

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 21 AUGUST 1928

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TUESDAY, 21 AUGUST, 1928.

The SPEAKER (Hon. W. Bertram, *Marree*) took the chair at 10.30 a.m.

AUDITOR-GENERAL'S REPORTS.

LOANS SINKING FUND.

The SPEAKER announced the receipt from the Auditor-General of his report on the transactions in connection with the Loans Sinking Funds of the State for the financial year ended 30th June, 1928.

Ordered to be printed.

QUESTIONS.

APPLICATIONS BY DESTITUTE PERSONS FOR RATIONS, 1927-28.

Mr. WALKER (*Cooroora*) asked the Home Secretary—

"1. Has he any statistics showing the number of applications by destitute persons for rations during last financial year—(a) Residents; (b) travellers? If so, what were the numbers of each?

"2. Since his answer to my question of 25th November last, has the issue of travellers' rations been discontinued at any further police stations?

"3. What are the present instructions regarding the issue of rations to single men?"

The HOME SECRETARY (Hon. J. Stopford, *Mount Morgan*) replied—

"The information is being compiled."

NUMBER OF RAILWAY EMPLOYEES CONVICTED AND DISMISSED FOR CERTAIN OFFENCES, 1923-28.

Mr. MAXWELL (*Toowoong*), for Mr. WARREN (*Murrumba*), asked the Secretary for Railways—

"1. During the past five financial years, how many employees have been (a) convicted and (b) dismissed for offences such as embezzlement, pilfering, or fraudulent practices?

"2. How many of such employees were subsequently reinstated in the service?"

The SECRETARY FOR RAILWAYS (Hon. J. Larcombe, *Keppel*) replied—

"1. (a) 38; (b) 48.

"2. Three re-employed as manual workers. None have been re-employed since the year 1926."

PAYMENTS BY COMMONWEALTH GOVERNMENT TO STATE GOVERNMENT ON ACCOUNT OF PENSIONER INMATES IN STATE INSTITUTIONS.

Mr. KING (*Logan*) asked the Home Secretary—

"Seeing that the Federal Government pay to the State Government 10s. 6d. per pensioner inmate per week, and to each inmate 4s. per week, making a total payment of 14s. 6d., will he request his Government to make representations to the Federal Government to pay the balance of 5s. 6d. per week to such pensioner inmate?"

The HOME SECRETARY (Hon. J. Stopford, *Mount Morgan*) replied—

"No. The cost of maintenance per inmate is about 17s. 6d. per week, and representations have been made to Commonwealth by all the States that the balance to cover cost of maintenance be paid to the State."

IRON AND STEEL CHAINS USED BY RAILWAY DEPARTMENT.

Mr. SWAYNE (*Mirani*): I desire to ask the Secretary for Railways if he can answer the following questions which I addressed to him on the 16th instant:—

"1. What quantity of iron and steel chains has the Railway Department used during the five years terminating on 30th June last, of the following descriptions:—(a) Crane chain; (b) timber-truck chain; (c) chains used for fitting in rolling-stock?"

"2. What has been its total cost and the price paid per cwt.?"

The SECRETARY FOR RAILWAYS (Hon. J. Larcombe, *Keppel*) replied—Yes. I now table the information.

"1. (a) 41 cwt. 2 qr.; (b) 320 cwt. 2 qr.; (c) 577 cwt. 3 qr.

"2. (a) Total cost, £98 13s.; average price per cwt., 47s. 6.51d.; (b) total cost, £916 1s. 10d.; average price per cwt., 57s. 2.20d.; (c) total cost, £1,927 11s. 11d.; average price per cwt., 66s. 8.73d."

FLOUR, BRAN, AND POLLARD RECEIVED AT WALLANGARRA, 1927-1928.

Mr. G. P. BARNES (*Warwick*): I desire to ask the Secretary for Railways if he can answer the following questions which I addressed to him on the 1st instant—

"1. What tonnage of the following commodities was received at Wallangarra from 1st July, 1927, to 30th June, 1928:—(a) Flour; (b) bran; and (c) pollard?"

"2. To what railway destinations were such commodities railed?"

The SECRETARY FOR RAILWAYS (Hon. J. Larcombe, *Keppel*) replied—Yes. I table the information.

"1 and 2. The tonnage and destination of flour, bran, and pollard sent from Wallangarra to Queensland stations during the financial year ended 30th June, 1928, are—

