great deal of the successful conversion of his loans this year, but we find that Victoria floated a loan towards the end of last year without any trouble. This point arises: Why was all this fuss made, why was all this anxiety shown, why was all this acclaim made over the conversion when other States could go on the market and do better?

With reference to a conversion loan floated by Victoria, it is reported—

"The application for stock in the Victorian conversion loan of £9,000,000 amounted to £17,653,000, including cash

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and conversion. The 'Morning Post,' in its 'City Notes,' says—

'There was some doubt, owing to the largeness of the Victorian loan, whether it would be covered; but Victoria is a popular borrower, and the result is a remarkably good loan, which is certain to be quoted at a premium to-morrow. Numerous holders calculated that greater profit was obtainable by converting and immediately reselling than by allowing the bonds to expire; but even if this was the case, the result testifies to a genuine response.'

When that money became due, Victoria, as a matter of course and without troubling its people, and without trying to make any political capital, went forward and had that loan converted as a matter of course. Why could not Queensland have done that? There must have been something wrong on the part of those handling the affairs of Queensland to cause all this fuss, worry, and anxiety at that time. Moreover, whereas the Victorian Government are only paying £5 1s. 8d. per cent. for their money, the Queensland Government are paying £5 12s. per cent. for the last conversion loan. One per cent. on every £1,000,000 means £10,000 added to the burden of the people, so that half per cent. alone will cost Queensland £60,000 per annum.

Let me now take the other States. In March, 1924, the New South Wales Government converted a loan of £12,000,000. The interest cost, including redemption, was £5 5s. 10d. per cent. In June this year the New South Wales Government raised a loan of £10,000,000 for public works and conversion, the interest cost, including redemption, being £5 2s. 4d. per cent. In May of this year the New Zealand Government floated a loan of £10,000,000, the interest cost, including redemption, being £5 0s. 10d. per cent. The cost to Queensland is £6 1s. 10d. per cent. Anyone must realise that with this huge increased burden thousands and thousands and thousands of pounds are going to go out of Queensland, and we shall have nothing to show for it. That money should be kept here, and if the Government had only occupied a decent position in the eyes of the rest of the world, that money would be available in Queensland for the payment of increased wages, etc., and would increase our natural wealth year by year. Instead of that the money is going to "Cohen"—as hon. members opposite put it—and nothing is going to be shown for it. That is the position created by the present Government.

I would now like to deal with the concession granted to pastoralists. On his return from England the Treasurer said—

"There has been no climb-down on my part, no recantation of Government policy, no surrender of our self-governing rights to overseas financiers, and no imposition of the will of others upon the Government of Queensland with regard to the land policy of the State. On the contrary, the Land Act of 1920 remains on the statute-book, and will not be repealed. The 50 per cent. limitation to rental increases, which was the privilege enjoyed by the squatters for many years will not be restored."



The Treasurer later on speaks of the agreement as "a formula" to enable the pastoralists to assent. The area involved in the leases concerned is 190,277 square miles. That comprises some of the best country in Queensland. The hon. gentleman stated that most of the leases expired within the next ten years. That is not the case. Out of that

area leases in respect to 96,699 [11 a.m.] square miles do not terminate until between 1934 and 1944, while leases in respect of 76,950 square miles do not fall due until 1945 and 1952. The "formula," as the Treasurer described it, has cost this State the right to reappraise the rents on those large holdings for that term. It is stipulated under the Land Act that there must be a reappraisal every ten years, and if the Land Court found that the price of produce or the construction of railways enhanced the value of that country, it would have the right to reassess the rents in the interests of the people of Queensland. Parliament's hands are now tied through the Treasurer's "formula" in connection with these leases. After all, what have we got from the 1920 Repudiation Act? Some of the rents were increased under that Act by 60 per cent. instead of 50 per cent. The reassessed rents were certainly made retrospective. Leaving out the ethical side of the case and coming down to a pounds, shillings, and pence basis, I contend that this Act was bad business for Queensland. The chances are that, if we did not tie ourselves up and place ourselves in a position of having been dictated to by people overseas and kept within the 50 per cent. limitation, the gain to the land revenue would have been a great deal more than what has accrued from the repudiation which the Government were guilty of on that occasion. The hon. gentleman can bluff his supporters, if they are gullible enough, but it is the duty of the people of Queensland to make themselves acquainted with the true facts of the case, and I am sure that, if they do, the Government will go out at the next election. The Government made certain promises in regard to expansion and development, particularly with respect to railway construction, but so far as railways are concerned instead of their pursuing a progressive policy the mileage has decreased from 213 miles to 124 miles per annum, while the total loss on the railways since the Government took office amounts to £11,482,000. It has been said that justification exists for this loss in the increased development. The Government have not increased development. From 1907 to 1914, before they took office, 20,257 agricultural selections were taken up with an acreage of 11,518,708. From 1915 to 1922 the number of agricultural selections selected shows a falling off to 10,542, with a total acreage of 5,221,934. The land under crop in 1916—the first year after this Government took office when the effect of their policy had not been felt—totalled 885,241 acres; but in 1922 we only had 863,775 acres under crop. These figures show a positive decrease under the present Administration. There should have been a large increase in such a country as this.

From 1907 to 1914 the Jimbour, Cooroy, Maryvale, Widgee, and Inkerman estates, with an acreage of 282,639, were repurchased for closer settlement purposes; but, while the present Government have been in office, the only land repurchased for closer settle-

ment has been Cecil Plains with 130,000 acres.

It is obvious that a State with such a small population as Queensland cannot continue to go on indefinitely losing over £1,000,000 a year on our railways without meeting with disaster when we are not getting any practical return from them in the way of increased production. If we were, then there would be another side to the question. There is a method of making these railways pay without reducing wages or doing anything detrimental to the interests of the employees, excepting that some might have to do more work for their money. The remedy is to create traffic by the encouragement of settlement. To attain this end it might even be necessary to make an alteration in our land tenure. The remedy is to make little stations now handling, say, 100 tons of freight a week handle 200 tons. In 1922, by questions I obtained some information from the then Secretary for Public Lands as to the area of Crown land in districts with good rainfalls and adjacent to railways available. We on this side then recognised that something had to be done to cut the losses on our railways, and that the remedy lay in increasing the business of the railways. The information supplied to me then was as follows:—

*Land within 10 miles of Existing  
Railways.*

- (a) Leasehold with annual rainfall of 24 to 30 inches held in areas exceeding 5,000 acres—

Holdings ... ..	355
Acres ... ..	5,006,179

- (b) Leasehold with annual rainfall of 30 inches and over held in areas exceeding 1,280 acres—

Holdings ... ..	929
Acres ... ..	9,055,467

- (c) Unoccupied Crown lands (including reserves)—

Rainfall, 24 to 30 inches—

	Acres.
Crown lands ... ..	358,628
Reserves ... ..	222,603

Rainfall, 30 inches and over—

	Acres.
Crown lands ... ..	1,674,922
Reserves ... ..	960,545

The Government should then have closely inquired into the whole of these areas and, where possible, opened them to selection. If it was found, as it would be, that a perpetual lease tenure does not tend to selection, then the Government should have opened the lands to freehold tenure. I believe that the majority of this land would have been settled and that the railways would not have lost approximately £11,600,000 in nine years. The railways would probably have been paying now without any reduction in the employees' wages. It is a well-known fact that the rolling-stock is at present lamentably deficient. Although we hear from time to time that the Railway Department are building bodies and coaches they are unable to maintain the proportion of rolling-stock that is necessary.

When private enterprise is being taxed out of existence through legislation, it is obvious

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that people should begin to wonder if it is worth while indulging in such enterprises. Members of the Government have failed to show in any way that they are retaining and extending the wellbeing of the people of Queensland. They cannot offer any substitute for the present deplorable conditions. They talk by the mile about socialism, but no effective method of replacing discouraged private enterprise is forthcoming, and they cannot offer us anything definite to improve our position.

I suppose we must take State enterprises as a case in point.

The CHAIRMAN: Order! The hon. member has exhausted the time allowed him under the Standing Orders.

Mr. ROBERTS (*East Toowoomba*): I want, in particular, to draw the attention of the Treasurer to the fact that there is opposition to the Government's proposals. It can be understood that there is opposition at any time against increased taxation, but in this case there is strenuous opposition. I shall quote a paragraph from to-day's "Courier" embodying a protest from the president of the Toowoomba Chamber of Commerce, Mr. Yeates—

"STAMP DUTY INCREASE.

"A STRONG PROTEST.

"Toowoomba, 27th August.

"To-day the President of the Toowoomba Chamber of Commerce (Mr. Herbert Yeates) wired to the President of the Associated Chambers of Commerce strongly protesting against the proposed increase in stamp duty on cheques, and stating that arrangements have been made to wait on the Premier in regard to the matter at an early date. Speaking on the subject, Mr. Yeates expressed the view that the business community was already overtaxed, and stated that he thought it was high time the Government exercised economy instead of expecting to make up all the deficiency by extra taxation."

When we look at page 10 of the Treasurer's Financial Statement we must certainly agree with the Toowoomba Chamber of Commerce that the taxation of this Government is directed against industry. Whilst admitting that the large body of the people pay, we have to realise that our industries are in competition with the other States of the Commonwealth and also with countries overseas. It is not so much a question of who pays, but the fact that this excessive taxation is causing our industries to lose business. Table CI shows—

Taxation.	1914-15.	1923-24.
	£	£
Income Tax .. .. .	517,273	2,300,044
Stamp Duty .. .. .	321,404	685,528

The increase is due to a slight altering of the regulations and such like.

This taxation is largely paid by the general community of the State. We know that much of it is contributed by those who make their homes in the State. When they require their advances to build they have to execute a mortgage and pay stamp duty. This is one

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of the methods by which the Government get large sums of money contributed directly by those least able to pay it. It is astonishing how direct taxation on the people has increased, and this without services rendered.

In 1914-15 the Government took direct from the people £954,457, and in 1923-24 £3,617,201. It is wonderful that we should even be in the position that we are in to-day in face of that excessive taxation.

Then we come to the question of royalties. Here again we have an interference with the individual. The table sets out—

Timber royalties, etc.—

	£
1914-15 .. .. .	75,277
1923-24 .. .. .	223,137

Why is timber so dear? Because the Government are getting the greatest profit from our timber industry in Queensland. The milling people and merchants get a mere fraction of the profits in comparison with the direct royalty received by the Government.

Now let me give the total revenue of the State for the same two years—

	£
1914-15 .. .. .	7,202,658
1923-24 .. .. .	13,423,039

I am quoting this because the Financial Statement concludes with the words—

"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 two pence, in lieu of the sum of one penny presently chargeable on every such bill of exchange."

I want to support the views of the Toowoomba Chamber of Commerce and the other chambers of commerce throughout the State. We honestly believe that it is not in the best interests of the State to impose such taxation. The attitude of the Government with regard to railways proves this. On several occasions hon. members of the Opposition have contended that railway freights and fares have been increased. The Secretary for Railways and the Treasurer have tried to evade that accusation from time to time. In view of the present Financial Statement, they must admit that the railway freights and fares are going to be increased to the extent of £350,000. That increase will have to be met by the people of the State, and particularly by the country people and those engaged in our industries. I particularly mention this matter because the Treasurer, when appealing to the people in 1923, said—

"It is as absurd to expect the main roads of the State to show a profit as to demand paying railways."

What has happened to the Government? If permitted, I shall give several instances where the Government have tried to make those railways pay and failed. The Government have tried to run the railways under

certain conditions. They have tried to deny occasionally that they have increased freights and fares, and in 1923 the Treasurer tried to bolster up the position by saying that the railways should not pay. This morning, when the resolution submitted to the Committee by the Treasurer is agreed to, it will have to be admitted that the Government are going to increase freights and fares to the tune of £350,000 odd.

I want to touch on one or two other points in connection with the Government and in connection with the promises that have been made, particularly in regard to the promises made by the Secretary for Mines. I regret that that hon. member is not present, but I understand he is very close to Queensland at the present time. Ministers are in the habit of making statements that suit themselves, and these statements very often, unfortunately, are misleading while others are not correct, and there is no foundation for them. The first thing I have against the Government is their change in connection with mining. I do not know much about mining, but I do know that there was a time in this House when the Government which I was supporting were challenged with being connected with mining syndicates and swindling operations. I had sufficient confidence in the then members of the Government to believe that they were honourable and straightforward, and that they were not concerned in the accusations that were then being made. But it does appear to me that we might reasonably say that members of the present Government, if not directly financially interested, are speaking in the interests of mining syndicates and of the wildcat schemes that they used to criticise so much when they were sitting in Opposition. I have here a copy of the "Queensland Mining Journal" which contains an extract from a statement made in London by the Secretary for Mines. I take exception to that statement, and I can only assume that it was made in the interests of some company promoters. I understand that some of the Government supporters are largely financially interested in the Mount Isa proposition. As I say, I have had no experience in mining. I have never held a mining share in my life, and refused to accept shares on one occasion, but it does appear to me that these men are trying to unload and that this article in some way would help them to unload. Dealing with the Mount Isa proposition the "Queensland Mining Journal" on page 286 said—

"The Government have taken active steps to obtain all the information available, and a Public Works Commission was appointed to report to the Cabinet with regard to railway construction. The Commission has since recommended, that in view of the general belief in the permanency of the deposits a railway should be built forthwith to the new field, as the Commissioners are of the opinion that there will be sufficient ore available for transit to warrant construction. To this proposal Mr. Jones has given his cordial approval, and in this course he was no doubt influenced by personal conversations he had with Mr. Saint Smith."

I do not know why the Government have not denied that earlier. They have seen these

paragraphs, and they know that the Public Works Commission has made no such report, and I do not know why that should be published broadcast in London, or why it should appear in the "Queensland Government Mining Journal." I know that previously paragraphs have appeared in Government journals—I am now referring to the "Agricultural Journal"—which have been misleading and unreliable, and I heard the hon. member for Stanley state that he had gone to the men responsible for the publication and asked them to deny the published statement, but they had not had the courtesy to do so. This statement in the "Government Mining Journal" is another instance. I do not know who is responsible for it, but the statement is made, and it should have been denied by the Secretary for Mines. It should have been denied by the Government, and it certainly should not appear in the "Government Mining Journal." I have in my mind, too, that the Secretary for Mines told the electors of Paddington that, if he was returned to support the Government, within a short time there would be no unemployed in Queensland. That has not been accomplished. We do know that work, unfortunately, is much harder to obtain now than was the case in the past. I know that in Toowoomba a large number of men are out of employment. When the Premier was going through Toowoomba on his return from the old country a number of men desired to put their view before him, and I want to say here the same as I did to those men when they waited on me—that I did not think the time was opportune. They said it was a matter of importance to them, as they were out of work. I told them that, if that was so, I would send a wire to the Premier at their request, and I wired to the Premier to meet those men. Of course he replied—just as I told those men he would—that he would not be able to find the time. He afterwards wrote me a letter stating that there was certain work offering on the farms—the pulling of corn. Certain of the men were not prepared to take on that work. We have to realise that corn pulling is not permanent work. It probably lasts two or three weeks, and that is the end of the job. Unfortunately the legislation which the Government are putting on the statute-book does not encourage men to take up casual employment. These men say that they subscribe to the Unemployment Insurance Fund, and consequently, when they get out of work they are entitled to certain benefits. If a man is out of work and he applies for unemployment insurance, he is told that he has to report every week, and that in the third week he will receive a payment. Assuming that he has been two weeks out of employment, he will say, as I know has been said, "What is the good of taking on perhaps three or four days' work and miss the insurance payments? If I accept temporary work, I will do two things: first of all, I will lose my chance, possibly of a permanent job, because I shall have to go down to the bottom of the list; and in the second place if I remain out of work till next Tuesday or Wednesday I am entitled to the insurance payment through being out of employment. If I take a casual job and do a week's work then I shall have to wait another three weeks before I can get the Unemployment Insurance allowance." That is dangerous in the extreme. I said previously in this Chamber with regard to

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boys, and I now say the same in regard to a man—once you get a man or a boy into the habit of not working he is more inclined not to look for work. That is the unfortunate position. It seems to grow on them, and the legislation of the Government makes it possible for these men to remain out of employment longer than is necessary. I have on two occasions brought under the notice of the Secretary for Public Works the fact that men have gone into the country looking for work and have been refused the Unemployment Insurance allowance on their return. In one case in particular a man applied for work at a mill, and the manager said to him "If you come along at the end of the week, I shall probably be able to to give you a job, as I shall be starting the mill shortly, but have not had word from Brisbane." On the Monday he got word from Brisbane that they would not be starting the mill that week, and when this man who was looking for work got back to Toowoomba, he thought that his wife and children would be entitled to an allowance from the Unemployment Insurance Fund, but he was told he had not reported himself every week and he would have to wait another three weeks before he would get the allowance.