	Flour.	Bran.	Pollard.
	Tons cwt. qr.	Tons cwt. qr.	Tons cwt. qr.
Allora	52 12 0	2 5 0	1 10 0
Bald Mountain .. .. .	.. .. .	.. .. .	0 8 0
Ballandean	12 4 0	7 11 0	17 5 0
Bell	2 0 0	.. .. .	.. .. .
Booval	6 0 0	.. .. .	.. .. .
Brunswick Street	1,798 13 0	87 9 0	53 4 0
Bald Hills .. .. .	.. .. .	10 5 0	14 5 0
Biggenden	12 0 0	.. .. .	.. .. .
Bowen	18 0 0	.. .. .	.. .. .
Babinda	73 10 0	5 10 0	2 1 0
Bingera	54 15 0	.. .. .	.. .. .
Bundaberg	307 4 0	183 5 0	74 8 0
Charters Towers .. .. .	.. .. .	27 0 0	24 0 0
Cardwell	5 5 0	4 9 0	2 0 0
Cairns	216 13 0	98 17 0	43 2 0
Cunningham	36 0 0	.. .. .	.. .. .
Crow's Nest	0 10 0	1 0 0	2 0 0
Clifton	13 0 0	1 10 0	2 19 0
Charleville	4 3 0	.. .. .	.. .. .
Chinchilla	1 1 0	.. .. .	.. .. .
Dalby	7 2 0	.. .. .	.. .. .
Dirranbandi	7 12 0	.. .. .	.. .. .
Dutton Park	85 10 0	.. .. .	.. .. .
Feluga	54 0 0	.. .. .	.. .. .
Graham .. .. .	.. .. .	4 0 0	6 16 0
Glen Aplin	10 19 0	3 6 0	4 14 0
Goondiwindi	8 0 0	.. .. .	.. .. .
Garradunga	6 0 0	.. .. .	.. .. .
Gordonvale	13 10 0	.. .. .	.. .. .
Gympie	46 0 0	1 0 0	3 10 0
Gladstone	152 2 0	78 0 0	21 0 0
Home Hill	9 0 0	.. .. .	.. .. .
Helidon .. .. .	.. .. .	1 10 0	14 8 0
Ipswich	362 0 0	82 12 0	35 0 0
Inglewood	1 3 0	0 7 0	.. .. .
Jandowae	6 0 0	.. .. .	.. .. .
Ideraway	6 0 0	.. .. .	.. .. .
Ingham	6 0 0	45 18 0	2 2 0
Innisfail	699 6 0	202 13 0	40 11 0
Killarney	1 0 0	.. .. .	.. .. .
Lyra .. .. .	.. .. .	0 2 0	0 3 0
Murarie .. .. .	.. .. .	6 0 0	.. .. .
Manly	79 11 0	.. .. .	.. .. .
Mundubbera	5 19 0	.. .. .	.. .. .
Mackay	1,122 17 0	298 1 0	282 2 0
Maryborough	694 14 0	157 5 0	120 17 0
Miles	9 2 0	.. .. .	.. .. .
Mitchell	2 5 0	.. .. .	.. .. .
Nambour .. .. .	.. .. .	37 6 0	14 12 0
Nobby .. .. .	.. .. .	22 0 0	10 0 0
Oakey .. .. .	.. .. .	1 0 0	11 0 0

	Flour.			Bran.			Pollard.		
	Tons	cwt.	qr.	Tons	cwt.	qr.	Tons	cwt.	qr.
Proserpine	40	10	0	0	18	0	1	15	0
Pittsworth	2	0	0						
Rosewood	6	0	0	2	19	0	3	0	0
Roma	12	15	0						
Rockhampton	250	8	0	223	18	0	83	8	0
Roma Street	2,333	7	0	667	1	0	208	18	0
Southport	6	0	0						
South Johnstone	144	11	0	31	13	0	4	12	0
Silkwood	84	0	0						
Severnlea	0	2	0						
Stanthorpe	179	13	0	87	3	0	52	4	0
Tully	123	0	0	14	4	0	2	2	0
Townsville	263	0	0	116	19	0	37	3	0
The Summit	0	17	0	5	5	0	3	0	0
Thullimbah	21	3	0	3	14	0	1	16	0
Tannymorel	18	0	0	0	6	0			
Toogoolawah				8	0	0	4	0	0
Toowoomba	133	12	0	95	16	✓	37	5	0
Woombye							18	0	0
Walkerton	6	0	0						
Willowburn				12	3	0	26	0	0
Wacol				2	19	0	2	10	0
Warra				3	14	0	10	12	0
Wynnum	108	1	0	7	17	0	23	12	0
Wooloongabba	258	5	0	16	7	0	22	6	0
Warwick	255	16	0	13	15	0	3	4	0
Wanora	24	0	0						
Yeulba	1	1	0						
Total	10,281	3	0	2,684	12	0	1,349	4	0"

PAPERS.

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

Report by the Land Administration Board under the Discharged Soldiers' Settlement Acts, 1917 to 1926.

Report by the Land Administration Board under the Closer Settlement Acts, 1906-1923, as amended by the Land Acts Amendment Act of 1922, the Land Acts Amendment Act of 1924, and the Land Acts Amendment Act of 1925.

SUSPENSION OF STANDING ORDERS.

APPROPRIATION BILL, No. 1.

The TREASURER (Hon. W. McCormack, Cairns): I beg to move—

"That so much of the Standing Orders be suspended as would otherwise prevent the immediate constitution of Committees of Supply and Ways and Means, the receiving of resolutions on the same day as they shall have passed in those Committees, and the passing of an Appropriation Bill through all its stages in one day."

Question put and passed.

RETURN SHOWING DREDGING CLAIMS, 1926-28.

Mr. KING (Logan): I beg to move—

"That there be laid upon the table of the House a return showing with respect to each dredging claim registered during the past three years—(a) Registered number; (b) district; (c) date of registration; (d) names of holders; (e) mineral sought; (f) area; (g) locality?"

Question put and passed.

SUPPLY.

VOTE ON ACCOUNT—£3,900,000.