That was six weeks before that man got any insurance. They say that you cannot deal with a case like that because there would be so much imposition. I [11.30 a.m.] contend that the Department of

Labour could quite readily get over the difficulty—I could myself, at any rate. I have in my mind the old days of trade unionists in the old country, where men were expected not to wait about in the city for their allowance as paid by the unions, but had to go so many miles a day to look for work, naturally not at the union rate of payment but at whatever was offered. They had to look for a job. Those men at that time were contributing the money themselves without any Government assistance. Those were the days of unionism as I knew it, but to-day it is a different system, and that is the unfortunate position. What is wrong about the man in the case I have referred to reporting to the police in that particular district that he was there fully anticipating employment? The police would be in a position to know whether he was working, as they would see him in the district. Why should a man's children in Toowoomba or Brisbane not get the allowance in three weeks so long as the man had been ready to go looking for work which the Department of Labour could not supply him with?

Mr. DUNSTAN: A moment ago you said the giving of the allowance had a bad effect.

Mr. ROBERTS: I did not say that the giving of the allowance had a bad effect. The men are entitled to the allowance, and they, with the Government and the employers, are paying for it. What I said had a bad effect was the waiting for three weeks and not taking the job that was offered. The men are entitled to the money. A man has to pay a contribution, which is taken from him compulsorily whether he likes it or not.

Mr. WINSTANLEY: The regulations can be altered to deal with the matter.

Mr. ROBERTS: The law wants altering. The Department of Labour should be able to

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get over that and make allowance for the man who is getting a job.

While I am dealing with the Department of Labour I want to mention a matter which only came to my knowledge last night. I find that industrial laws are not being administered in the interests of the general body of the people. I was told on the tram last night as I was going over to South Brisbane that in regard to hairdressers the law does not apply in the city of Brisbane as I assumed it did, or in the city of Toowoomba. Up to a recent period the hairdressers in Toowoomba were permitted to work until 9 o'clock on Friday nights. That was a great convenience to the people in the city of Toowoomba.

Mr. RYAN: Not so convenient for the worker.

Mr. ROBERTS: My friend must realise that there are workers and workers—I am replying to the hon. member in the best of spirits. Various occupations have to be carried on, and it appears to me that there are some occupations which must be carried on at hours which are not just as we may desire. The men who are going to take on that industry in the interests of the general body of the people ought to consider those points before they enter that avenue of work. Medical men and chemists are likely to be called upon at all times to render service. I am not going to say that it is necessary for the hairdresser to be called upon at all times, but I do say that with the hours from 8.20 a.m. to 5.45 p.m. it makes it somewhat difficult for men to get the attention which is required in that particular calling, and we ought to give some consideration to the matter. What I am concerned about is that up to a certain period that consideration had been given in Toowoomba, where the hairdressers were opening their establishments until 9 o'clock on Friday nights. Then an order came along. (Government interjection.) I cannot catch the interjections of hon. members opposite, but, if they apply to me, I want to say that I was never in a hairdressing saloon beyond the present hours. We can see the way things are being hampered by legislation.

Mr. HANSON: Those hours are fixed by the award.

Mr. ROBERTS: I know they are; but why cannot they be altered? I want to show the injustice which is being caused. The Minister is not here, so I shall take the opportunity of bringing this before his notice. As I stated, I only got my information last night. This is a letter which I received on 17th April last from the Deputy Chief Inspector of Factories and Shops—

"In reference to your telephonic message relative to hairdressers in Toowoomba opening their shops after 6 p.m. on Friday nights, I have to advise having received a report from the Inspector of Factories and Shops at Toowoomba on the matter. In an Order in Council issued in 1917 hairdressing saloons in certain towns were made non-exempt shops under the provisions of the Factories and Shops Acts. The Factories and Shops Acts provide that shops can remain open until 6 p.m. on Monday to Thursday, inclusive, 9 p.m. on Friday, and 1 p.m. on Saturday. Under the

industry award governing shop assistants this is somewhat altered, and as there is an inconsistency between the award and the Factories and Shops Acts the provisions of the award prevail. Non-exempt shops under the award have to close at 6 p.m. on Monday to Friday, inclusive, and 1 p.m. on Saturday. It will be seen, therefore, that, as a hair-dressing saloon is a non-exempted shop, the hours above mentioned must be observed."

In view of that letter I do not understand the present position. They say that a hair-dresser's saloon is a non-exempt shop, and I am assuming that it ought to be a non-exempt shop in the cities of Brisbane and South Brisbane the same as at Toowoomba.

Mr. MOORE: It is.

Mr. ROBERTS: I do not know whether it is or not, but the administration is not the same. The statement given to me was that this applied within 2 miles from the General Post Office, and I said to my informant, "Did you say the General Post Office?" and he said, "Yes, within 2 miles from the General Post Office you can keep your shop open on Friday nights till half-past 8." That is a very small area so far as Brisbane is concerned. I do not wish to be misunderstood. I am not anxious that these places should close, because I realise the benefit they are to the community. I am not concerned with the men who are in the industry, but with the general body of people who want these conveniences and pay for them.

Mr. DUNSTAN: Are you speaking of one-man shops?

Mr. ROBERTS: I am not speaking of one-man shops; I am speaking of hairdressers in particular. I cannot say whether they are one-man shops or not.

Mr. DUNSTAN: Are you asking for the employment of labour on Friday nights?

Mr. ROBERTS: No. I have this letter before me which says that these shops are non-exempted shops. I want to know the difference. I have had a letter from the department which says these shops must close, and I have handed that to the hair-dressers at Toowoomba, and, much as they regret doing so, they have had to observe it. I certainly think it is sufficient justification for me to bring the matter before the Chamber to-day. We want some publicity to be given to the matter, and when these proposed alterations are being made by the department, the least we can ask is that these concessions should be made in the interests of the people. It will be a great convenience to the people in and around the suburbs of Brisbane.

I think that, if this Committee were able to express an opinion just as men representing constituencies, that is, according to their consciences, then the resolution which has been submitted to us in the Financial Statement would not pass. If the Government and the supporters of the Government carry their minds back to 1914-1915, when they came into office—remembering what they told the people of the State and recognising the failure of their administration, recognising the bad effects of their taxation methods and the absolute failures which have been made of

their State enterprises, as admitted by themselves—they must confess that on a free vote this resolution would not pass. But, unfortunately, under the pledge which they gave to the bodies they represent—remembering that they must go out of the movement if they give a vote according to their consciences—we are forced to the conclusion that the business of the country must continue in this deplorable condition.

At 11.42 a.m.,

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

Mr. ROBERTS: I heard the hon. member for Ipswich the day before yesterday talking about what the Government had done for the country by the establishment of the State butcher shops and the purchase of the cattle stations. I totally disagree with his statement. In the initiatory stages of the Government's establishment of those shops business men who had sunk thousands of pounds in the industry were ruined by the drastic treatment which they received, and in these later days the prices charged by the State shops have always been quite as high as those charged by the private individuals. I saw a paragraph in a Rockhampton newspaper last week pointing out that, whereas there were seven State shops in that town, six of them have been closed. What has gone wrong? Are they beginning to realise that they are losing too much money? What has gone wrong in Toowoomba? I remember the Butchers' Federation making a special trip to Toowoomba, and statements being made that shops would be opened east and west and north and south. Two of those shops were opened, but they have been closed. The Government are now depending on private individuals to distribute their meat, and besides that, they are paying rent for some of their premises.

Then there are many other matters on which we might criticise the Government. Take the question of unemployment. It does not matter what part of Queensland you go into to-day, you find a large amount of it. What steps have the Government taken to alter the position? I have here a statement the Premier made before the last election at Toowoomba. The "Darling Downs Gazette" of 23rd April, 1923, reports him as having said certain things about the Willowburn railway works—a work which is of importance in the interests of the whole of the State. We find that active work is only carried on there for two or three months before an election—we have had two of them now—whilst a week or two afterwards there are only sufficient men on it to close up the job. This is the second occasion on which that has happened, so that I think I am quite justified in calling attention to it. The Premier said on the occasion I refer to—

"With regard to Toowoomba, the Government never had been niggardly; the Government had always been prepared to do the fair thing for the metropolis of the Downs. Mr. Brennan had always been on the doorstep asking for something for Toowoomba, and he had always a sound case. The new works at Willowburn had been commenced. Some foolish people said that this was an election stunt."

It seems to me that some others were foolish;

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they were trapped. The Premier went on to say—

“But I give you my word, as the head of the Government, that the work is going on to completion.”

And yet, when I asked a question a few days ago about those same railway works, I got a very different reply. I asked the Secretary for Railways the following questions:—

“1. What is the cost to date of the railway works at Willowburn?”

“2. What proportion of such amount is interest?”

“3. What number of men are at present employed on this work?”

“4. When will the works be completed and used for the purposes intended?”

To those questions he replied—

“1. £74,105, including land resumptions.”

“2. Nil. Interest is not capitalised.”

“3. Nine.”

“4. I am unable to say definitely.”

There is a contrast. Prior to the election there were probably anything from 160 to 200 men on the job. Now the number is brought down to nine. Mr. Theodore, speaking on the eve of an election, said—

“I give you my word that the work will be continued and completed.”

Mr. Larcombe, as Secretary for Railways, on the 6th August of this year says, when he is asked when the work will be completed,

“I am unable to say definitely.”

This is an instance of the unfortunate position that we are in regarding our public works. Work is started just as it suits the Government, to get some popularity or increase their voting strength where they fear a defeat. They actually buy their elections. I say that in that respect we are quite justified in saying that, if the men in this Chamber were free to give an untrammelled vote on this occasion, the resolution submitted by the Premier would not be allowed to pass, because in every particular the Government have failed. They started fish shops at huge expense. They have closed them. They bought cattle stations, and I remember the statement of the Premier some time ago, when he was touring North Queensland just prior to the election, that a mistake had been made in the matter of their deal in cattle stations. Whether he is prepared to stand to that admission I do not know. I have seen it reported—he did not deny it—and I have used it accordingly.

At 11.51 a.m..

The CHAIRMAN resumed the chair.

Mr. ROBERTS: There is another point. Other hon. members on the Government side very often quote extracts from “Hansard” to show what members of the Opposition did when on the other side.

Perhaps it would not be out of place this morning to quote what certain people think of the Government. Before I do that, I would like to extend my sympathy to the unfortunate detective who I understand almost lost his life in the execution of his duty last night. I trust that that officer will continue to make good progress and will be restored to health again. (Hear, hear!) I recognise that in the Queensland Police Force we have a fine body of men always ready to do their duty when called

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upon. Last night was another example of that. Fortunately the Queensland police have not been called upon to deal with a wave of crime such as we see in other States. We should consider ourselves fortunate that we have not got into that position, but I am satisfied that, with the stamp of men in our police force, they will cope with the situation in the same way as they carried out their duty last night. The interests of the country will be considered. The police have a peculiar duty as compared with other public servants. They are called upon to do most unpleasant work which sometimes endangers their lives, but they do that work without any hesitation whatever. Consequently we should do our utmost for those who are prepared to do their best in protecting the life and property of the community. I trust that Detective McLean's life will be spared for many years to come. (Hear, hear!) The “Queensland Police Journal” of 21st instant said—

“Everybody knows that the Queensland Government blundered badly a little while ago regarding certain cotton legislation, because they mulishly refused to listen to the persons mostly concerned in that industry. They have made a similar blunder on this occasion by refusing to entertain the very reasonable requests of the vast majority of the rank and file of the police. Evidently the latter are of infinitely less importance than the commissioned officers, and it is galling in the extreme to have to watch the deadly grip the brass hats have on the present Minister. There is nothing in common between him and most of those men. They hate him in their hearts, and if opportunity offered tomorrow, would like to see the end of him. In fact they would be the first to welcome in a different brand of Government, and in doing so would be very careful to tell how they helped to defeat those horrid Labour fellows.”

Mark the words, “In fact they would be the first to welcome in a different brand of Government.” Certainly times are changing, and evidently the minds of men are beginning to change. I do not wish to influence these men, because, after all, I do not know that we could do all that the police force of Queensland expect if we were in power. I do not want to make any remarks this morning to influence them or to anticipate anything in a certain direction. The statement I have quoted is not my own, but is that of one who believes it to be in the interests of his fellows. I do not say that it is backed up by the whole of the police force of Queensland, but it shows the change of opinion, and if the “Police Journal” has any force—I assume it has—then the police will consider the position. The hon. member for Rockhampton, during this session, made certain remarks concerning the conditions of the police. The same issue of the “Police Journal” reproduced the report by the hon. member for Rockhampton as contained in the “Daily Standard,” and said—

“It was the Labour Government that enabled the police to form a union and go to the Arbitration Court, and they had got increased wages and better conditions. Mr. Farrell quoted figures to show that the pay of constables to senior sergeants had been made bigger from 1915 to 1924 by 50 to 66 per cent., rent allowance had increased 100 per cent.,

plain clothes allowance 50 per cent., leave had been doubled, and additional six months given on retiring. The superannuation scheme was the best in Australia."

Further on, the same journal said—

"Quite true, the wages and certain allowances of the Queensland police have been increased in the manner stated by the member for Rockhampton, but in case he and his colleagues are not aware of the fact we take this opportunity of stating that the police wages and allowances in New South Wales, South Australia, and Victoria have advanced to a considerably higher level than those in Queensland, although before the war the police of this State compared favourably with the highest in Australia. Another phase of the question which may be of interest to dust-throwing politicians is that when the Police Union approached the Arbitration Court, in July, 1921, for an increase in pay, which would place them on the basic wage level, Mr. Farrell's benevolent colleagues brought forward an embargo which precluded police from getting the Queensland basic wage. Will the Rockhampton fogleman kindly tell us whether he stands for the police to be placed on a basic wage of £3 17s. whilst every other worker gets £4?"

Mr. FARRELL: Is that by Mr. Talty?

Mr. ROBERTS: That seems to be a fair statement. The journal further said—

"Mr. Farrell is, indeed, unfortunate in having stated that the Queensland police superannuation scheme is the best in Australia. Doubtless the scheme has some admirable features, and same are fully appreciated. At the same time, it is well to remind misleading politicians that our Superannuation Act cannot compare with the New South Wales or Victorian Acts in the main. For instance, the Queensland men contribute 5 per cent. of their total pay towards the maintenance of a superannuation fund, whereas the Victorian men pay only 2½ per cent., and the New South Wales men 3 per cent. The Queensland Act permits of members of the force remaining on active service indefinitely, whilst in Victoria the retiring age of constables and sergeants is fixed at fifty-five years, and officers at sixty, whilst in New South Wales all police are compulsorily retired at sixty. The allowance to widows and orphans in Victoria and New South Wales is far superior to that obtaining in Queensland, and so are the retiring allowances for superannuated members of the force, as will be seen by the following figures:—

"New South Wales: Three-fourths pay at time of retirement.

"Victoria: Two-thirds pay at time of retirement.

"Queensland: A maximum of £250 after forty-one years' service, irrespective of rank or grade."

While I was reading that, I think I heard the hon. member for Rockhampton say, "Is that by Mr. Talty?" I am prepared to admit that it was probably written by Mr. Talty, though I do not know; but Mr. Talty has just as much right to make that state-

ment—it must be correct—as the hon. member for Rockhampton has to make a statement which he thinks is going to have some influence with the police at Rockhampton, and which is not the truth.

Mr. FARRELL: Nobody says that Mr. Talty is a liar.

Mr. ROBERTS: I am just as much entitled to quote Mr. Talty, and he has just as much right to make that statement in the "Police Journal" as the hon. member for Rockhampton has to make the statement he did in this Chamber.

Mr. FARRELL: Provided he sticks to the truth.

Mr. ROBERTS: I am satisfied that he has stuck to the truth.

Mr. FARRELL: It is a wonder that Mr. Talty did not take that to the "Courier."

Mr. ROBERTS: I am not satisfied with the hon. member as a representative in this Chamber. (Government laughter.)

The SECRETARY FOR PUBLIC WORKS: A lot of people are not satisfied with you.

Mr. FARRELL: Apparently they are satisfied in Rockhampton.

Mr. ROBERTS: The hon. member for Rockhampton suggests that I am satisfied with anything. I am not.

Mr. FARRELL: I did not twist from a Labourite over to a Tory.

Mr. ROBERTS: There is the same old tale. "Twisting" is, perhaps, a good word. This morning I have devoted some twenty minutes to showing how the Government have twisted on the promises that they made prior to the elections. I want to [12 noon] remind the hon. member for Rockhampton that I did not twist after coming into this House. If there was any twisting done, it was before I came into Parliament, and the people of Toowoomba knew definitely the conditions under which I entered Parliament.

Hon. W. H. BARNES: They have also sent you back with increasing majorities ever since.

Mr. ROBERTS: That is so.

Mr. MOORE: You did not make misleading statements in order to be returned.

Mr. ROBERTS: The statements I am making, and have made, I believe are true.

Mr. FARRELL: My statement was true.

Mr. ROBERTS: I regard the business of Parliament too seriously to allow the thought of how many votes I may get to enter my mind before I make a particular statement. I am not criticising the Government because of any desire to speak. It is because I honestly feel that words of mine are not sufficient for the criticism they deserve. I regret that we have not as yet been able to get the great body of people to see the injury the Government are doing to the State in their administration.

When I rose to speak I drew the attention of the Committee to the increase that the Government propose to make in the stamp duties. I have made inquiries as to how these increased duties are likely to affect various parties. I have one suggestion which I ask the Treasurer to consider, because I have had quite enough experience in Parliament to know that this resolution will pass, no matter how strong the criticism is

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from this side of the Chamber. Hon. members had evidence a few days ago of a difference of opinion in the ranks of the Government party owing to certain actions of the Treasurer. Hon. members now recognise that the incident has passed for the time being and the Treasurer is still supreme. We also quite recognise now that this vote will pass. The suggestion I have to make to the hon. gentleman is in connection with our hospitals. One must recognise the large outgoings of those institutions. In the course of the year they use a large number of cheques. The Liberal Administration granted a concession to friendly societies with respect to stamp duties, which enabled them to issue their cheques free of stamp duty. There is justification for the Government of the State thus assisting friendly societies, and, if they grant this concession to friendly societies, I cannot for the life of me see how they can withhold it from our hospitals. I hope that the Treasurer will be able to grant this exemption from stamp duty. It is only a small matter to the State, but to a number of the hospitals it means a very large sum of money. I place the suggestion before the hon. gentleman in all sincerity, and in the hope that he will agree to it.

Question—Increase of stamp duty on cheques—put and passed.

The House resumed.

The CHAIRMAN reported that the Committee had come to a resolution, and asked leave to sit again.

The resolution was ordered to be received to-morrow.

## GOVERNMENT LOAN BILL.

### SECOND READING.

The TREASURER (Hon. E. G. Theodore, *Chillagoe*): There is very little difference in this Bill compared with similar proposals introduced in previous years. Governments, of course, have to seek the authority of Parliament before they can place loans on the market. Every loan issued has to have statutory authority. In due course that authority is exhausted by periodical recourse to the money market. The next step, therefore, is to seek further statutory authority. The provisions of this Bill are tightened up here and there with respect to some matters which experience of loan issues has shown the necessity for. For instance, the Government have found that some little amplification is necessary in clause 12 in relation to the conditions of sinking funds. Sinking funds might be used for the purchase of stock and bonds on the market as well as for the present security of the trustees. No hon. member would object to that.

Since the resolution on which this Bill is founded was adopted by the Committee of Ways and Means, there have been some very absurd newspaper criticisms and attacks on the Government in regard to the proposal itself. The newspaper critics misunderstand the necessity for a Loan Bill of this kind, its purport, and the authority which is conferred under it. There have been sundry references to this authority, and the statement has been published that it will mean a wild orgy of expenditure on the

part of the Government. Another section of the Press contends that the introduction of this Bill is a flouting of the decision of the Loan Council, which was the agreement arrived at between the Treasurers of the States and the Commonwealth.

It is quite obvious that the critics and the outside Press have not understood what is involved in the proposal now before the House. I think the leader of the Opposition himself will be under no delusion or misapprehension, nor is there any justification for members of Parliament generally to be under any misapprehension with regard to the measure. Any hon. member who has been in Parliament for a little time knows that it is necessary for the Government to seek legislation to supplement their authority to issue loans to the market. That is all that this measure does. It secures statutory authority to the Government to continue issuing loans as the necessity arises. It does not authorise the expenditure of the money which would be raised in that way. The passing of a Bill of this kind to raise the £9,000,000 that is needed does not give authority to expend that money. That expenditure has to receive the authority of Parliament by means of an Appropriation Bill.

At one time such Bills as this did include the authority to expend the money raised, and it was customary in those Bills to set out in detail the purpose of the loan that was being raised. No other authority was required. That system has been altered for many years. Now no authority to expend the money is given under a Loan Bill—it is merely an authority to raise the money.

Perhaps, while I am on that point, I ought to refer to a greater extent to the change of practice which was in force some years ago in regard to embodying in a Loan Bill the details of the proposed expenditure. Not that there has been very much criticism on the matter. I think the unwisdom of pursuing such a policy as existed previously is fairly obvious. I think it is far wiser that an annual appropriation should be made.

Mr. MOORE: You do not stick to your annual appropriations.

The TREASURER: Sometimes they are exceeded, owing to unforeseen expenditure, but authority for that unforeseen expenditure has to be obtained from Parliament. Every item of expenditure has to be covered by an appropriation. It is true that sometimes an amount appropriated for a certain purpose is exceeded and a supplementary appropriation is necessary.

Mr. MOORE: It is also true that other amounts that are appropriated are not used.

The TREASURER: That often happens, too. No one can gauge exactly what may arise in the course of twelve months. It is difficult to estimate the exact requirements, because the loan expenditure has to be under separate headings. It is not taken as a lump sum. If it were taken as a lump sum, the position would be made very much easier from an appropriation point of view. It is distributed under separate votes, and one may be exceeded while another may not be used at all. That procedure necessitates additional appropriations, and that is dealt with by Supplementary Estimates. The main thing is that there is a far better control under the present system than existed

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when the authority to raise and to expend money was all included in the Loan Bill.

Originally the authority to raise the money was granted by a statutory proposal, which also granted authority to expend, and it was for that reason that all the details were given. Often the particular work specified in the details set out in the schedule was not carried out, and so there occurred an unexpended loan balance which could not be used for any other purpose. The Government then had to introduce a diversion Bill to divert the funds raised to some other channel, or to obtain authority to enable them to use funds for some other purpose not previously specified.

Mr. MOORE: That prevented them using the money for unforeseen expenditure.

The TREASURER: The same thing exists to-day. No expenditure can be incurred without authority being sought prior to or immediately after the expenditure. Hon. members seem to be labouring under the impression that there is something wrong in that. For my own part as Treasurer—and I suppose that applies to any Treasurer—I am quite willing to allow of the principle being established that no vote is to be exceeded under any circumstances. The first to cry out would be those hon. members whose districts were affected. How can any engineer, say, of the Railway Department, or head of a department, estimate precisely the money to be expended during the next twelve or fifteen months? For the estimate is usually for about fifteen months ahead. The Estimates are prepared months before the commencement of the financial year, and the person responsible has to estimate the expenditure until the end of June of the following year. No one can be sure that his estimate will not be exceeded unless he asks for so large an amount that he is certain not to exceed it, and that would be only inflating the Estimates. The hon. member for Albert rather derisively scouted the suggestion that parliamentary approval has to be sought for supplementary expenditure. Does the hon. gentleman think that that is an innovation of this Government? I believe that during his term of office as a Minister the department administered by him was one of the worst offenders in exceeding the estimated expenditure. I am sure he is under no such delusion.

Hon. J. G. APPEL: The amount of unforeseen expenditure under previous Administrations is not comparable with the amounts under the hon. gentleman's Administration.

The TREASURER: I am sure the hon. gentleman does not know what he is talking about. I know that it is comparable not only in principle and in essence, but in some years comparable also in the amount. The hon. gentleman's department was one of the worst offenders.

Hon. J. G. APPEL: I admit that.

The TREASURER: However, there is no need to wrangle. The point raised is that there is greater control under the present system than when the Loan Bill granted authority not only to raise but to spend the money. Now it is necessary to have special Acts of Parliament to authorise both the raising and the expenditure of the money. The expenditure is covered by an Appropriation Bill. I mentioned incidentally that the old system of detailing amounts led to accumulations of unexpended balances, which could not be used for any other purposes.

An inspection of the Auditor-General's statements and of the financial tables, will show that these amounts were shown periodically. Details were published showing that the moneys were raised under the authority of Loan Acts for the building of certain works, which in some cases have never been commenced and in other cases have not been completed. Take the Via Recta, for instance. A large sum was borrowed for that purpose and the work was not completed. The money raised was not expended. There is no harm in that, but it shows the drawbacks of the old system.

The newspapers seem to have become very much alarmed at this proposal—

Hon. W. H. BARNES: They seem to have irritated the hon. gentleman a bit.

The TREASURER: No, but I want to put them right. If any hon. members think like that, I want to put them right. If the hon. member for Wynnum thinks they are right, I shall direct some remarks to him. I ask the hon. gentleman whether he agrees with the newspapers about this amount that is to be raised?

Hon. W. H. BARNES: The Speaker does not allow a dialogue. (Laughter.)

The TREASURER: The Speaker allows an interjection. There is no reason why I should feel, as the hon. member says, irritated or the least concerned about the criticism, beyond the concern I have to put the newspapers right as well as to put right those hon. members who think the newspapers' criticism is correct. The suggestion is that the amount asked for is outrageous; that it is a monstrously large sum, and that this is not the proper time to pilot this Bill through the House; that it is flouting the Loan Council; that it is doing all kinds of things. These are simply the criticisms of persons who do not understand the situation.

Hon. W. H. BARNES: "By their works ye shall know them."

The TREASURER: I am criticising them by their works. For many years past every Act passed by this House seeking authority to raise new money, with one exception, has covered an amount similar to the amount covered in this Bill—something over £9,000,000. A similar amount was included in the Loan Acts as far back as 1910. The 1910 Loan Act authorised the borrowing of £9,991,000. The hon. member for Wynnum will remember quite well that it was referred to in that year as "Kidston's £10,000,000 Loan Bill."

Hon. J. G. APPEL: The expenditure was specified.

The TREASURER: The works for which the money was to be raised were specified, but the money raised was not always expended on the works specified. It was spent for other purposes, and the specification of the works in the Loan Acts had really become a farce, and this system was discontinued in 1918. In 1914, when the next Loan Act was passed, the amount specified was £8,245,000. In 1918, when the next general Loan Act was introduced, the amount specified was £9,847,000; and in 1921, when the last Loan Act was passed, the amount specified was £9,185,000. That shows that it has been the custom to ask for authority to raise up to an amount of about £9,000,000. In the earlier years, £9,000,000 was spread over a longer period than it is now. I suppose the £9,000,000 which we are now asking for authority to

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raise will cover the necessities of the Government for three years; possibly for a less period, but certainly not for more than three years. The following table shows how the amount authorised by the Government Loan Act of 1921 was raised:—

## LOAN ACT OF 1921.

## Statement Showing Amounts Raised, Proceeds, Net Produce Per Cent., &amp;c.

Amount of Loan Act .. .. .	£9,185,915
Balance Unissued .. .. .	1,150,628
Amount Issued .. .. .	<u>£8,035,287</u>

Nature of Issue.	Date of Issue.	Amount of Issue.	Gross Proceeds.		Charges, &c.		Net Proceeds.		Net Proceeds Per Cent.		Nominal Rate of Interest Per Cent.		Interest on Net Proceeds Per Cent.		Date of Maturity.	Holders.
			£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.		
AUSTRALIA.																
Bonds and Inscribed Stock	Jan. 1922	343,750	343,750	0 0	7,996	18 2	335,753	1 10	97	13 6	6	10 0	6	13 1	31 Jan., 1936	Public
Bonds and Inscribed Stock	Feb.-June and Sept.-Dec., 1923	2,274,790	2,274,790	0 0	15,910	16 6	2,258,879	3 6	99	6 0	5	10 0	5	10 9	1 July, 1938	Public
Bonds and Inscribed Stock	Aug.-Oct., 1923	333,730	333,730	0 0	2,376	13 2	331,353	6 10	99	5 9	5	5 0	5	5 9	1 Jan., 1934	Public
Debentures .. ..	June, 1923	50,000	150,000	0 0	1,276	7 8	148,723	12 4	99	3 0	5	5 0	5	5 11	1 July, 1926	Public
Inscribed Stock ..	June, 1923	100,000														
Instalment Inscribed Stock	Jan., 1922	411,850	411,850	0 0	..	..	411,850	0 0	100	0 0	4	10 0	4	10 0	Half-yearly to 1 Jan., 1947	Commonwealth Bank
AMERICA.																
Bonds (\$12,000,000) ..	Oct., 1921	2,466,091	2,965,143	4 4	102,438	2 1	2,862,705	2 3	116	1 8	7	0 0	6	0 7	1 Oct., 1941	Public
Bonds (\$10,000,000) ..	Feb., 1922	2,055,076	2,174,244	16 9	85,151	10 5	2,089,093	6 4	101	13 1	6	0 0	5	18 1	15 Feb., 1947	Public
..	..	8,035,287	8,653,508	1 1	215,150	8 0	8,438,357	13 1	105	0 4	..	..	..	..	..	..

It was rather an unusual circumstance for a loan to produce a larger amount than the par value of the stock issued after expenses and other charges in connection  
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with the flotation were paid. As a matter of fact, there was a profit made on the conversion of the dollar to the pound sterling. At the present time there remains authority to issue only £1,043,314. The amounts available for issue under the various Loan Acts at the present time are—

LOAN ACTS.	
<i>Amounts available for Issue under the various Loan Acts.</i>	
Loan Act of 1914—	
Redeemed, but available for re-issue . . . . .	543,031
Loan Act of 1918—	
Redeemed, but available for re-issue . . . . .	72,000
Amount not yet sold . . . . .	3,757,655
Loan Act of 1921—	
Amount not yet sold . . . . .	1,150,628
	4,480,000
<i>Less—</i>	<i>£5,223,314</i>
Amount required for advances from the Commonwealth Government for which Securities have not as yet been issued, viz.:—	
Advances under agreement of 1915 for which the Commonwealth was to raise a loan . . . . .	£1,490,000
Advances received in 1924 on condition that we kept off the market until June, 1924 . . . . .	1,250,000
Amount to be advanced in terms of Loan Council Agreement . . . . .	1,340,000
Amount advanced for Loans to Local Authorities . . . . .	400,000
	4,480,000
Leaving only available for Issue . . . . .	£1,043,314

It might be asked—indeed it would have been pertinent to some of the points raised in the discussion on the Financial Statement had hon. members asked—in what manner the money raised under the authority of the Government Loan Act of 1921 had been expended. In listening to the discussion of the last few days, one would think that this money had been squandered on all kinds of wild-cat schemes, foolish State enterprises, and in an orgy of extravagance. These are the terms used by the hon. member for Albert and by other hon. members on that side.

Hon. J. G. APPEL: They were justified, too.

The TREASURER: They were not justified. I will give the details showing how the money raised under the Loan Act of 1921 was expended—

LOAN ACT OF 1921.	
<i>Statement showing the expenditure charged to the Government Loan Act of 1921.</i>	
	£
Railways . . . . .	3,876,764
Agriculture . . . . .	30,845
Chillagoe and Etheridge Railways Act . . . . .	99,741
Flood and Cyclone Restoration . . . . .	3,087
Forestry . . . . .	125,235
Harbours and Rivers . . . . .	683,460
Land Resumptions . . . . .	256,856
Loans to local bodies . . . . .	1,027,155
Main Roads . . . . .	771,690
Public buildings . . . . .	508,364
Retirement of Treasury Bills . . . . .	1,124,750
Sugar Mills . . . . .	41,328
State Enterprises . . . . .	139,651
War gratuity bonds, Cashing of . . . . .	54,192
Water Supply . . . . .	456,848
Wheat storage sheds . . . . .	49,727
Workers' homes . . . . .	133,436
	£9,185,915

And they say that the reason for the increase

in the public debt in Queensland, the reason for the largely increased interest bill, the increase per capita interest payments, and the dreadful financial chaos which they pretend exists in Queensland is the result of the expenditure of this money on State enterprises and wild-cat schemes. Of the £9,185,915 raised under the 1921 Loan Act only £139,651 was expended on State enterprises, and this amount is represented by assets.

Hon. W. H. BARNES: What about the Trust Funds?

The TREASURER: I am speaking about the authority to raise new capital in Queensland under the Loan Act of 1921—the raising of funds under which has led to the increase of the public debt, which has been criticised by the hon. member. How did we increase this public debt? Where is this squandered money? Hon. members have been either blind or purblind and have been unable to see the real nature of the expenditure, and have attributed all kinds of evils to causes that do not exist in any sense.