MESSAGE FROM THE GOVERNOR.

The SPEAKER announced the receipt from His Excellency the Governor of a message recommending that the following provision be made on account of the services of the year ending 30th June, 1929:—

From the Consolidated Revenue Fund of Queensland (exclusive of the moneys standing to the credit of the Loan Fund Account) the sum of £2,000,000;

From the Trust and Special Funds the sum of £1,000,000; and

From the moneys standing to the credit of the Loan Fund Account the sum of £900,000.

OPENING OF COMMITTEE.

The TREASURER (Hon. W. McCormack, Cairns): Mr. Speaker, I beg to move—

"That you do now leave the chair, and the House resolve itself into a Committee of the Whole to consider the Supply to be granted to His Majesty."

Question put and passed.

COMMITTEE.

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

The TREASURER (Hon. W. McCormack, Cairns): I beg to move—

"That there be granted to His Majesty, on account, for the service of the year 1928-29, a further sum not exceeding £3,900,000 towards defraying the expenses of the various departments and services of the State."

Mr. MOORE (Aubigny): The Treasurer has not stated the length of time that this appropriation is required for, but I presume, from the amount of money asked for, it is somewhere about three months.

The TREASURER: There is no election.

Mr. Moore.]

Mr. MOORE: I was not thinking of that, but what I do want to point out is that the rate of expenditure is abnormally high. The Treasurer has stated that only by extreme care and drastic economy can the State's finances be restored to a sound position; but the whole time the expenditure is increasing and increasing, and taxation is increasing and increasing also.

Mr. CARTER: Taxation has not increased.

Mr. MOORE: If the hon. member will take the trouble to peruse the taxation returns he will see that taxation is increasing.

Mr. CARTER: The tax is not increasing. It is the returns that are increasing.

The SECRETARY FOR AGRICULTURE: You are confusing the returns with the incidence.

Mr. MOORE: I am not doing anything of the sort. New avenues of taxation have been opened up almost every year, and more people have been brought in every year to pay taxation. The position is getting most serious for the country. Last year the revenue showed an increase of £570,283, and of that amount £475,742 was due to increased taxation.

The TREASURER: Increased collections.

Mr. MOORE: Increased taxation in the reassessment of taxpayers who had been assessed before and the disallowment of deductions which had been allowed previously.

The TREASURER: Don't you believe in people paying the taxation they are entitled to pay?

Mr. MOORE: Yes, but I do not think they are entitled to pay any more.

The TREASURER: They are not made to pay any more.

Mr. MOORE: The Treasurer may not think so.

The TREASURER: I have the decisions of the High Court of Australia and the Supreme Court to guide me.

Mr. MOORE: That is only in respect of those cases that are decided in court. Those decisions do not affect cases where taxpayers pay what is demanded of them rather than face the expense of going to court. The Treasurer has admitted that the financial position we have got into is due to over-borrowing; and the hon. gentleman leaves the impression, after one listens to him, that he is not responsible. He has been a member of the Cabinet practically during the whole thirteen years the present Government have been in office, during the whole of which period borrowing and taxation have increased and increased. He is just as much to blame for the position as every individual member of the party. During the time he has been Premier the public debt of the State has increased by £9,478,204.

The TREASURER: There has been a decrease in the rate of borrowing.

Mr. MOORE: The increase in the annual interest bill in that period has been £584,717, and the decrease in the receipts from works and services in the same period has been £485,470. It all goes to show that all the time we are continually spending borrowed money and not receiving an adequate return for it. That policy is having a detrimental effect on production, and is increasing taxation.

The TREASURER: Just tell me where I can reduce expenditure, and I will not only give

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consideration to it, but I will share the credit with you.

Mr. MOORE: The Treasurer suggested the other day that, if he could cut the railway losses by £1,000,000, he could reduce taxation by 25 per cent.

The TREASURER: Quite true. Tell me how to do it, and I will do so. Shall I cut some of that loss by closing some of the non-paying country sections of railway?

Mr. MOORE: One way in which I suggest those losses can be cut is by refraining from largely increasing the staff in election year—not put on 4,679 additional employees at election time and sack 2,317 of them afterwards.

Mr. ROBERTS: And not give the railway men a holiday on election day.

Mr. MOORE: I suggest that as one way of reducing the losses.

The SECRETARY FOR RAILWAYS: That is not a correct statement. It is a deliberate falsehood.

Mr. MOORE: Hon. members have year by year asked the hon. gentleman questions relative to the number of employees engaged in railway construction and upon the staff. If the hon. member will go through these returns, he will find that our statements are correct.

The SECRETARY FOR RAILWAYS: You will see that in that election year there was a record tonnage carried.

Mr. MOORE: I shall see nothing of the sort. I do know that in each election year there has been a huge increase in the staff which has diminished in the following year. That is one direction in which the Government might give consideration.

Referring to the income tax, there, too, is an extraordinary state of affairs.

The TREASURER: That is an extraordinary statement to make. It is not correct.

Mr. MOORE: The hon. gentleman gave the figures the other day.

The SECRETARY FOR AGRICULTURE: You are only quoting the "Telegraph."

Mr. MOORE: I am quoting from the returns tabled in this House. Even in that connection there are two different returns this year.

The TREASURER: Do you not know the difference?