I want to examine this question of the public debt. Practically every hon. member who has spoken on that side attributed tremendous blame to this Government for the increase in the public debt. They place the whole responsibility for the increase of the public debt since 1915 on our shoulders, and they say that that great increase in the public debt is due to extravagance and financial mismanagement. The smaller fry of the Opposition speaking this morning reiterated that foolish statement. I want to show what the present position is as compared to the position in 1915, and the increase of the public debt in this State as compared to the increase in the other States, and I ask hon. members to say then whether their charges are sustained in any sense. A comparison can be made up till June of last year, which are the latest figures available for all the other States. When we came into office in 1915 the public debt of this State was £56,859,000.

In June last year the public debt of Queensland was £88,000,000, but in that apparent increase from £56,000,000 to £88,000,000—and I have pointed this out time and again to members of the Opposition, but they are not honest enough to acknowledge or take any notice of it—there is a sum of £5,238,000 which was in 1915 a floating debt, and which was funded upon the transfer of the Government Savings Bank to the Commonwealth. That was not shown in the debt in June, 1915, but it has been shown in the debt ever since the Government Savings Bank was transferred. It was a floating debt, and just as much an obligation upon the people of Queensland and the Government as any part of the public debt, but it was not included in the figures with regard to the public debt in 1915. I have mentioned that on more than one occasion, yet hon. members opposite keep on reiterating the statement that the present Government are responsible for the increase in the public debt from £56,000,000 to £88,000,000, without taking notice of that funding of the public debt. Is that an honest argument? I ask hon. members opposite how many times they have raised it again and again, although their attention was called to the fact that that funding of the public debt was not included

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in the figures they quote, but they have not acknowledged it, either from ignorance or with deliberate dishonesty, in their attacks upon the Government. However, the increase

was £31,000,000 in that period, including that £5,233,000 floating debt which was funded. The position in various States during that period is shown by the following table:—

*Statement showing the Public Debts of the various States at the 30th June, 1923 (latest figures available), as compared with the 30th June, 1915.*

Name of State.	Amount of Debt, 30th June, 1915.	Amount of Debt, 30th June, 1923.	Increase.
	£	£	£
Queensland .. .. .	56,869,046	*88,005,001	31,135,955
New South Wales .. .. .	127,735,405	197,936,092	70,200,687
Victoria .. .. .	75,085,927	118,562,029	45,476,102
South Australia .. .. .	35,081,623	65,451,873	30,370,250
Western Australia .. .. .	37,022,622	58,485,555	21,462,933
Tasmania .. .. .	13,153,046	22,438,091	9,305,045
All States .. .. .	342,925,669	550,878,641	207,952,972

\* This includes an amount of £5,235,931 floating debt, which was funded upon the transfer of the Savings Bank to the Commonwealth Bank. The amount is not shown in the debt at 30th June, 1915. After allowing for this sum the increase per cent. works out at 45.5.

You may say that that does not give a true view of the position because of the larger population in the other States. Let me give the percentage increase in public indebtedness, notwithstanding that we funded a part of the public debt incurred by the previous Government, and it will be found that the percentage increase in the public debt has been the lowest in Queensland—

	Percentage Increase.
	Per cent.
Queensland .. .. .	54.7
New South Wales .. .. .	54.9
Victoria .. .. .	62.2
South Australia .. .. .	86.6
Western Australia .. .. .	57.9
Tasmania .. .. .	70.8

The average for all Australian States is 60.6 per cent., while for Queensland the increase is 54.7 per cent., notwithstanding that we include that funding of the public debt. If we excluded that funding—which would be a fair thing to do to get a fair comparison—the percentage increase in Queensland would be 45.5 per cent., as compared with 60.6 per cent. for the whole of Australia.

Mr. KERR: But that does not indicate anything, unless you can show the return you are getting.

The TREASURER: It indicates the rottenness of the argument used by members of the Opposition. Can hon. members opposite continue to say that the increase in the public debt is the result of financial mismanagement and extravagance, and of an orgy of extravagance on the part of the present Government?

*Statement showing the amount of interest paid on the Public Debts of the various States for the year 1923 as compared with 1915.*

Name of State.	Interest Paid 1915.	Interest Paid 1923.	Increase.	Increase Per Cent.
	£	£	£	
Queensland .. .. .	1,975,581	3,860,045	1,884,464	95.4
New South Wales .. .. .	4,125,600	9,418,959	5,293,359	128.3
Victoria .. .. .	2,382,904	5,574,693	3,191,789	133.9
South Australia .. .. .	1,207,937	3,124,937	1,917,000	158.7
Western Australia .. .. .	1,287,860	2,557,748	1,269,888	98.6
Tasmania .. .. .	456,099	1,091,975	635,876	139.4
All States .. .. .	11,435,981	25,628,357	14,192,376	124.1

[Hon. E. G. Theodore.]

Mr. KERR: No; we say that the position is shown in the return you are getting—that is the trouble.

The TREASURER: Some hon. members opposite made a specific charge a day or two ago. They said that, because of inept management or administration, we are paying more for our money than any of the other States, and they actually quoted figures which it is obvious to me they did not understand themselves. I want to give the position with regard to that. First of all, I want to show the increase in the interest bill—this is a thing which has been harped upon by the hon. member for Wynnum and other hon. members opposite.

Hon. W. H. BARNES: Yes; and I will harp upon it again.

The TREASURER: I hope the hon. member will harp upon it with figures that are correct. The interest on the public debt of Queensland in 1915 was £1,975,000, and at 30th June, 1923, the amount was £3,761,140, an increase of £1,786,140, or 90 per cent. As far as that goes the hon. member's figures are correct—the figures are given in the Financial Statement. Everyone knows what an alteration there has been in regard to the interest on the public debt, and the percentage increase can be worked out as 95 per cent. Does that show that in Queensland we have been particularly extravagant and guilty of all the charges made against us by the Opposition? If it does, you would naturally expect that in Tory Victoria and Tory New South Wales and in the other States the position would not show a similar drift and a similar increased percentage of the interest bill as compared with 1915. I wish to quote the following:—

Queensland has the smallest increase in the interest bill in the whole of the States of the Commonwealth. Hon. members opposite say that the actual average rate of interest is higher in Queensland because of bad government, because of the "Repudiation Act." and all other kinds of things that they charge us with. The facts are entirely opposite when you compare our position with

that of the other States. When we came into office we were paying an average rate of £3 16s. 2d. per cent. on all loans. I quote the following statement taken from the "Quarterly Summary of Australian Statistics," showing the average rates of interest payable by the various States for the year 1923, as compared with the year 1915:—

Statement taken from "Quarterly Summary of Australian Statistics," showing the average rates of interest payable by the various States for the Year 1923, as compared with 1915.

Name of State.	Average Rate Per Cent. Payable 1915.	Average Rate Per Cent. Payable 1923.	Increase in Average Rate.	Increase Per Cent. in Average Rate.
	£ s. d.	£ s. d.	£ s. d.	
Queensland .. .. .	3 16 2	4 7 9	0 11 7	15.2
New South Wales .. .. .	3 14 0	4 15 2	1 1 2	28.6
Victoria .. .. .	3 12 5	4 14 0	1 1 7	29.8
South Australia .. .. .	3 14 0	4 15 6	1 1 6	29.05
Western Australia .. .. .	3 12 7	4 7 6	0 14 11	20.5
Tasmania .. .. .	3 15 2	4 17 4	1 2 2	29.5
All States .. .. .	3 13 11	4 13 0	0 19 1	25.8

The increase in the average rate of interest on the public debt of Queensland since 1915 is less in Queensland than in any other State of the Commonwealth. What becomes of the charges of hon. members opposite? It is quite apparent that the leader of the Opposition is afraid to open his mouth.

Mr. MOORE: It is a wonderful argument, but there is nothing in it.

The TREASURER: Hon. members opposite say that because of bad government we have had to pay a higher rate of interest than anyone else. I have shown that we are paying the lowest increased interest rate in Australia, and the hon. member says there is nothing in it. All I can say is that I do not think that the hon. member can get around these figures, which are taken from the "Quarterly Summary of Australian Statistics"—

*Increase per cent. in average rate.*

Queensland .. .. .	15.2
New South Wales .. .. .	28.6
Victoria .. .. .	29.8
South Australia .. .. .	29.5
Western Australia .. .. .	20.5
Tasmania .. .. .	29.5
All States .. .. .	25.8

Mr. KERR: They are for different amounts.

The TREASURER: Of course, they are for different amounts.

Mr. KERR: They are borrowing more money than we are.

The TREASURER: I am taking the average rate on the total indebtedness of the various States. Hon. members opposite said we were paying a higher rate because of our bad government, but when I show that we are paying a lower rate than any other State in Australia, what do they say?

Mr. KERR: They have borrowed more at a higher rate of interest than we have.

The TREASURER: Your party say that we have borrowed most.

Mr. KERR: We have never said that.

The TREASURER: It is going to be very difficult for hon. members opposite to get round the percentage increase. I have shown

that the average rate of increase in Queensland has been 11s. 7d. per cent., compared with £1 2s. 2d. per cent. in Tasmania. Let me repeat the percentage increases, as compared with 1915. The average increase for Australia is 25.8 per cent., but in Queensland it is only 15.2 per cent.

I want to know what members of the Opposition have got to say now in support of the wild charges which have been made about Queensland having a tremendously increased rate because of bad government. As a matter of fact, we show the smallest increase of all the States since 1915. Can they argue that because in 1915—

Mr. MOORE: We are not going to argue at all on a fallacious basis such as that.

The TREASURER: Where is the fallacy in that basis?

Mr. MOORE: If New South Wales had a large amount falling due since 1915, naturally the average rate of interest for that State would be greatly increased.

The TREASURER: My figures show that, when we came into office, the average rate on the whole of our loans was £3 16s. 7d. per cent., which was then the highest average rate in Australia. That did not speak very well for the Conservative Governments of previous years. On the other hand, in 1923, according to "Knibbs's Quarterly Statistics" to June last, Queensland was paying the lowest average interest in Australia.

Mr. MOORE: On the average.

The TREASURER: Yes, the average over the whole of the loans. We started in 1915 with the highest average rate, and last year the Queensland rate was the lowest.

Mr. KERR: If New South Wales borrowed £100,000,000 during the last few years, the average would be higher than Queensland's rate.

The TREASURER: The hon. member is now trying to prove that there is nothing in my argument because we have not borrowed much money.

Mr. KERR: There is nothing in it at all.

The TREASURER: Yet we have been putting in a week on the Financial Statement, during which hon. members opposite

*Hon. E. G. Theodore.]*

have spent their time in endeavouring to show the millions and millions we have borrowed. (Opposition interruption.)

The CHAIRMAN: Order!

The TREASURER: It seems to me that hon. members opposite are not concerned about any reasonable and rational arguments, but only with trying to build up a case—whether it is fair or unfair, honest or dishonest—against the Government. That is what I am complaining of. I complain because, in drawing a comparison between the public indebtedness to-day and that of 1915 they have never taken into account the fact that the debt which has been funded was incurred not by this Government, but by previous Administrations. Their statements must either be deliberately dishonest or the result of stupidity or ignorance. It is not as if attention had not been called to the question when it was first raised. On the question of the transfer of the State Savings Bank to the Commonwealth Bank, someone raised the point and I answered it then. I said that it was unfair to charge this Government with being responsible for the increase in the public debt to the amount they mentioned, but, notwithstanding that, they continue to reiterate their misrepresentation and they have never once corrected it to my knowledge, I beg to move—

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

Mr. MOORE (*Aubigny*): The Treasurer in his speech has made out the best argument he can for his case. Certainly he made an endeavour to get figures that would prove his statements, but in the end he proved nothing. But before coming to deal with the arguments of the Treasurer, I want to say something in regard to the Loan Bill itself. I certainly do not think that we should agree to a Loan Bill for £9,000,000 without any statement as to what the money is to be used for. It would be better to specify what the amount is to be used for. It is a large amount of money, and it gives the Government considerable power to be able to spend money in different ways just as they choose. It is all very fine to say that it must be appropriated by Parliament, but anyone looking down the list of appropriations of previous years—the amount and what they were appropriated for on the one hand and the amounts actually spent for those purposes on the other—must be struck by the tremendous discrepancy between the two sets of figures. We find that large amounts were expended in directions never expected and appropriations made for purposes of benefit to various sections of the community of which nothing has been expended at all. Altogether, I think it is necessary to specify the objects on which such a large amount of money is going to be spent. It may be very useful for the Treasurer to secure a large amount of money in this way. It may also be useful for vote-catching purposes, or to enable him to conceive magnificent ideas for the development of the State; but when it means passing on to future generations the burden of loan money which perhaps has not been spent in a reproductive way, we ought to be careful. In dealing with any Government we have to scrutinise very carefully their expenditure and see whether the State is reaping a benefit out of it, or whether it has been used merely to buy popularity at the expense of the future. To

my mind there is a lot of money which has been lying idle and has merely been used for vote-catching purposes.

The TREASURER: The vote for the Urangan Jetty, for instance?

Mr. MOORE: We do not need to travel so far back. We have only to go back twelve months or three years.

The TREASURER: The Seaforth Estate.

Mr. MOORE: Fortunately, we do not have to tax our memories by going back as far as the Treasurer suggests. If the hon. gentleman would tax his memory and go back a few years, he would see how far his views have travelled, he would see how far he has digressed from the views expressed by him then. We have only to read the views expressed by Mr. Lennon and Mr. Theodore when in opposition—

The TREASURER: Have you been doing me the compliment of reading some of my old speeches?

Mr. MOORE: Yes. I have been reading to see how the hon. gentleman has developed and how far responsibility has been useful in altering the opinions he had at that time.

The TREASURER: He has gained by experience.

Mr. MOORE: One would not object if he gained experience in the right way; but the country has certainly not been gaining by his experience.

The TREASURER: It is strange that now that you are in opposition you are reading my statements when in opposition.

Mr. MOORE: The Treasurer never at that time ceased to criticise what he called the huge loan expenditure of the previous Government. Has he been converted to-day?

The TREASURER: You have been overcome by the ghosts of the past.

Mr. MOORE: I am overcome by the amount of loan money that is being spent with very poor return to this State. I candidly admit that I am frightened at the financial position of Queensland, that is, if we go on with ventures in the way we are going. I have good grounds for being frightened. I would just like now, for the benefit of the Treasurer perhaps, to read a few extracts from the speeches of the hon. gentleman when in opposition to show his ideas then and see whether they have been departed from since.

The TREASURER: Do you agree with those sentiments that you are going to read?

Mr. MOORE: I certainly agree with them.

The TREASURER: Why did not you agree with them when you were on this side of the House?

Mr. MOORE: I have not had the opportunity of sitting on that side of the House.

The TREASURER: Then I would suggest that the hon. gentleman should hand over his notes to the hon. member for Wynnum, who was on this side of the House at that time.

Mr. MOORE: I am going to let the Treasurer see what the ideals of his party were when they first came into office, and how the Government have departed from the planks of their platform. Mr. Lennon, who was the well-known financial expert on the Labour

[*Hon. E. G. Theodore.*]

side, when speaking of a Loan Bill in 1908, is reported in "Hansard," at page 539 of that year—

"If we are going to reserve the great loan industry, let us proceed very slowly. Let me advocate a policy of 'hastening slowly' in the matter, and not being too eager to rush into the market to raise heavy loans. We know very well that it becomes a craze with some people to borrow money. We know very well what happened some years ago when the celebrated £10,000,000 loan was authorised. I am sure hon. members are not anxious to see a recurrence of that kind of thing, and I hope it will never again find a place in the proposals of any Government controlling the affairs of this State. Do not let us borrow as much as we can, but let us bear in mind that we should borrow as little as we can."

How is it that they have got away from the position advocated at that time and got into the profligacy of to-day?

The TREASURER: Does the hon. gentleman say that the remarks by Mr. Lennon were sound?

Mr. MOORE: Yes. The hon. members who were supporting the Denham Government at that time saw to it that the loan money was wisely expended and gave an adequate return to the Treasury. That is something that we cannot get to-day. The present Treasurer, in speaking in this House in 1910, said—

"I congratulate the Treasurer on the financial position of the railways. Queensland is in a very fortunate position in regard to the whole of her railway system. It is not so much the genius of the Government that is responsible for the good position of our railways. Nevertheless, despite the increased extension of railways into unpopulated districts, the railways have been earning fair interest on the cost of construction. I think there is one thing that should be taken into consideration. I do not think it is taken into consideration by the present Government when adjusting freights and fares on the railways. I think that consideration should be given not only to those who have the use of the railways for the purposes of transport and transit, but also to the conditions of the employees in the service, and the interest of the taxpayers who have to make up any deficit should be carefully guarded."

Those are very fine sentiments too. The hon. gentleman at that time congratulated the Government on its careful expenditure of loan money; he pointed out that they had built railways into sparsely-populated districts and they were earning a fair return on the cost of construction.

The TREASURER: What a pity the war occurred!

Mr. MOORE: The poor old war is going to be blamed for the mismanagement of the Queensland railways! Did you ever hear of such a paltry excuse from any Treasurer? I want to show how the hon. gentleman has departed from the sentiments he expressed at that time and how he administered the affairs of the State in an extraordinarily different way when he got into a position to

be able to hold the reins of office. The Treasurer and hon. members supporting him in the present campaign of spending this vast amount of loan money—it is only an excuse to say that it is being spent for the purposes of development—are eager to spend this money because they have a vast army of workers depending upon them for a job and who are unable to find occupations in any other avenue of employment. The loan that was asked for in 1908 only amounted to £3,000,000, but the present Attorney-General was absolutely overcome by the amount of money that was being asked for. He complained bitterly of the wasteful extravagance on the part of the Government who desired to secure the money. In speaking at that time he is reported to have said—

"Of course, he could quite understand their little game—they were prepared to go in for the old borrowing policy which brought disaster to the country in the old days. The Government should not borrow more money than was immediately required, and they should not ask for power to borrow more than they required."

Hon. W. H. BARNES: Another conversion in the camp.

Mr. MOORE: They have all been converted. I am only taking the Ministers. The Attorney-General is further reported to have said—

"The more money Governments were authorised to borrow, the higher the rate of interest they would have to pay. It was a bad, unsound business principle for the House to sanction the raising of more money than was actually and immediately required, because the inevitable result would be that the London financiers would make them pay a considerably higher rate of interest for that money than they would do if the State borrowed only the exact amount of money immediately required."

I suppose the hon. gentleman was perfectly right in his claim that it would mean a higher rate of interest. We see that in Queensland to-day.

The SECRETARY FOR RAILWAYS: £3,000,000 in those days would be equal to £6,000,000 to-day.

The TREASURER: Does the hon. gentleman not think that he should endeavour to be original in his criticism?

Mr. MOORE: There is no occasion to be original. The Treasurer has been forced to spend the amount of loan money he has because of the maladministration by his Government. No sane Government would continue to spend loan money at the rate that we are spending it, considering the rate of interest that we have to pay.

The TREASURER: Fully 50 per cent, of hon. members opposite have been pressing me to increase that expenditure.

Mr. MOORE: If the Treasurer had the welfare of Queensland at heart, he would have sufficient backbone to stand up to any pressure that was being applied by outside bodies if he considered that the cost of certain expenditure was too great for the country to bear.

*Mr. Moore.]*

The TREASURER: Requests have been made to me by hon. members opposite to increase that expenditure.

Mr. MOORE: Every hon. member has his own electorate to consider.

The TREASURER: Where is the consistency?

Mr. MOORE: Hon. members make requests to the Government—

The TREASURER: Do you not think you should be bold enough to stand up and tell them the position?

Mr. MOORE: It is for the hon. gentleman to judge what is required. It is not for a private member to say what is required.

The TREASURER: The hon. gentleman, as a private member, is passing judgment on the Government.

Mr. MOORE: No; I am judging the result of the policy followed by the Government, and the position that we have got into to-day. I can see that the Treasurer, instead of standing up and combating the pressure by various sections—probably on this side and elsewhere—has been spending money unwisely.

The TREASURER: The hon. gentleman is entirely wrong.

Mr. MOORE: It is only necessary to read the Financial Statement and peruse the figures dealing with loan expenditure to see that I am perfectly right. The Treasurer gave a mass of figures in an endeavour to show that Queensland was not paying a higher rate of interest for its loans than other States. He took the average interest rate in 1915 and the average interest rate to-day and showed that the average interest rate for Queensland was less than in the other States. It only proves that the loans that were floated years ago were wisely handled in that the Government of the day in its wisdom made long-dated loans. The interest rate has increased, and I admit that between £20,000,000 and £30,000,000 have fallen due for conversion since 1915 and have had to be converted at a higher rate.

The TREASURER: One of the largest conversions ever made in Queensland was made in 1914.

Mr. MOORE: The rate of interest then had only increased to about 4 per cent.

The TREASURER: It was 4½ per cent.

Mr. MOORE: This table shows the amount of the loans and the rate of interest in New South Wales, Victoria, and Queensland—

—	New South Wales.	Victoria.	Queensland.
3½ per cent.	£ 32,000,000	£ 25,000,000	£ 21,000,000
5½ per cent.	22,000,000	21,000,000	5,000,000

I am not complaining of the rate that had to be paid by previous Governments, but I am complaining about the extraordinary increase that we have had to pay in the last few years.

The TREASURER: You are showing that Victoria has to pay a higher interest rate.

Mr. MOORE: No; I am quoting what Queensland is paying to-day. That is how we have to judge—not on the average rate.

The TREASURER: That is the argument of the Opposition.

Mr. MOORE: No; it was the argument put forward by the Treasurer to cloud the issue—saying that Queensland was not paying a higher rate of interest. He set up an Aunt Sally to knock it down again. The vital question is not the average

[2 p.m.] price paid for loans during the time Queensland has been a State and the average price paid by other States. It is: What are we paying to-day as compared with the other States? The effect of the administration of the Government is being felt not only by the investing public but by the people generally in the increased rate that Queensland is going to pay on these loans. To show what the rate of interest to-day is I am going to put in a comparative table with respect to loans obtained by Queensland, New South Wales, and New Zealand. The amounts of money in each case are very similar and the terms of issue are not dissimilar. The table reads—

—	Date.	Issue Price.	Rate.	Term.	Return to Investor.	Interest Cost to State including Redemption.
New South Wales ..	6th Mar., 1924 (£12,000,000)	£ s. d. 97 10 0	5 per cent.	11 to 31 years	£ s. d. 5 4 8	1935—5 11 2 1955—5 5 10
Queensland ..	24 Apr., 1924 (£12,703,734)	99 10 0	5½ per cent.	5 years ..	5 12 4	1929—6 1 10
New Zealand ..	8 May, 1924 (£10,000,000)	95 0 0	4½ per cent.	20 years ..	..	1944—5 0 10
New South Wales ..	28 May, 1924 (£10,000,000)	100 0 0	5 per cent.	11 to 31 years	5 2 0	1935—5 4 11 1955—5 2 6

The TREASURER: Eighty-five per cent. of the New South Wales loan was left to the underwriters.

Mr. MOORE: It does not matter how much of the loan was left to the underwriters; this was the amount secured to the State.

The TREASURER: Our loan is now at a premium, but the New South Wales loan is at a discount of 2 per cent.

[Mr. Moore.]

Mr. MOORE: That sounds very nice, but it does not alter the fact that Queensland has had to pay dearly for the money that has recently been secured. The average price of the loan does not matter; it is the cost of it.

I also want to show what was the cost of the loan floated by the Treasurer in America



in 1922. The obstinacy of the Government forced them to go to America at that time.

RATE OF INTEREST PAID FOR YEAR 1923-1924.			
<i>Principal.</i>			
	£	£	
Total proceeds of the Loan, including profit on conversion amounted to .. .. .		2,862,705	
Deduct—			
Amount retained in America	106,864		
Sinking Fund payments .. .. .	226,058		
		332,922	
(a) Net amount used or available for use by the State .. .. .		£2,529,783	
<i>Interest.</i>			
Interest paid during year, including loss on conversion .. .. .	188,750		
Deduct—			
Interest earned in Sinking Fund, &c., during 1923-24 (estimated) .. .. .	8,195		
		180,555	
Rate of interest paid for 1923-24 (Net interest on net amount of Loan available (a) per cent. .. .. .)		£7 2 9	

The TREASURER: The hon. member is not putting that forward as a serious argument?

Mr. MOORE: It is all very well for the Treasurer to gamble on conversion rates. I am quoting the interest on the amount made available to Queensland for spending. It is no good saying that at the end of the term there will be an improvement to the State.

The TREASURER: The hon. member does not take into account the profit of £700,000.

Mr. MOORE: I do. I also take the amount of money available from the loan that Queensland has to expend on public works. When moving the second reading of the Bill, the Treasurer pointed out that Queensland had not borrowed as much as the other States of the Commonwealth since 1915.

The TREASURER: I said that our public indebtedness had not increased in the same ratio as that of the other States.

Mr. MOORE: To my mind, that has nothing to do with it. I do not care if they borrowed £100,000,000 so long as they got a good return for it. It is not a question of how much was borrowed, but the return to the State from the wise expenditure of that money. I shall take Victoria—which has never had a Labour Government, and which State the Treasurer mentioned has borrowed more than Queensland. I shall take the eight years, 1915 to 1922, as I cannot get information later than 1922. In Queensland the percentage of actual charge on revenue went from 3.72 per cent. in 1915 to 18.8 per cent. in 1922. The rate varied as under—

	Per cent.
1915 .. .. .	3.72
1916 .. .. .	10.75
1917 .. .. .	14.44
1918 .. .. .	17.75
1919 .. .. .	20.48
1920 .. .. .	14.64
1921 .. .. .	16.81
1922 .. .. .	18.18

That shows an average of 14.59 per cent. over the eight years. Now I will take Victoria, which, according to the Treasurer,

borrowed in a greater ratio than did Queensland—

	Per cent.
1915 .. .. .	10.5
1916 .. .. .	5.3
1917 .. .. .	5.9
1918 .. .. .	3.3
1919 .. .. .	3.7
1920 .. .. .	4.3
1921 .. .. .	4.9
1922 .. .. .	3.6

An average of 5.2 per cent. over the eight years. Queensland, under a Labour Administration, jumped from 3.72 per cent. in 1915 to 18.18 per cent. in 1922. Victoria, with careful administration and wise expenditure, decreased the percentage from 10.5 per cent. to 3.6 per cent.—an inverse ratio.

The TREASURER: You are not taking into account—

Mr. MOORE: I am taking into account the fact that the Treasurer said that Queensland had not borrowed to the same extent as other States. It is not a question of the amount borrowed, but of the wise expenditure of the amount borrowed. My figures prove that Victoria, although borrowing in a greater ratio, reduced the actual charge on the revenue from 10.5 per cent. to 3.6 per cent., whilst Queensland, through maladministration, increased the actual charge on the revenue from 3.72 per cent. to 18.18 per cent. That is the only factor that we can take into consideration.

The TREASURER: That position was brought about by keeping railway freights on farm produce at a low rate.

Mr. MOORE: It is no use talking like that. I am going to show afterwards the position that the railways have got into. I am taking up this question because the Treasurer brought forward the statement that Queensland was not extravagant with loan money, and that the Labour Government have not borrowed in the same ratio as have the Governments of other States. It is merely a matter of wise expenditure.

The TREASURER: Do you mean that the money ought not to have been expended on main roads?

Mr. MOORE: I mean that the expenditure must have been unwise in Queensland when the actual charge on revenue has increased from 3.72 per cent. to 18.18 per cent.; and the expenditure must have been wise in Victoria when that charge has decreased from 10.5 per cent. to 3.6 per cent.

In 1915 we had a very interesting table published in the report of the Commissioner for Railways, which showed the mileage of railway opened in the various years, the number of engines, and the number of railway carriages in use; and this has a very important bearing as showing whether the railways are being used to the full extent. To-day we find, owing to the shortage of rolling-stock, that a large number of people are seriously inconvenienced, and men are thrown out of work because producers are unable to get their produce to the market on account of a shortage of trucks.

The TREASURER: You are actually advocating more expenditure now.

Mr. MOORE: I am not; I am advocating a reasonable ratio of expenditure in the various departments. The following table gives the ratio between rolling-stock and the

*Mr. Moore.]*

miles of railway open to traffic for the years 1905-1914 and 1915-1924:—

QUEENSLAND RAILWAYS.			
COMPARISON FOR NINE YEAR PERIODS.			
	1905.	1914.	Increase Per Cent.
1905 to 1914—			
Mileage open for traffic .. ..	3,092	4,713	52.4
Engines .. ..	249	608	74.2
Carriages .. ..	457	703	53.8
Wagons .. ..	7,332	12,419	69.4
1915 to 1924—			
Mileage open for traffic .. ..	4,823	6,040	24.8
Engines .. ..	625	708	13.3
Carriages .. ..	735	920	25.1
Wagons .. ..	13,042	15,599	19.6

SUMMARY.  
Increases Per Cent.

	Nine Years to 1914.	Nine Years to 1924.
Mileage open for traffic .. ..	52.4	24.8
Engines .. ..	74.2	13.3
Carriages .. ..	53.8	25.1
Wagons .. ..	69.4	19.6

That shows that we have been building railways without taking into consideration the necessity for building carriages, trucks, and engines, so that we can make full use of the railways when they are built. The Government have been starving the Railway Department, in order to build railways so as to catch a few votes at election times.

The TREASURER: The railways that you are talking about were passed by the previous Government and completed by this Government.

Mr. MOORE: I am talking about the sensible procedure that was followed by the last Administration, in that they increased the number of their engines and railway carriages in proportion to the miles opened to traffic.

The TREASURER: In 1914 the Liberal Government passed sixteen railway proposals.

Mr. MOORE: The Treasurer always wants to distract the people's attention from the real facts. Where the maladministration comes in is in building railways out of proportion to the rolling-stock.

The SECRETARY FOR RAILWAYS: You make no allowance for rebuilding in the matter of wagons?

Mr. MOORE: If you rebuild a wagon it does not increase the number. The other day I asked for the total number of wagons, and got a reply, and now the Secretary for Railways wants to "squib" on that, and says he did not take into account the rebuilds. I asked for the total number of trucks.

The SECRETARY FOR RAILWAYS: That does not give the whole information.

Mr. MOORE: That shows the folly of Ministers in endeavouring to evade questions asked in this House.

The SECRETARY FOR RAILWAYS: It shows the folly of not asking proper questions.

Mr. MOORE: I asked for the total number of wagons. If Ministers are going to evade

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questions, it is little use hon. members endeavouring to get information. I asked for the information for the specific purpose of finding out whether the ratio of rolling-stock and engines to the miles opened to traffic had been maintained. I find it has not, and when I bring that forward, the Treasurer brings forward one argument to mislead the people, and then the Secretary for Railways says he evaded the question and did not give a correct answer. The Treasurer, in endeavouring to raise a bogey as usual, said we could not point to where there had been extravagance in the expenditure of loan money, and he gave us the figures from 1921 on. Why commence with that year?

The TREASURER: Because the last Loan Act was passed in 1921.

Mr. MOORE: The figures certainly turned out rather favourable because they missed out a large amount of the extravagant expenditure in other ways. I remember that, when the State stations were purchased, there was no authorisation by Parliament at all. The money was spent, and provision had to be made afterwards. Parliament has lost control of the spending power of the Government. Parliament does not now have any say in the matter. If we had specific amounts put down, and were told on what the money was to be spent, Parliament would have some control. We have the Government asking for a Loan Bill to cover £9,000,000, and the Government can spend what they like, knowing they have a majority behind them, and then come and ask Parliament to ratify their action in spending the money.

I am going to take the amount of loan money spent for the nine years ending in 1915 and the nine years ending in 1924. For the nine years ending 1915 the amount of loan money spent was £17,017,217, and for the nine-year period ending in 1924 the amount was £29,895,168. I am taking the amounts actually spent by the two Governments. Up to 1915 the expenditure was—

	Amount.	Percentage.
	£	
Railways .. ..	13,771,813	80.9
Buildings .. ..	341,860	2.01
Local Bodies .. ..	2,405,716	14.1
Wire Netting .. ..	199,971	1.17
Miscellaneous .. ..	297,913	1.82

The TREASURER: What about local bodies?

Mr. MOORE: That was 14.1 per cent. The Treasurer has picked out the one bright spot; that is the most favourable to him.

The TREASURER: You were concealing it. That is why I am mentioning it.

Mr. MOORE: No, I have only given the first period of nine years up to 1915. I now give the period ending in 1924—

	Amount.	Percentage.
	£	
Railways .. ..	15,515,342	51.9
Buildings .. ..	1,446,619	4.8
Local Bodies .. ..	5,042,093	16.8

There is an advantage in that amount of

2.7 per cent. That is the one the Treasurer said I had left out—

	Amount.	Percentage.
	£	
Wire Netting .. ..	57,175	0.2
Wheat Sheds .. ..	48,740	0.16
Relief Farmers .. ..	30,872	0.1
State Enterprises .. ..	971,100	3.2
Chillagoe Smelters .. ..	366,021	1.2
Cold Stores .. ..	275,867	0.9
Forestry .. ..	186,749	0.6
Water Supply and Irrigation .. ..	864,363	2.9
Flood and Cyclone Restoration .. ..	14,870	0.05
Land Resumptions .. ..	217,430	0.7
Main Roads .. ..	777,206	2.6
Soldier Settlement .. ..	2,955,537	9.8
Workers' Homes .. ..	147,156	0.49
Miscellaneous .. ..	998,028	3.6

That is £17,017,273 up to 1915, and £29,895,168 from that year up to 1924. It shows the method in which that money has been spent.