Mr. MOORE: At different times I have asked for a return of the persons employed in the railway service, and these returns have shown that each election year there is a huge increase in the staff—not on construction work, but on the permanent staff—and a diminution in the year following the election year. In 1926 approximately 4,700 more persons were employed in the Railway Department—not on construction work—and in the following year 2,317 men were dismissed. These figures can be proved by a perusal of "Hansard." The hon. gentleman knows perfectly well that ever since 1916 until the present time there has been a big increase in the staff of the Railway Department during an election year and a reduction in the following year.

The SECRETARY FOR RAILWAYS: That is a falsehood.

Mr. MOORE: It is easy to prove.

The SECRETARY FOR RAILWAYS: It is not easy to prove. Take the employees per mile of railway.

Mr. MOORE: I am not talking about employees per mile of railway. I am talking about the aggregate number of men employed in the railway service during an election year as compared with other times.

The SECRETARY FOR RAILWAYS: Irrespective of the tonnage or mileage?

Mr. MOORE: Why is it that in 1926 there were 4,679 additional men put on to the staff of the railways?

Mr. MAXWELL: Because there was an election.

Mr. MOORE: Why is it that in the following year 2,817 men were dismissed?

The SECRETARY FOR RAILWAYS: Why did your party dispend with the services of over 1,500 men? (Opposition dissent.)

Mr. MOORE: Last year there was a greater tonnage carried than previously, yet there were less men employed.

When the present Government assumed office in 1915 the total debt of Queensland was £56,869,000.

The TREASURER: Get a bit up to date.

Mr. MOORE: I am getting up to date. Up to the end of last year the debt totalled £112,000,000, and we have approximately £57,000,000 of loan money invested in Queensland which is not returning one penny of interest.

The SECRETARY FOR PUBLIC LANDS: Due to the loss on branch lines which your party approved of when in power.

Mr. MOORE: Hon. members opposite have been building railways ever since they came into power, and now they pretend that someone else is responsible.

The TREASURER: We take our full share of responsibility for railways built, particularly the North Coast line.

Mr. MOORE: I want the Treasurer to take the full responsibility for the huge over-borrowing that has gone on in Queensland during the last thirteen years.

The TREASURER: I am no more likely to take it than you will accept responsibility for the statements of the hon. member for Oxley.

Mr. MOORE: The hon. gentleman has been a member of the Cabinet during nearly all of that time, and he must accept his share of the responsibility. It is no good his standing aloof and saying that Queensland has spent too much loan money and that that is the reason why we are in the unfortunate position that we are in to-day.

One thing to which I draw attention is the taxation that is necessarily imposed owing to these losses; and, looking at it from one point of view, I find that, according to the report of the Commissioner of Taxes, only 543 farmers (all classes except cane farmers) paid income tax out of a total number of approximately 39,000. Only that small number of farmers is in a position to pay income tax owing to the artificial conditions imposed by this Government.

Mr. HYNES: Members of your side of the Chamber said definitely last year that they favoured a rural award.

Mr. MOORE: It would be possible to remove many of these difficulties by a reduction in taxation.

The TREASURER: You are a "low wage" party.

Mr. MOORE: I do not believe in low wages, but what I do say is that, before you put an artificially high wage on an industry, you have to make it possible for that industry to pay.

The TREASURER: We did not put it on.

Mr. MOORE: Of course the hon. gentleman put it on.

The TREASURER: The Board of Trade and Arbitration put it on.

Mr. MOORE: The Board of Trade and Arbitration did not have any jurisdiction over these rural industries until the Labour Government gave it the power.

The TREASURER: Why should the poor beggar working in the country be denied the wages provided by law?

Mr. MOORE: Why should the poor beggar in the country have been denied those rights for ten years? Because the Government recognised that it was economically impossible for the rural industries to pay those wages, and before they brought those industries under the award they should have made it possible for them to pay. But nothing has been done to put them in a position to be able to pay award rates. Last year we had the Secretary for Agriculture talking about a guaranteed price for maize.

The SECRETARY FOR AGRICULTURE: You are ridiculous.

Mr. MOORE: It was shown how ridiculous he was in the cold light in this Chamber.

The SECRETARY FOR AGRICULTURE: You had to withdraw an alleged quotation from a speech of mine before. I challenge you to produce the statement you now make.

Mr. MOORE: I gave it to the hon. member for Cunningham. He has got it.

The SECRETARY FOR AGRICULTURE: You produce it.

Mr. MOORE: I want to get a little further in regard to this question of taxation. Although only 543 farmers out of 11,860 made sufficient to pay income tax, 3,729 of those farmers have to pay £31,866 in land tax. If you take dairy farmers and fruit farmers, only 242 of them paid income tax, amounting to £3,945, but 764 of them had to pay a land tax of £4,895. Does that not show that the Government are getting the taxation combed down pretty fine when they tax to that extent a class of people who are endeavouring to develop the State and increase production?

The TREASURER: The city business interests have to pay your freights and fares.

Mr. MOORE: The hon. gentleman does not know what he is talking about. Does not the man outside have to pay freight upon the goods he purchases in the city, and also pay the down freight on his own products? If the producer sells a ton of maize grown at Wallangarra, does he get any higher price because extra freight has to be paid? The Treasurer knows that the producer pays the freight both ways—on what he produces and on what he purchases.

The TREASURER: Who makes good the loss on the carriage? The city taxpayer.

Mr. Moore.]

Mr. MOORE: The general taxpayer—not the city taxpayer; and the general taxpayer is the individual farmer who to-day has to pay land tax, although he does not make sufficient money to pay income tax.

The TREASURER: If you can come to an agreement on this in your own party, I shall be satisfied.

Mr. MOORE: We are in agreement on this matter. There is not one member on this side who believes that a man who does not make sufficient to pay income tax should be compelled to pay land tax.

All the time the hon. gentleman is preaching about the extra cost to Queensland, and about the difficulty he has to meet the increased interest, and all the time the position is getting worse and worse as is indicated by the following table:—

INTEREST CHARGED ON REVENUE.

	£
1915	267,852
1924-25	2,461,118
1925-26	2,691,853
1926-27	2,855,602

The interest charged is increasing year by year, showing that the services on which loan money is spent are failing to respond, and more and more ingenious systems have to be devised to drag money out of the pockets of the general taxpayer in order to make up the losses that are occurring as a result of this misspent loan money, and also on State enterprises that are losing such an enormous amount. The position is getting very serious. If we had an expanding revenue, and, owing to increase in population and earning power, the people were able to pay, it would be a different thing. The position to-day is that the Commissioner of Taxes is gradually getting more and more people under the income tax provisions, and has brought in a lot who were in arrears in 1926 and 1927. We find that the expanding revenue was—

REVENUE PER CAPITA.

	£	s.	d.
1923-24	16	11	1
1924-25	17	16	10
1925-26	18	2	4
1926-27	18	6	1

The SECRETARY FOR RAILWAYS: Give the Federal taxation and the taxation in other States.

Mr. MOORE: I am taking the taxation in Queensland per head of population, which is one of the vital taxes. If I could find that some of the taxation in this State was being used for the advancement of industries or to enable people to start industries—if the credit of this State was used to establish or extend industries—it would be all right.

The SECRETARY FOR RAILWAYS: What about the Tully sugar-growers?

Mr. MOORE: Does the hon. gentleman not understand that a co-operative sugar-mill is one of the primary industries? Does he not understand that we have been endeavouring to get that system extended to secondary industries throughout the State, but we have been turned down every time? We do not count the cheese and butter factories, because they come under a special Act which gives them that power, but that Act does not extend to other sections of production. The credit of the State could be usefully employed

by giving money to people at a low rate of interest on condition that they either extended their industries or developed new undertakings.

The TREASURER: We make that provision.

Mr. MOORE: There is no provision for it under the Act to which I am referring. It is a system that might very well be adopted, because it would lead to employment being given where the money is spent. Under the present system of loan expenditure we build railways, and, as soon as the work is finished, we have to spend more loan money to keep men employed. We want to see that, when loan money is spent, there is work provided for the people without having to spend more money to keep them in work later on. The Government in Great Britain have spent £163,000,000 in three years for this very purpose with very beneficial results. They have increased the loan appropriation to enable operations to be carried on, and that is something which would be of great benefit to this State. It is a principle which is worth investigating to see if something can be done here in that way rather than to be continually borrowing money to keep men employed. The Treasurer has found that he has had to reduce the expenditure of loan money.

The TREASURER: It is unpopular.

Mr. MOORE: He did not reduce it until he could not get the amount he required.

The TREASURER: I have the money.

Mr. MOORE: He knows it is not going to last indefinitely, and that under the Federal Loan Council borrowing will be limited.

The TREASURER: If you come into power after the next election you will get the benefit of my action.

Mr. MOORE: I am glad to hear that; but we shall have a lot of things to make up for. I am afraid the balance will be altogether down the other way, and that the saving in loan expenditure will be far outweighed by the enormous commitments which will be left for us to meet. The best Treasurer is the one who can do without loan money altogether; but the situation is most serious and there is nothing in this Bill to make it any better.

The TREASURER: You tell me what you want.

Mr. MOORE: I could tell the hon. gentleman a lot of things.

The TREASURER: But you do not.

Mr. MOORE: There is, for instance, a motion on the business sheet to the effect that all public works over £500 in cost shall be carried out by contract. Why does the private individual let his work

[11 a.m.] by contract? Because he knows that it is going to pay him, and because he knows it is going to be cheaper. I could say that I would put the railways on a proper footing and put them under a Commission so that they would be free from political influence and would be worked as they ought to be worked. I could say that I would cut out State enterprises—cut the lot out and be done with them rather than have them going on in the way they are doing and draining the pockets of the people of this State. There are several ways in which the situation could be improved. The hon. gentleman probably wants me to say

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that I would cut out widows' pensions, but I do not say that.

The TREASURER: I want you, as leader of the party, to give me some idea.

Mr. MOORE: There are some things which are well worthy of consideration as means of improving the situation. We know that in our public works money is being wasted tremendously—absolutely thrown away.

The SECRETARY FOR PUBLIC WORKS: That is not true.