The TREASURER: What is wrong with the expenditure of our loan money?

Mr. MOORE: It shows that a large amount which was spent out of loan should have come out of revenue.

The TREASURER: What about the main roads?

Mr. MOORE: I will give the hon. gentleman the credit of that.

The TREASURER: What about the workers' homes and soldier settlers?

Mr. MOORE: I will give the hon. gentleman that, but there are several large amounts in this which should not come out of loan. The result of the expenditure which has been going on shows that we are not getting a proper return. If the Treasurer could show us the same improvement in regard to the expenditure of Loan Funds as there is in Victoria, he would have something to boast about.

The TREASURER: If we had increased the fares and freights like they have done in Victoria and New South Wales, the position would have been better according to you.

Mr. MOORE: The Treasurer, in delivering his speech, did not get on to the question of railway freights and fares at all. He said that we had not spent in the same ratio as New South Wales and Victoria. I say it does not matter if we had, provided we were getting the proportionate return from our expenditure.

The TREASURER: Our railway service could be made to pay if we increased fares and freights sufficiently.

Mr. MOORE: Of course. I remember the hon. gentleman saying that the railways, if they were handed over to private enterprise, would show a handsome profit; but we do not want to do that. The amount of interest on loan that has to be paid out of revenue is too big. If the position was getting better, I would not mind so much, but it is getting worse.

I am going now to make a comparison as to the expenditure out of revenue to meet interest between this Administration and the last Administration. For the five years ended in 1918-1919, the amount of money that had to be paid out of revenue as interest on the

public debt—that is, which did not come from the services and works on which the loan money had been expended, was £5,670,479, whereas in the last five years the amount increased to £10,355,208, or an increase of £4,684,729. That shows that during the administration of this Government we have been going from bad to worse. During their first five years of office they had the advantage of the careful administration of the previous Government—they had something to work on—they had the benefit of services which had been kept up to date. But when they begin to feel the full effect of their extravagant proposals, when they have been in office for five years, the charge on revenue increases enormously.

The TREASURER: You do not believe that?

Mr. MOORE: I do. The proof is there. I would not mind so much if their expenditure of loan money were returning a reasonable proportion of the interest, but we are going from bad to worse. We have gone back £4,500,000 within the last five years.

The TREASURER: That is an absurd argument.

Mr. MOORE: It is not half so absurd as the argument the hon. gentleman put up before lunch in endeavouring to make good his case.

The TREASURER: The cost of services has gone up.

Mr. MOORE: It has, but so it has in Victoria; and how is it that in Victoria they have been able to reduce the tax which those services impose on the revenue from 10.5 per cent. to 3.6 per cent., whilst in the same time Queensland's percentage of burden on the revenue has increased from 3.72 per cent. to 13.13 per cent.?

The TREASURER interjected.

Mr. MOORE: We know perfectly well that that may be all right at election time, but it does not influence anybody here. We know very well that the expenditure of loan money has not been carefully handled. We are not getting the return from it that we should.

The TREASURER: Do you say that Victoria has wisely expended its money on soldier settlement?

Mr. MOORE: A good deal of it has been very successful.

The TREASURER: Do you know that it has cost £2,600 for each farm?

Mr. MOORE: What does it matter if it has, so long as the soldiers can make a living out of it?

The TREASURER: They are not making a living.

Mr. MOORE: I know they are.

The TREASURER: The Commonwealth Government this year had to come to the assistance of the soldier settlements on the Murray.

Mr. MOORE: It does not matter to me if the cost of a farm runs up to nearly £3,000, provided that the men are put on land where they can make a living. What does matter is putting men on poor land when they cannot make a living. It has been admitted that mistakes have been made in Queensland in that direction.

The TREASURER: You said that the loan expenditure in Victoria was wise, but the cost of settling soldiers is considerably more there.

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Mr. MOORE: That the loan expenditure in Victoria has been wise is proved by the figures I have.

The TREASURER: They have put up railway freights 130 per cent.

Mr. MOORE: I have proved by my figures that under the previous Government the interest charge on revenue kept decreasing. That position was brought about through careful administration and wise expenditure of money. Where you have year after year a decrease in the interest charged on revenue and that is brought about by good government, then it is right to assert that maladministration will have an opposite effect. If the Treasurer was on this side and we had dared to bring forward a Loan Bill in the way that he has done, with the record behind us that his Government have got, I do not know what would have happened. We would have been kept here for about a week. Even when the administration by previous Governments was good and careful the criticism by the party on the other side when they were in opposition was most bristling. During the ten years prior to the advent of this Government, the interest charge on revenue decreased, but since they took office the opposite has been the result. To show the extravagance indulged in by Labour Governments, I have a table showing the result of Labour Administration in those States which have been unfortunate enough to have a Labour party in power. In Queensland, where there has been a Labour Government for nine years, the taxation per capita amounts to £4 9s. 2d., in New South Wales, where there was a Labour Government for eight years, the taxation per capita amounts to £3 11s. 9d., in South Australia, where a Labour Government held office for eleven years, the taxation per capita was £3 10s. 9d., in West Australia, where a Labour Government were in power for five years, the taxation per capita was £2 17s. 5d., and in Victoria, which has never been affected by a Labour Government, the taxation per capita is £2 11s. 3d. This is a pretty conclusive table, showing the reckless extravagance and the extraordinary effect on the finances and the taxation per capita in the various States. When I commenced to prepare the table, I did not know how it would work out, but I found that it worked out in a way that one would expect it to work out—that the longer Labour Governments were in power in the various States the higher was the taxation per capita. We must surely call a halt with regard to this reckless expenditure of loan money. The Treasurer himself recognises that Queensland cannot go on at the present rate unless we get an adequate return on the loan expenditure. On his return from England, he stated it was essential to expend £5,000,000 per annum from loan money if the State was to be properly developed. He has since denied that statement.

The TREASURER: I have not.

Mr. MOORE: He denies having stated that, if the State could not expend that amount of money, it would be faced with disaster. My reading of his remarks is that, if the State could not obtain £5,000,000 per annum of loan money, it would be faced with disaster.

The TREASURER: No.

Mr. MOORE: He said that £5,000,000 was required. They cannot get it in Australia.

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He said that, if they were cut off from the home market, the State would be faced with disaster.

The TREASURER: I said it would be disastrous if we were cut off from the overseas market.

Mr. MOORE: That is a very nice hole to crawl into.

The TREASURER: The hon. gentleman should be generous enough to accept my statement.

Mr. MOORE: I accept what the Treasurer said he meant, but that is different from what was reported. I understood from his remarks that, if the State could not obtain £5,000,000 per annum, we would be faced with disaster; but I should say that, if he got £5,000,000 per annum, the State would be faced with disaster. I consider that the borrowing of £9,000,000 in this way only leads to extravagance and vote-catching proposals at election time.

The TREASURER: Does that apply to money borrowed by previous Governments?

Mr. MOORE: They administered the affairs of the State in a careful manner, and were able to obtain a sufficient return from the money expended. The Treasurer in his first Financial Statement remarked upon the prosperous condition of Queensland, and pointed out how the industries had gone ahead. He stated that, if they were going to continue in that way, we had no cause to fear.

The TREASURER: We have had a war and three droughts since then.

Mr. MOORE: If the hon. gentleman is satisfied with the present position, I do not think anybody else is. The people will continue to support the Government only so long as they can obtain money for expenditure in a wise manner. Prior to the elections the Treasurer stated that the Willowburn railway works would be continued. He was most emphatic and said, "I give you my word that the work will be continued," and immediately after the elections it was discontinued. Those circumstances, taken in conjunction with an answer to a question in this Chamber the other day relative to the Willowburn works, give one food for thought.

[2.30 p.m.]

The TREASURER: That is not true. What work did we discontinue immediately after the election?

Mr. MOORE: The Willowburn railway works were discontinued as soon after the election as would enable the workers to go on to the Unemployment Insurance Fund. That is the principle that the Government have adopted lately. We find that the Government are keeping the men on public works sufficiently long enough to enable them to go on that fund. They have been employing men in rotation, and only for sufficient periods to enable them to benefit from that fund.

The TREASURER: What about Urangan Jetty?

Mr. MOORE: I might answer the Treasurer in the words he used to the farmers—"Let bygones be bygones." (Laughter.)

Hon. M. J. KIRWAN: Practice what you preach.

Mr. MOORE: The interjection of the hon. gentleman does not affect the matter in the slightest degree. If money was wasted on

the Urangan Jetty by a previous Administration—although I do not say it was—that is no justification for the present Government's administration. I am quite satisfied that, if it had not been for the influences of outside authorities, the Urangan Jetty would have been a profitable investment so far as the people of that district are concerned. It was outside influences—particularly of Maryborough—that caused the discontinuance of that work.

The TREASURER: Were outside influences at work in connection with the Port Alma Railway and the Seaforth Estate?

Mr. MOORE: If we are going to dig up mistakes of the past, I have only to refer to the Inkerman irrigation scheme and other works. Any Government may make mistakes, but no Government should be allowed to continue making them.

The TREASURER: The previous Government were not allowed to do so; they were turned out of office (Government laughter.)

Mr. MOORE: Unfortunately, the redistribution of seats has placed the electors at a disadvantage, and does not permit them to turn the Government out of office, although they cast a majority of their votes against them. If the seats were redistributed on a proportional basis the Government would not be occupying the Treasury benches to-day.

The point I want to make is that I disagree with the principle of asking the House to vote the Government authority to borrow £9,000,000, and at the same time practically give them carte blanche as to its expenditure. Any hon. member has only to look at the appropriations last year to see the discrepancies in the way in which that money has been spent, and they cannot but be struck at the uselessness of asking the Government to adhere to the appropriations. Last year the Government placed £15,000 on the Estimates for loans in aid of co-operative agricultural production, to place the man on the land on his feet again after the drought through which he had passed. If hon. members look at the Treasurer's tables, they will find that there was no expenditure under that heading. This year £2,000 is set down for the same purpose. When the Bill under which it was proposed to make that advance was passed through this House last year, we had a vote-catching speech from the Secretary for Agriculture, pointing out its advantages, and how far the settler was going to be helped under it. That money was to enable the settler to buy stock and put him on his feet again. We also find that, whereas £150,000 was placed on the Estimates to provide homes for the workers, only £134,431 was used. The whole of the Estimates bristle with such discrepancies. On the other hand, we find that the amount appropriated from loan funds for the development of the State coal-mines, one of the industrial undertakings of the Government, not to speak of the amount expended from trust funds, was £25,000, and that the amount expended was £48,000. What is the usefulness of the Bill unless it is specifically stated how it is proposed to expend the loans? It is all very well to say that the appropriations will be submitted to Parliament. These are matters over which Parliament evidently has no control. The money is spent, and the Treasurer comes along afterwards and asks for the ratification of that expenditure. The only satisfactory

way to have sane and sound finance is for the expenditure to be subject to the control of Parliament. It is difficult for Parliament to have that control when a machine-like Government party are prepared to vote against their individual consciences because they are directed to do so by the Cabinet. There should be some protest from this side of the House against a proposal to agree to a loan in this manner, when Parliament only has the opportunity of objecting to the expenditure after the money has been spent.

Mr. KERR (*Enoggera*): The House has been asked to agree merely to a Bill to authorise the expenditure of £9,000,000. Although the Treasurer spoke at length in his second reading speech he did not tell us what this money was for. He referred us to the Loan Estimates and said that some of that money would come out of that £9,000,000. I venture to say that Parliament is the place where we should expound the Loan Bill and receive information as to the purpose for which the money is to be used. There is no gainsaying the fact that it is a tremendous thing to seek authority to raise £9,000,000. There is nothing in the Bill to say that it is going to last for three years or any number of years, and there is nothing to prevent the Treasurer and his colleagues from raising this £9,000,000 at any time. I think that, as in previous years, the details of the expenditure should be placed in the Bill. It was mentioned by the Treasurer that a good deal of capital was swallowed by the fact of the interest on the public debt rising. The public debt itself means nothing. The interest on the public debt, whether it rises to £1,000,000 or £3,000,000, also means absolutely nothing. It does not matter if we spend tens of millions of loan money in Queensland if it is spent to the advantage of the State.

Hon. J. G. APPEL: Hear, hear! That is the test.

Mr. KERR: If we are going to increase the public debt to a large extent, we must look at the returns that we are getting. The leader of the Opposition quoted the interest on revenue in Queensland as compared with Victoria, and I think I am justified in asking exactly what this money is going to return to us. I think the amount we have to borrow this year from overseas is £3,000,000 and from the Commonwealth £1,340,000, making a total of £4,340,000. That is the limitation for the current year. The statement has been made that loan money is being used to meet charges that were previously met out of revenue. If we have to raise loans to meet charges that were previously met out of revenue, it is no wonder that the cost of our services cannot equal that of Victoria.

One of the items in the Loan Estimates is "Department of Public Works, £475,212." I want to know if that expenditure is going to pay us any interest. Although our Department of Public Works has been in existence for a number of years, the only return we receive from buildings under that department is £15,000. Yet we intend to expend something like £475,000 out of this loan, and will get in return only about £25,000 a year interest.

We realise that loan money is necessary in any country, but one must look at the fact that, when this State was younger, we used revenue to defray expenditure. That is the

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difference between the policy of the present Administration and that of previous Administrations.

There are one or two items of expenditure in the Loan Estimates that will give us a full return. These are—

	£
Loans to local bodies ... ..	700,000
Loans to hospital boards ... ..	25,000
Loans to central sugar-mills ... ..	450,000
Loans to harbours and rivers ... ..	50,000
Total ... ..	£1,225,000

If all our loan money to-day was made available to the local authorities, there would be no difficulty at all in securing interest on the amount. The local authorities are our best customers. The amount in arrears in connection with local authorities is infinitesimal; and they are not only paying interest but redemption as well. The Department of Public Lands propose to expend £40,000 of loan money on wire-netting this year. I know that those receiving the wire-netting will have to pay interest on the cost, but I venture to say that wire-netting could very well be purchased out of the revenue of the State. Then I notice that the sum of £60,000 is placed on the Estimates for "Resumptions." Queensland could very well look to revenue also to pay for the cost of resumptions. The Government of Queensland have paid enormous sums of money for resumptions under the Closer Settlement Act, and we are receiving in rents the enormous sum of £1,500,000. If you take Victoria to-day, you find that, instead of getting an average of £1,500,000 in rentals from resumptions, they are getting only £435,000, while South Australia receives £285,000, Western Australia £435,000, and Tasmania £91,000. Surely it is not too much to ask that the Government pay out of revenue the cost of resumptions that are necessary, more especially when the sum required this year is so low as £60,000. Then there is an item on the Estimates of £70,000 for "Land Settlement." This also is to be paid out of loan money, as well as £27,048, "Public Estate Improvement," and £42,000 for "Forestry." This item of £42,000 that we propose to pay out of the money raised under this Loan Bill could very well be paid out of revenue. We find that the Government are getting a revenue of £225,000 in royalties on timber, which is three times the amount received in 1915; yet we are asked to provide in this Loan Bill, a sum of £42,000 for "Forestry." There is also an item in the Loan Estimates of £153,121 for "Irrigation and Water Supply Commission." Just recently the Dawson Valley irrigation undertaking was agreed to by this House. Whether it was intended to mislead at that time I do not know, but to-day those statements could be called misleading, inasmuch as the Minister, when asking the House to agree to the proposal, said the scheme was going to cost £2,000,000, and it was expected that the expenditure in the year 1924-1925 would amount to £300,000. All we are asked to provide on the Loan Estimates for this work is £153,121. It was estimated that the undertaking would be completed in six or seven years, but if we are going to spend money in dribs and drabs on this work, instead of having the money giving no return for six or seven years, it will be dead money for another ten years. We cannot look to the expenditure of this money giving us any return at all for a number of years.

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Then the main roads expenditure for the year is to be £200,000. Possibly we shall get a return from that. If we look at the Trust Account dealing with main roads we find a distinct shortage of £13,000 or £14,000. We are asked to provide a large sum for State coalmines. There is not one of the coalmines in connection with which this loan money is going to be expended which is paying. If you look at the Supplementary Estimates in connection with the Railway Department, you will find there are many works there running into perhaps £300,000 or £400,000, and there is no possibility of getting a return on that expenditure for a number of years. Judging from present conditions we shall have to pay 5½ per cent. or 6 per cent. interest on the £400,000 which it is proposed to raise this year. The whole of the public works to-day are showing a return of only 2½ per cent. interest. Is it any wonder that we demand that detailed items should be included in the Bill? We want to know exactly where the Government are going to get the money from to pay these amounts. The Loan Fund to-day is carrying the overdraft and deficit account, amounting possibly to £1,700,000. If we could foresee that the money which we propose to raise under this measure is going to give any return, there would not need to be so much said about it; but we are in the unhappy position that we cannot see where the expenditure is going to give us a sufficient return. The question arises whether Queensland has been over-borrowing or otherwise. As the leader of the Opposition stated, it does not matter what amount of money you spend if you spend it wisely and get a return from it. If we are not getting a return from the expenditure of money, it means that we are over-borrowing. I want to read a quotation from a speech made by Sir Mark Sheldon, President of the Sydney Chamber of Commerce, on 24th April last—

"It is only fair to say that in my opinion we are going to have a hard time financially during the coming twelve months, and my belief is that we should keep the public expenditure as low as possible. If one section of the State says that the other sections are spending money lavishly and they will do the same, then I can only say that there is danger ahead. If you say that there should be expenditure so long as there is money available, then I say that the money will in all probability only be available at a high price. I hold that in Sydney, as elsewhere throughout the States, and indeed the Commonwealth, there should be no lavish expenditure of money at the present time. If you do not sit on the safety-valve, you will come up against a dead-end, and it will be a very unpleasant end."

Queensland is sitting on the danger-box with the detonator well primed.

I wish to refer to what we have had to bear recently in connection with the Treasurer going home to arrange for the conversion of the maturing loans. Time and again the Treasurer has said that it is an advantage to Queensland to have a short-dated loan. I first want to quote what the "London Observer," a well-informed and influential paper in London, had to say in regard to short-dated loans. It is only right that at this stage we should say what in our opinion should have been done in this

matter. It is only fair, although undoubtedly the Bill will be passed by the majority in power, that we should have something to say about the negotiations. The "London Observer" of a date this year—I have not the exact date—says—

"The London magnates are holding hostages for the full performance of Mr. Theodore's promise by limiting the response to Queensland's needs to a short-term loan."

The TREASURER: It is not an authority on financial matters.

Mr. KERR: It is an influential paper. Of all the leading English financial papers, I think the "Financial Times" is the only one that has not criticised the Treasurer. I say the papers which publish a statement such as I have read—

The TREASURER: That statement was made by a party paper. I have extracts from thirty-two papers that speak favourably of what was done.

Mr. KERR: The "Financial Times" is not a party paper. I take it that the Treasurer will agree that a loan is far too big a question to be made a party matter. What does the "Australian Insurance and Banking Review" of 21st May last say—

"The success may be attributed also in part to the short currency of the loan which renders it suitable for some classes of investment for which a long loan is not adapted, as well as to the high yield."

These papers must know what they are talking about. Our £12,000,000 loan converted this year is redeemable not later than 1929. Next year we have to redeem £11,728,000, and in 1930, the year following our redemption of the present conversion, we have to convert another £3,500,000. In 1929, according to the financial papers at home, a £250,000,000 Imperial war loan is to be converted at 5 per cent. I venture to say that, if the Premier had to accept the terms he did in order to raise his money this year, he will have to pay more stringent terms when the British loan is placed on the market. One can understand that there is a pretty big demand in London for trustees' securities, and I suppose that the supply is just sufficient to meet it. The Treasurer will help us considerably by telling us—with reference to the oversubscription of his loan—whether he recalls the fact that Japan was on the market at the same time and paid 7½ per cent. or 8 per cent.

The TREASURER: Not at the same time—in February.

Mr. KERR: It was in the same year. Japan floated a loan of £25,000,000 at 7½ per cent. If they had gone on the market at the same time as the Premier, what would the result have been? Their loan was oversubscribed in one hour. Then New South Wales went on the market for a £10,000,000 loan at 5 per cent., but most of it was left in the hands of the underwriters.

The TREASURER: Eighty-five per cent of it.

Mr. KERR: If Queensland's loan was oversubscribed £50,000,000 or £60,000,000, and Japan's loan was oversubscribed, there must be some explanation. Would it not be the attraction offered by the high rate of interest? If the Bank of England or the financial advisers of the Treasurer advised the hon. gentleman to take a short-dated

loan at 5½ per cent.—a higher rate than that paid by any other of the States—why did they not advise the other Australian States that month, or the month before, or the month afterwards to take a short-dated loan also? I contend that the advisers of the Treasurer would advise New Zealand and the other States to issue a similarly dated loan. I have some figures to prove that what I am saying is correct.

In February of this year Western Australia raised a loan of £2,000,000 at 5 per cent. at 98, yielding £5 3s. 3d. per cent. to the investor. In February, South Africa raised a loan of £4,000,000 at 5 per cent at 97½, yielding £5 1s. 8d. per cent. to the investor. In March, New South Wales raised a loan of £16,000,000 at 5 per cent. at 97½, yielding £5 2s. 7d. per cent. to the investor. In March, South Australia raised a loan of £1,650,000 at 5½ per cent., yielding £5 3s. 4d. per cent. to the investor. In April, Queensland raised a loan of £12,000,000 at 5½ per cent. at 99½, yielding £5 12s. 8d. per cent. to the investor.

The TREASURER: At 99½.

Mr. KERR: What is ½ per cent.? About £12,000.

The TREASURER: Every £1 on £12,700,000 means £127,000.

Mr. KERR: No.

The TREASURER: It is £2 per cent. as compared with 97½ per cent.

Mr. KERR: That is a totally different thing.

The TREASURER: That is the New South Wales rate.

Mr. KERR: If the loan is issued at 99½, then 10s. per cent. is £60,000. What is the interest on that? That is not as much as ½ per cent.

The TREASURER: It is exactly ½ per cent.

Mr. KERR: It is not. New Zealand floated a loan of £5,000,000 at 4½ per cent. at 95, yielding £4 17s. 10d. to the investor. In June, New South Wales floated a loan of £10,000,000 at 5 per cent. at par, yielding £5 to the investor. It was generally understood that the Treasurer would obtain the conversion of the last loan at 5½ per cent. at 99. That was generally understood in the city. He could not get it at 5½ per cent., and had to pay 5½ per cent.

The TREASURER: How could you gauge the market six months ahead?

Mr. KERR: You could not gauge the market, but it was generally understood that the Treasurer anticipated borrowing at the rate I have mentioned. He has arranged for a short-dated loan which will have to be converted at a later date. He has had to pay a higher rate of interest than any other State. To-day Queensland is being held as a hostage in connection with that loan. In every other State in Australia and New Zealand they have arranged a permanent period for their loans. This table shows the period of the various loans—

	Years.
Western Australia	... 11 to 21
New South Wales	... 11 to 31
New South Wales	... 12 to 32
South Australia	... 9 to 19
Commonwealth	... 11 to 21
New Zealand	... 21
South Africa	... 9 to 19

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Surely there must be some explanation of that factor. The Treasurer has not attempted to give the House any explanation whatever. He has evidently made an agreement with the moneylenders or with the pastoral interests in London, but he has

[3 p.m.] never divulged its terms to Parliament. He has not stated

whether the Government are going to abandon the resumptptions of pastoral holdings. We are entitled to know the details of that agreement. The Treasurer will undoubtedly take his own time to explain those details, but he is taking a jolly long time about it.

The Treasurer during his speech raised the question of the average rates of interest. His argument was one that cannot stand investigation. He contended that the average rate of interest paid by Queensland was lower than the average rate of interest paid by other States. That may be quite correct, but in taking a basis for working this average out, the amounts borrowed by the other States must be taken into consideration. If Queensland, during the last two years, for example, only borrowed £5,000 at a high rate of interest, and the other States borrowed six or seven times that amount at the same high rate of interest, it is only natural, if an average is struck, that it will favour the people who did not borrow so extensively, and on the other hand it will adversely affect those who borrowed extensively. If the loans of Queensland, New South Wales, and Victoria are reviewed, it will be seen that New South Wales and Victoria borrowed a larger amount of money at the same high rate of interest than Queensland did. Therefore, when an average of the whole borrowings is struck, it will be in favour of the State which did not borrow a large amount. The argument of the Treasurer was a very ridiculous one and one which will not hold water for one moment. The statistics will show that Queensland is the only State in Australia that has had to pay 7 per cent. interest. Hon. members will admit that the revenue of the various States has gone up considerably. While South Australia has received an increase of £500,000 in revenue in 1924, the receipts from taxation—

The SPEAKER: Order! Order! I would ask the hon. member to confine his remarks to the Loan Bill before the House.

Mr. KERR: The Loan Bill is closely associated with the revenue returns of the State. It is our duty to analyse the proposals to see if the added increase has to be met by increased taxation, and we are justified in showing that a wrong policy has been adopted in that regard in this State. If a State like South Australia increases its revenue by £500,000 and only calls for £24,000 as taxation, it is remarkable that a State with the resources of Queensland, with an increased revenue of £800,000, requires a taxation of £286,000. Surely when a Loan Bill is going through the House, there should be an explanation why revenue should be called upon to foot the burden of loan expenditure. That is the position in a nutshell. Until the Government see fit to change their policy in regard to loan expenditure, so long will the industries of the State have to pay increased taxation. Generally speaking, the production of the State has gone down. The interest charge on the public debt is of no account unless

[Mr. Kerr.

we are getting a sufficient return for our money. I am not going to remain seated in this House and let a Loan Bill for £9,000,000 go through without pointing out the discrepancies. These discrepancies are too great. In my opinion, a Loan Bill should not be brought in every two or three years or—

The SPEAKER: The hon. member has exhausted the time allowed him under the Standing Orders.

HON. W. H. BARNES (Wynnum): This morning I followed the Treasurer very carefully, particularly when he presented to the House those figures which he had obtained, no doubt, from the officers of the Treasury Department. We who have been there know that, when we want figures, the officers of the department find for us figures, I do not say that are unfair, but figures which help our case best, and, in addition, figures in keeping with the departmental view.

The SECRETARY FOR PUBLIC INSTRUCTION: That is an awful admission from an ex-Treasurer.

HON. W. H. BARNES: The hon. gentleman has sufficient sins of his own to keep him occupied without worrying about an ex-Treasurer. In this instance, in my judgment, the officers of the Treasury Department must have been working early and late to try and make out a good case for the Treasurer. I would not like to ask those officers—and indeed they would not answer me if I did—what time they spent in getting out those figures.

I do not know if you noticed to-day, Mr. Speaker, how worried the Treasurer was. (Laughter.) I do not think I recollect having seen the Treasurer so worried when delivering a speech. I do not know whether things were not pleasant when he rose this morning, but it appeared to me that his calmness had disappeared and he rose like an agitated man. That indicated to me that he had a bad case.

I was amazed at some of the conclusions arrived at by the hon. gentleman. One of the mistakes made by him in connection with his figures and facts was that he forgot to let us know what the return for this money was going to be.

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

HON. W. H. BARNES: It is a very easy thing to get up and say certain things; but I am addressing you this afternoon as a business man, Mr. Speaker, and, if you had put some money into a venture, I feel sure you would want to know the return you were going to get. So it is with the State. It is perfectly true that loan money has been spent, and, alas and alack, it is perfectly true that it has not brought a fair return to this great State of Queensland. That is where the Treasurer endeavoured—somewhat skilfully, too—to sidetrack the whole business. He forgot to tell us what the actual return was for the money expended in the various States. He went through the other States one by one—even down to little Tasmania—and he told us what the position was with regard to borrowed money; but again he failed to tell us what the return was for the money. I can only think that some of the ghosts of the past must have been worrying the hon. gentleman. What a change has come over him! Like the leader of the Opposition, I have taken the trouble to turn up some of the speeches of the Treasurer and other members of his party in the



days gone by when they sat on these benches. Did they not fume in those days in regard to expenditure! And did they not fume in regard to the expenditure of loan moneys! As a student of the policy of the Labour party, I can well remember when, right in the forefront of their platform, there was this plank—"No borrowing!" "No borrowing whatever!" The trouble to-day is how to get more money to spend. They go on Micawber-like expecting something to turn up, but they have got to the end of their spending power. Let me draw attention to what the Treasurer said in 1914 in connection with the loan proposals of that year. We were on that occasion seeking to pay certain moneys that had accumulated under loan undertakings, and the hon. gentleman, as reported on page 2686 of "Hansard," made these remarks—

"Mr. THEODORE: I am very much obliged to the hon. member for giving the detailed information I desired. I want to express the opinion that this item should be provided out of revenue.

"Mr. Forsyth: £500,000?"

"Mr. THEODORE: I do not expect the hon. member to agree with me. The financial authority for Murrumba is not likely to agree with me on that, but I am suggesting that money should only be expended from loan so far as we can expend it in reproductive works—"

A very excellent policy! And I shall proceed to show that somehow or other something has slipped. It may be a very bad slip, or it may be that certain forces behind the hon. gentleman have forced it upon him. He goes on to say—

"and surely these are the least productive uses to which we can put the money—costs of flotation, depreciation, and payment to the Bank of England for management. We cannot see where we are going to get 4 per cent., or 3 per cent., or 2 per cent., or any other amount of interest on the amount which is known as the 'deficit on loans.' I think it would be better business for the loan generally and help us to show better loan accounts if this deficit were paid from revenue. It cannot possibly earn for the State anything, and we cannot say that the State will have a new asset as a result of it."

The Treasurer was particularly anxious that every expenditure at that time should show a return for the money spent. Later on, I shall show that another gentleman at that time—the late Mr. Bowman, whom we all respected—thought that the rate of interest specified in the then Loan Bill should be less than that which appeared in the Bill. If we follow this Loan Bill closely, we shall see that there is no rate of interest specified in it at all. It is a kind of "Here is a blank cheque gentlemen. Go ahead." I can well imagine that, if the attitude of the Treasurer is not considered to be quite right in the old country, he may find that this blank cheque may be made the means by which a very large rate of interest may be demanded. At any rate, the party opposite, which at one time was anxious that there should be a rate of interest prescribed, are now bringing in this Bill without mentioning any rate of interest at all, leaving it quite an open matter. The late Mr. Bowman, who was then the leader of the Opposition, when

speaking in 1912, vide "Hansard," page 58, said—

"He gave notice, when speaking a few moments previously, that it was his intention to move an amendment. He desired to move that the words 'four pounds' in the last line of paragraph (a), be omitted, with the view of inserting the words 'three pounds fifteen shillings.' It had been stated during the discussion that there might be a chance of getting the money at  $3\frac{3}{4}$  per cent. or 4 per cent. They might very reasonably try and get the money at  $3\frac{3}{4}$  per cent. instead of at 4 per cent., as indicated by the Government. He had very much pleasure in moving the amendment."

Mr. Lennon, who was then regarded as the financial authority on his side of the House, said—

"He felt justified in supporting the amendment after hearing the glorious account of Queensland given by the Treasurer, who stated that no country in the world had such splendid security as was offered by Queensland."

The statement made by the then Treasurer was strictly accurate, and it is strictly accurate to-day. This is a glorious country. Any hon. member who said that Queensland is not a glorious country would not be worthy of the position he occupies. But this is the point I want to make: A glorious country is being bartered away by men who are spendthrifts, and do not know how to govern it. No one knows that better than the Treasurer himself.

The hon. gentleman tried, as usual, to sidetrack two or three things. He incidentally brought in the Government Savings Banks again. He told us that in the amount of loan money that he mentioned—somewhere in the vicinity of £88,000,000—there was an amount of £5,000,000 included for which we did not give him credit. That £5,000,000 was brought about as a result of bartering away the Government Savings Bank. If the hon. gentleman will take the trouble to turn up the cash returns in connection with the Savings Bank in the year 1915, he will find that there were £3,000,000 on hand at that time. I have said before in the House—and I repeat it this afternoon—that no more fatal mistake was ever made by any Government in Queensland than in handing over the State Savings Bank to the Commonwealth.

Mr. LOGAN: They had to.

THE SECRETARY FOR PUBLIC INSTRUCTION: Why?

HON. W. H. BARNES: Because their spendthrift policy had got them right into a hole, and the hon. gentleman must know, if he has read anything, that that was the position.

Mr. POLLOCK: That was not the position.

HON. W. H. BARNES: It was the position, and we have everything to back our statement up. I can show that that is the position by the report of the Auditor-General for last year. According to that report, as a result of that business, the shortage last year in the amount that this State received from the Savings Bank in comparison with what it would have received under the old arrangement was £600,000. Surely nobody is going to argue that that is satisfactory from the point of view of Queensland! The Auditor-General last year said

*Hon. W. H. Barnes.]*

that the State had lost the following amounts:—

	£	s.	d.
"During 1922-23—			
Proportion of decrease quarter ended 31st March, 1923 ... ..	138,000	0	0
Amount withdrawn to 30th June, 1922 ... ..	523,334	15	11
<hr/>			
Total withdrawn from special deposit ... ..	661,334	15	11
Proportion of increase for quarter ended 31st December, 1920, set-off against decrease quarter ended 31st March, 1921 (page 101 previous report) ... ..	16,008	0	0
	<hr/>		
	£677,342	15	11

Mr. POLLOCK: Would you run down the Savings Bank?