Mr. MOORE: It is absolutely true. No one can stand up against the facts and figures which have been given in this Chamber. The Minister himself has realised the necessity for action. Why did he issue a proclamation to the effect that the foreman of a job should be able to select his own labour and carry his men from job to job rather than go on in the old way? Because he finds the advantage of it. But the fact remains that we are to-day reaping the harvest of what has been done in years gone by; we are having to pay increased taxation for interest on money which was wrongfully spent. We have to consider these things. In view of the fact that Queensland is suffering under a vast load of taxation, we have to see if we cannot reduce it. The Minister looks round to see where the money is being misspent, and why he is not getting sufficient return for it. When a private person or a man in business does that, and finds where money is being wasted, he cuts that particular item of expenditure out. The Government, however, merely go on in the same old way because it happens to be their policy. They say, "We are not going to change; we are going on as before." The Government, for instance, expect people to go on the land under the perpetual leasehold system when they want freehold.

The TREASURER: As a matter of fact, some of them prefer leasehold.

Mr. MOORE: We know that it is preferred in certain callings, but in the great majority of cases the system is preferred that has always been preferred—that is, the freehold system. The hon. gentleman knows that, if he wanted to create an enormous demand for land over a far wider area than at present, he would have to take to freehold, by which the people can get what they want—a negotiable security—something they can mortgage. That is one thing that would make the position much easier. There are several ways in which the position can be improved; but we do not find any suggestions in any of these directions accepted by the Treasurer. All we find is that the hon. gentleman says that there has been too much borrowing, and that he would reduce taxation if he could, but he does not see any way of reducing it. It is all very well for the hon. gentleman to say that, if he could reduce the loss on the railways to a certain point, he would be able to decrease taxation by 25 per cent. We all know that. It is no use his saying, "I could do it if so and so happened; but I have reached a dead-end and cannot do it," with the result that a lot of the money he is collecting is spent in making up the loss. That sort of thing is not going to help us. We must return to a policy that will assist us to make the position in Queensland better, and make possible greater production and increased exports from this country.

The TREASURER (Hon. W. McCormack, Cairns): The Leader of the Opposition has covered a good deal of ground, but, as is usual with him, he has suggested nothing definite.

Mr. CLAYTON: He compelled you to rise.

The TREASURER: The Leader of the Opposition has always been very courteous to me, and, in common courtesy to him, I feel obliged to say something in reply. The hon. gentleman has not indicated in what way he would provide an excess of revenue over expenditure, unless he contemplates a reduction of the means of paying for Government services in every direction without intimating how the deficit that will be created is to be made good.

Mr. MOORE: I did not say that.

The TREASURER: We have had this loose talk about reduction of taxation indulged in by every Opposition that has ever been in a Parliament House. Quite recently in New South Wales we had Mr. Bavin fighting an election on an economy campaign. I read a number of his speeches, and they were similar to the speech the Leader of the Opposition has been making this morning. In due course Mr. Bavin was returned to power; but what was the result? Increased taxation and a greater loan expenditure than Mr. Lang ever contemplated. What did Mr. Bavin say in connection with State enterprises? He said that within twenty-four hours of his return to power away they would go. But what has he stated since his return to power? "We have to carry them on; we are going to carry them on." He actually adopted the attitude adopted by this Government, that, where the State enterprises were unprofitable and could be dispensed with, they would be dispensed with—quite a reasonable policy—but not dispensed with at a sacrifice.

Leaders of Oppositions and Opposition parties generally—this does not apply to any particular party—are always going to solve these problems until they reach the Treasury benches. I have no complaint to find with that portion of the criticism of the Leader of the Opposition. It is the duty of the Opposition to tell the public that everything the Government do is wrong; and no doubt I did a little of that myself when I was in opposition. (Laughter.) Shorn of the necessary "flam" associated with Parliament, there is and can be constructive criticism aimed at the Government; and, if it is well directed, it must be taken notice of by the Government.

The Leader of the Opposition dealt with the rural workers' award. What on earth has the rural workers' award to do with the situation? Do I understand that the Country Party believe that the man who does the labouring work for the farmer is always to be a helot—always to be ground down, without any chance of advancement or of possessing some of the better things of life? The hon. gentleman does not believe that himself. What is the use of endeavouring to make political capital out of the rural workers' award? What value is it to say that those people who are unfortunate enough to be rural workers and follow most important occupations in the social scheme are for ever to work under the old rate of wages and conditions because someone says that the farmer cannot afford to pay any more? It

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is quite a wrong attitude for the farmer and Country Party to take up. Leaving the question out of politics altogether, the man who works on the land and the man who works for him are as much entitled to the good things of life as the man who works in the city in a secondary industry. I do not say that the man who works for the farmer is worse off than the man who gets a high rate of wage in the city. I realise that the man on the land and his employees are not subject to the enormous charges that have to be borne by the city dweller. There is the cost of transport of many things in the city which does not apply in the country; consequently the law recognises the difference. But to say that those men should have no right of access to the tribunals of the country will probably keep the Opposition where it now is. Why, the very element of fundamental justice is that we, having established a system of wage fixation, every worker shall have the right of access to that tribunal. The farmer and those who work for him have the right to demand from the rest of the community a fair share of the prosperity which they help to produce.

GOVERNMENT MEMBERS: Hear, hear!

Mr. KESLO: What is the effect to-day of the rural workers' award?