HON. W. H. BARNES: The hon. member knows that no patriot would ever be accused of running down the Government Savings Bank. As an ex-Treasurer I have been approached by working men about putting their money into it, and I have said, "You have the State behind you," but I say that the country has got into such a pickle that the Government, because of the want of confidence outside, tried to persuade us that somebody had caused a run on the Savings Bank—whereas that run was absolutely due to the tactics of the Government themselves.

Mr. POLLOCK: I did not accuse you of patriotism.

HON. W. H. BARNES: It would be very hard to accuse the hon. member of being a patriot—very hard indeed. (Laughter.) That is what we have got, according to the report of the Auditor-General, for handing over the very best asset we had in the State. Let me repeat here what I said previously in regard to loan matters—that we are paying 1 per cent. more than we used to pay for all the money we get from the Savings Bank. Good business? No. Very bad business indeed—shocking business!

Before the advent of this Government we were able to show a return for our loan money. Take the railways. The money from the railways was coming in in such a way that we were able to pay the full amount necessary to reimburse the Loan Fund, and one year we had a balance after paying all working expenses and interest. What is the position to-day? The Government have to admit that there is a deficiency for the last financial year on the railways of about £1,600,000. Surely we have reason—very grave reason indeed—to doubt the ability of the Government to run this State on business lines? The evidence is distinctly against them in that regard.

Let me illuminate the House and the country as to the position in connection with the railways. In 1914-15 there was a surplus of £48,651. Now we have a debit balance, as is shown by this table—

	Deficit in Railway	
	Earnings	
	£	
1915-16 ... ..	508,244	
1916-17 ... ..	737,388	
1917-18 ... ..	1,028,008	
1918-19 ... ..	1,421,328	
1919-20 ... ..	1,229,579	
1920-21 ... ..	1,739,475	
1921-22 ... ..	1,743,270	
1922-23 ... ..	1,475,192	

[Hon. W. H. Barnes.]

Hon. J. G. APPEL: And less mileage run.

HON. W. H. BARNES: It would be a business proposition to advance money to the Government and give them a free hand if you felt they were going to do the right thing; but what has been behind the Government again and again in connection with loan proposals? The Government know that they themselves are not masters of the situation. The people outside are very largely the masters of the situation, and they tell the Treasurer what he has to do. Some of those people are in unions. They are not concerned as to whether anything is right or wrong. With them it is a question of expenditure of money irrespective of what is just in that direction. The leader of this party was quite right in saying that Queensland has to face the position. After all, you can only go a certain length, and when you get to that you must stop. That is where we are drifting. Even with a country with the wonderful assets and the wonderful possibilities that Queensland possesses we cannot continue to go on at the rate we are going. According to the quotations that I have turned up from their speeches, I find that in days gone by, when they sat on this side, the present Ministers took exception to the amount of the interest bill—£2,000,000 at that time. This year we are going to have to find very nearly £4,000,000.

The TREASURER: The hon. gentleman asked why I did not mention the rate of interest in this Bill.

HON. W. H. BARNES: Yes.

The TREASURER: Why did the hon. gentleman not mention it in his Bill in 1914?

HON. W. H. BARNES: The hon. gentleman is a champion at side-tracking. He put the interest on one side because he was afraid that the full position would be brought out.

Mr. POLLOCK: Why did you put it on one side?

HON. W. H. BARNES: I have already quoted remarks to show that at that period the Labour party thought that there should be a reduction in the interest bill.

The TREASURER: Why did you not insert the rate of interest in the Loan Bill in 1914?

HON. W. H. BARNES: The hon. gentleman knows that, when I was at the Treasury everything that was done was done in such a way as to bring in an adequate return to the Treasury. (Government laughter.)

This morning the Treasurer was so devoid of anything that was original that, by way of interjection, he trotted out "Seaforth Estate" again and again. I want to reply to that in connection with these loan proposals. I want to inform him that the money that was expended on Seaforth and the other estates has paid the Government over and over again. Will the hon. gentleman tell me what good has resulted from the money expended on the State trawler, and the money expended on the wild things that he has engaged in? This Government can claim just one thing, and that is that they have been the champion mismanagers of the great affairs of Queensland.

The Treasurer made certain remarks concerning the criticism of the Press. I do not know whether the breakfast that he had this morning agreed with him or not, but something went wrong with him, because

when he rose to speak he told us about the criticism of the newspapers. It [3.30 p.m.] is a crime to criticise the Treasurer. It should not be, but it is. When a man gets great, big, and strong, no one has a right to criticise him, and, no doubt, the Treasurer is feeling very bad. (Laughter.) The Press made comments about the orgy of expenditure by the Government. Is that not true? The hon. gentleman referred to the railways; but he forgot that he has been in receipt of a much larger amount of loan money than the previous Administration. Notwithstanding that fact, if he analyses the figures, he will find that this loan money has not been spent by his Government proportionately as profitably as the loan expenditure of the last Administration. On the one hand business methods were adopted in dealing with the affairs of State and money was expended on works which were reproductive; on the other hand, we have the Treasurer placating people here, there, and everywhere, and spending his loan money on works which are not profitable to the State. He has ideals in connection with State enterprises.

The TREASURER: Did you say "business management"?

HON. W. H. BARNES: Whatever the Treasurer may claim for himself—and he will have an opportunity of replying afterwards—I would never like to accuse him of pursuing business methods in connection with the affairs of State. The Treasurer is all right in himself, but it is the influences that are working behind him that prevent him from doing what he believes to be right.

OPPOSITION MEMBERS: Hear, hear!

The TREASURER: How much money did you leave behind in the Treasury when you went out of office?

HON. W. H. BARNES: The Administration that I was connected with left £2,000,000 behind in the Treasury.

The TREASURER: You have had to tell me that.

HON. W. H. BARNES: Just fancy the hon. gentleman, who has had to learn business since he came into office, telling a business man that he had to tell him the whole thing!

The TREASURER: You were four years in office and went out of office not knowing how much money you left in the Treasury.

HON. W. H. BARNES: I took a copy of documents in the Treasury showing to the shillings and pence what money was left there—just as I got a copy—and the hon. gentleman showed the other day that he did not like it—of the proposal that was made to me with regard to the Government Savings Bank. If the Treasurer regards himself as being soft in connection with these matters, I want to assure him that I am not.

Mr. POLLOCK: You are certainly a hard old case. (Laughter.)

HON. W. H. BARNES: I am sorry to say that the Treasurer is doing certain things which are tending to kill the commercial life of the State.

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: With the greatest of pleasure I sit on this side of the House with men who come from the country. As I have said before in dealing with these

loan proposals, unless the country is looked after the Government are not going to do much good in the city.

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: The Treasurer, by such acts as the imposition of the additional stamp duties, the appointment of the Committee of Direction, and other matters of that kind which are claimed to be helpful to Queensland, is out to kill commerce in Queensland.

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: That makes hon. members on this side very doubtful in regard to these loan proposals, because there is a road which the Treasurer has said we are going to get to by steps. He told that famous convention at Emu Park, "You will get there, gentlemen, but let us go quietly." (Laughter.) That is the way he quietens the new leader of the party, the hon. member for Bowen. Cannot hon. members see that it is far more dangerous, with these loan proposals, to get to the objective step by step rather than at one leap as an hon. member advocated yesterday? The business community of Brisbane should wake up to the fact that the Government are seeking on the one hand again to bleed them, and on the other to strangle them and wipe them out. They are asking us on the one hand to sanction a Loan Bill and on the other hand they have brought in a Bill which gives them mighty powers; by a stroke of the pen they can wipe out half of our business men.

The TREASURER: You are cutting a very ridiculous figure.

HON. W. H. BARNES: I am cutting a figure which the hon. gentleman does not like. I want to put what is happening before the country. What the Treasurer does desire is that, when things are not nice, we shall say, "Please bury them! Please cover them up! Let bygones be bygones! Let them all be forgotten!" The leopard can never change his spots. The leopard has not changed his spots.

HON. J. G. APPEL: He has hidden them.

Mr. COLLINS: You changed your spot when you sat alongside William Kidston.

HON. W. H. BARNES: I sat alongside an excellent man, who faced the difficulties of Queensland, and who never found a more loyal Minister than the one he found in me.

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: As an ex-Treasurer, I recognise that a Loan Bill must be put through—I do not criticise that. I would not criticise the fact if the Treasurer had a free hand. What I do criticise is that we are giving extra power to the Labour party to expend money wastefully, and we are getting nearer to that stage when we shall come to a full stop, and have to review very closely the expenditure of loan money. Loan money is all right if expended judiciously. It has not been expended judiciously by this Government, and the Bill we are asked to deal with to-day is one which will give the Labour party greater power to waste further money.

Mr. SWAYNE (*Mirani*): The passing of this Bill will be a very great stride towards the £100,000,000 limit. £100,000,000 for a population of about 800,000! That is a big debt for that number of people. It would

*Mr. Swayne.]*

not be a big debt for the State of Queensland with its natural resources if the State were adequately peopled. Unfortunately, the Government have not encouraged the development of the State, and we have this big liability upon a handful of people. Of course, this Bill will be passed; no one objects to its being passed; but we have a perfect right to contend that, when it is passed, the money shall be judiciously expended. I am simply asking, in the name of the producer and the workers I represent, that it be properly expended. We know that any mismanagement, any unproductive use of loan money, comes back upon the people. I have no less an authority upon this subject than the Treasurer himself. His utterances in 1914 have been quoted. I am going to quote his utterances in 1913. (Government laughter.) The hon. gentleman may laugh, but those who have followed his career and who trusted him in 1913 and 1914, will now see how utterly unworthy he was of their trust owing to the position he now takes up. According to "Hansard" for 1913, page 1238, the hon. gentleman 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. Farmers, primary producers, and wage-earners generally are not the people who benefit most by the expenditure of loan money. A great number of wage-earners do certainly get temporary employment from the expenditure of loan money, and to that extent they benefit, but it is only a small benefit they receive, because when there is a large expenditure of loan money, the price of land goes up and rents increase, and the cost of living is increased in other ways, so that although the wage-earners do get a little more regular employment, they do not benefit by it to any great extent."

I do not dispute the correctness of his observation. Further on, referring to the Government then in office, he says—

"By these means the Premier could supplement his revenue very considerably, and by these means he might be able to carry out the policy hinted at by the hon. member for Herbert—the policy of spending possibly not more than £1,000,000 of loan money on railways each year, and, if more railways are required, building them out of revenue; and I would suggest to the hon. gentleman that he revise his taxation on those lines."

Since then the hon. gentleman has had a free hand in these matters, and he has revised his taxation. (Laughter.) He has taxed, and taxed, and taxed, until private enterprise is almost a dead letter in Queensland. He has done more than that, and now he finds that between £4,000,000 and £5,000,000 per annum of loan money is requisite to keep Queensland going.

I did not get up merely for the purpose of confronting the hon. gentleman with his own utterances in years gone by—utterances which, unfortunately for the sake of those who support him, have proved false. There are ways by which we can get a far greater value for the expenditure of these huge

sums of loan money and receive something towards the payment of the high rates of interest that are now charged. It is only our duty to the producers and to the workers to see that we spend that loan money to the greatest advantage, and I would ask even at this late hour that the Government endeavour, by a judicious mixture of piecework and day labour, to get the people of Queensland a little greater value for the expenditure of these sums than they have received during the last few years. Speaking as a practical man—and nearly every practical man in Queensland is behind me in this matter—I feel safe in saying that by exhibiting a little wisdom along the lines I have indicated—by displaying a little common sense and by carrying out work on the piecework system—we would have got as great a value for Queensland for every £2 of loan money expended as we have obtained for every £3 expended by this Government. Seeing that we have almost come to our limit in these matters, I think we ought to take stock of our methods, and see if we cannot make our loan money go a little bit further than it has gone in the past. That is one way in which we can get a better return for the people of Queensland in connection with the expenditure of these huge sums of loan money. Hitherto the expenditure has been unproductive. It is our duty to ourselves and to the generations which will come after us that we use our utmost endeavours to get the best value for the money expended.

The question has arisen during the discussion as to what purposes this loan money will be devoted to. The Treasurer referred us to the Loan Estimates, and I have looked into the Estimates in connection with a matter which I have mentioned more than once in the House. The spending of the money in the direction I have indicated would be productive of great benefit not only to Brisbane but Queensland generally. I would urge that some of this money should be devoted to the establishment of a dry dock in Brisbane.

OPPOSITION MEMBERS: Hear, hear!

Mr. SWAYNE: There is no doubt that a lot of money has been spent uselessly in Brisbane in the shape of bricks and mortar for Government offices, and so on, which are not required. Some of the buildings are being used in connection with State enterprises, which are carried on at a loss. A lot of the money to be raised under this Bill could be employed productively in the building of a dry dock in Brisbane of sufficient capacity. We have ships of 12,000 and 15,000 tons burthen coming to this port, and we have not got docking facilities for ships of over 4,000 tons. We know that the engineering trades are constantly suffering through lack of work. I have it on good authority that the three interstate shipping companies, which have their offices here, are each of them sending away from Queensland something like £30,000 per annum in connection with repairs to ships and in the engine-rooms and in other ways, which money would be spent in Brisbane if we could dock those ships. I also hold that a great benefit would result from the deepsea vessels which visit this port if we could dock them here. We are also told that Brisbane should be a terminal port for our deepsea ships, and if we are to make it a terminal port we must make it possible for the ships to go into dock

[Mr. Swayne.

when they come here before taking in cargo for the return voyage. There is every reason why some of this loan money should be spent in that direction. It would be thereby productive, and not be dead money like the money which is being spent in the construction of offices which are not required. The dock charges would pay interest upon the expenditure, and it would keep the fitters, moulders, machinists, boiler-makers, and others connected with the iron trades in constant work during the year, which they do not get at the present time. I urge upon the Government the utilisation of some of this money for such a purpose as that. We hope that we shall soon have the 4 feet 8½ inch gauge railway from the Northern Rivers of New South Wales coming into Brisbane. We have every reason to expect a great addition to the trade of this port from that source. That is another ground for the establishment of a dock in Brisbane, in which the deep-sea ships coming to this port can be docked for repair. I am not only speaking for Brisbane, but for the producers generally. In regard to most of our products that have to be sent to the oversea markets, everything that is done in the shape of giving increased shipping facilities is in the interests of the primary producers, as well as in the interests of Brisbane.

OPPOSITION MEMBERS: Hear, hear!

Mr. WARREN (*Murrumba*): I would not mind agreeing to this Bill if we could feel sure that the money was going to be spent carefully, but the bulk of it will be spent on railways and irrigation works—there is very little doubt about that—and, unless we have considerably better management, it will not be a paying proposition. Railways will not pay interest under those circumstances; and it does not matter what irrigation schemes we put money into—until we are able to consume the produce in our own country—that is, until we get more population in our own country—they will not pay. Therefore, I say, we are going to borrow £9,000,000, and most of it is going to be a dead-weight on the taxpayers.

Mr. COLLINS: It grew 100,000 tons of cane at Inkerman this year.

Mr. WARREN: The hon. member does not believe in borrowing. Why does he not get up and protest against this wild spending? We want money to develop Queensland, I admit, and if the spending of the money was in the hands of business men, I would not object. But it is not. The Treasurer, when he rose to move the second reading of this Bill, spoke on the whole borrowing question, and I say that at the present time nobody can justify—I do not believe that we can justify even the borrowing of the past—but certainly no man can honestly get up and agree to borrowing £9,000,000 when he knows it is going to be a dead-weight on the people of Queensland. I rise to protest against the motion because the men who say they represent the workers have not the courage of their convictions or they would rise and protest against this useless and foolish expenditure. I know that the producer will have to pay; I know that the railways will have to be kept up; but I think that at present, considering the high rate of interest we have to pay and the poor return we get from it, it is a very serious mistake to borrow money and ladle it out as it has been ladled out hitherto. The previous speaker said he did not mind

borrowing. Under certain conditions I do not mind borrowing, but I do protest against this Government's wild and reckless borrowing for no useful purpose whatever.

OPPOSITION MEMBERS: Hear, hear!

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

#### COMMITTEE.

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

Clauses 1 to 13, both inclusive, and the preamble, agreed to.

The House resumed.

The CHAIRMAN reported the Bill without amendment.

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

#### SPECIAL ADJOURNMENT.

The PREMIER (Hon. E. G. Theodore, *Chillagor*): I beg to move—

“That the House, at its rising, do adjourn until Tuesday next.”

Question put and passed.

The House adjourned at 3.57 p.m.