The TREASURER: Any political party that is going to build a programme on a system of industrial slavery in the agricultural industries is not going to succeed.

Mr. SIZER: Can you guarantee the farmer a fixed price for his commodity?

The TREASURER: People who work on the farms and in the agricultural industry have a right of access to those tribunals which we establish. If that right is denied them, then we should not allow any person to have access to them.

GOVERNMENT MEMBERS: Hear, hear!

Mr. SIZER: Do you admit the right of the farmer to get a fixed price for his produce?

The TREASURER: The hon. member knows that what I say is quite true.

Mr. SIZER: Answer my question.

The TREASURER: I am not going to answer any question that the hon. member likes to put to me.

Mr. SIZER: That is the crux of the whole question.

The CHAIRMAN: Order! Order!

The TREASURER: When the hon. member is speaking he will not listen to any interjections, pertinent or otherwise. Therefore, he cannot expect me to answer his question. I am not going any further than that. I have plainly stated the case in respect to rural workers on behalf of this party; and we are quite prepared to stand or fall on that policy in the farming districts.

Mr. SIZER: You will fall.

The TREASURER: If we do fall in demanding the right of every citizen of this State to have access to the tribunals of this State, then we shall fall in a good cause.

GOVERNMENT MEMBERS: Hear, hear!

The TREASURER: The Leader of the Opposition talks about how much the Government have spent. I have never stated that the Labour Party have not been as great

spenders as their predecessors. I am not so foolish as to make a statement which can be denied forthwith, for evidence is at hand to disprove such a statement. The hon. gentleman is prone to do that. He just now said that the Secretary for Agriculture was responsible for a certain statement.

Mr. MOORE: It is contained in his own pamphlet, No. 14.

The TREASURER: The hon. gentleman made the statement that the Secretary for Agriculture printed a certain thing in a pamphlet.

Mr. MOORE: It is quite true.

The TREASURER: The Secretary for Agriculture says it is not true.

Mr. MOORE: It is here; we have read it out.

The TREASURER: I leave that to you and to him. I know it is not true. Here is a statement made on behalf of the Government, and it is asserted that the Secretary for Agriculture made the statement. Is that fair? Is it honest criticism?

Mr. DEACON: It was authorised by Lewis McDonald.

The TREASURER: The Leader of the Opposition says that the Secretary for Agriculture made it, but no doubt the latter can deal very well with the matter himself.

Mr. KING: Do you not think it is more far-reaching than the statement made by the hon. member for Oxley?

The TREASURER: Hon. members on the other side make these inaccurate, loose statements, and then wonder why the people do not believe them when they make other statements.

Loan expenditure in Australia has gone beyond a reasonable limit, and expenditure by all Governments in Australia will have to be curtailed. Is there anything wrong in my reiterating that statement when I am taking steps in that direction? I believe that one of our difficulties is the continual increase in the interest bill, which is due to the fact that we are building railway lines that cannot possibly pay.

Hon. W. H. BARNES: And embarking on undertakings which have proved a sink for public money.

The TREASURER: The great bulk of our interest bill is for money borrowed in connection with railway construction; the rest counts neither here nor there.

Mr. MORGAN: Only a few millions! That does not count!

The TREASURER: Hitherto the building of railways has been regarded as essential to the development of a country like Queensland. Every party has agreed to the construction of new railways. During the last session of the Liberal Administration I was a member of this House, when fourteen new railways, estimated to cost tens of millions of pounds, were approved of. The point I make is that all parties, whether they agreed on one project and disagreed from another, believed—and I think sincerely believed—that the only method of encouraging the progress and development of our large continent was by the provision of transport facilities. That is what has led Australia into her present position, with millions of money invested in

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railways and a new system of transport appearing on the horizon.

Mr. TAYLOR: What about Western Australia?

The TREASURER: That State is in a slightly different position. There the whole of the available settled area outside the goldfields is of very circumscribed limits. The problem is not so great in other countries where there is not such a scattered population, but in a State like Queensland we have large stretches of country that would not feed a wallaby being traversed by miles of railways which must necessarily be built in connecting important points.

Hon. W. H. BARNES: Have not the trunk lines been the best paying lines?

The TREASURER: Naturally, the trunk lines must be the best paying lines. I believe the river that receives the largest number of tributaries has the most water in it. (Laughter.) It does not require a mathematician to realise that a main trunk line that receives all the other traffic is going to be a better paying proposition than the branches that help to concentrate that traffic.

Only recently the "Telegraph," which is the official organ of the Opposition—in fact it goes further than that—published a column of events of fifty years ago, and in one paragraph it pointed out the dangerous position the Government of fifty years ago was getting this State into by building branch railway lines all over the Darling Downs. I mention that to show that even when those branch lines were being constructed—when railways were considered to be the only means of transport—at least that journal—of course the people running it at that time are now gone—warned the Government against spending a lot of money on branch railway lines which would never pay. The trouble facing the Government is these branch lines. I assert that all the talk about men employed on the railways being responsible for the deficit is pure "bunkum."

Mr. MAXWELL: Didn't you say that?

The TREASURER: If the engine-drivers and guards on some of these branch lines gave their services for nothing and just ran these trains for the honour and glory of it, some of the lines would not pay interest. How is my friend on the other side going to solve the problem by knocking one or two railwaymen off? When we get down to tin tacks, the Opposition do not want to offer any suggestion. They are quiet. They do not want to commit themselves. But the Government have not been afraid to commit themselves. In spite of the statements made by the Leader of the Opposition, we have initiated and carried out a policy that no man who is not needed should be employed in the Railway Department or in any other Government department. We are carrying out that policy.

Mr. MAXWELL: Not at election time.

The TREASURER: The hon. gentleman talks about election time! It seems to me that hon. gentlemen make these misstatements again and again until they believe them, although they have no foundation in fact. I have listened to the hon. gentleman making wild statements when election comes round; and, in spite of all the things he is going to do in this House, he runs round every house in Toowong, where he gets a

3,000 majority, afraid for his life that he is going to lose his seat. (Laughter.) The hon. gentleman, like a lot of others, thinks he can win an election by abusing somebody or casting reflections on their personal character.

Mr. MAXWELL: You do that.

The TREASURER: It is not done.

Mr. KELSO: At Muttaborra you spent twenty minutes in abusing the Opposition.

The TREASURER: If sane criticism is abuse, I admit the charge.

I want to show that there has been a definite reduction in loan expenditure.

The people who are urging me to go in for further loan expenditure are the supporters of the Opposition. At a meeting of chambers of commerce held at Maryborough recently they considered about twenty-three proposals, in connection with nineteen of which it was proposed to ask the Government for assistance.

An OPPOSITION MEMBER: Was that a political organisation?

The TREASURER: It does not matter what organisation it was. Political organisations, as a rule, are not so frank as other organisations. Here was a large number of the leading men of Queensland who criticised the Government for loan expenditure, and then put up proposals involving several millions for railway construction.

Mr. MOORE: Provided they were sound, it was all right.

The TREASURER: Perhaps the hon. member proposes to build all those lines when he gets into power.

Mr. MOORE: I would not have opposed them as you did.

The TREASURER: I never found the hon. member opposing any of these railway lines. The only railway line that we did not build—although it was part of our railway policy, we did not think that the expenditure at that stage was warranted—was the line from Innisfail to Mourilyan Harbour, which already has a railway. When the hon. member went up there, he said that he would build that line.

Mr. MOORE: I did not do anything of the sort. Where did you get that from? (Opposition interjections.)

The CHAIRMAN: Order! Everybody seems to be speaking except the hon. gentleman who has the floor.

The TREASURER: I do not mind interjections so long as they are pertinent to the subject I am discussing, because I think it helps us along a little.

Queensland will have to go steady in regard to railway construction. There is no other method whereby large numbers of men can be employed except on public works such as railways, and I frequently hear Opposition members blaming the Government for not providing work for the unemployed. That is a common charge made against us. Have we to build more railway lines?

Mr. MOORE: No.

The TREASURER: If we are not to do that, what are we to do with the money to employ these men? Build roads?

Mr. MOORE: There are other ways.

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The TREASURER: I would like to know what they are. Does the hon. member propose to lend money to private "snide" companies, which would immediately be formed to get this public money?

Mr. MOORE: Why "snide"?

The TREASURER: It is very difficult for any Government to say they are going to lend money to private companies at a low rate of interest and especially favour some group of shareholders. The hon. member seems to think that is an easy thing to arrange.

Mr. MORGAN: Did you do that with Mount Isa?

The TREASURER: No.

Mr. MORGAN: You have not told us what agreement you have made.

The TREASURER: I do not tell the hon. member anything unless he asks courteously for it. He has the bad habit—and I suggest that he should refrain from it—of suggesting that something is wrong.

Mr. MORGAN: Do you not expect to be assailed?

The TREASURER: I do not take a punch and sit down.

Mr. MORGAN: You should not lecture me.

The CHAIRMAN: Order!

The TREASURER: I do not propose to get into a controversy with the hon. member. I hope the officers of the House will see that members are protected from attacks made by hon. members like the hon. member for Murrumbidgee.

Mr. MORGAN: We want protection from you.

The TREASURER: You will get all the protection you want. You seem to be very well again—you have got quite "cheeky." (Laughter.)

The CHAIRMAN: Order! I hope the hon. gentleman will address the Chair.

The TREASURER: I was proceeding to say that any Government which proposes to give public money to private companies at low rates of interest is embarking upon a very dangerous policy indeed—not that private development in some cases is not worthy of help: and we have adopted that policy in regard to certain interests. We have adopted that policy in regard to certain industries; but, if the hon. member set out to help private enterprise in secondary industry, he would find a good deal of trouble facing him.

Mr. TAYLOR: What have you got in your mind about private companies? Let us have it.

The TREASURER: I have got nothing but this—that it would be most difficult for the Government to use public funds to help private companies that, perhaps, were worthy of help.

Mr. TAYLOR: Have you any companies in your mind?

The TREASURER: I have not at the present time. To some extent we do this in regard to the secondary industries [11.30 a.m.] tries associated with the man on the land; but we make those companies purely co-operative. Can you apply that co-operative principle to a wool-len mill, for instance? You cannot get men

to put large sums of money into secondary industries, where they put their money in in order to get dividends, and apply the co-operative principle to them. There is a germ of an idea in the suggestion of the Leader of the Opposition. Something could probably be done in that direction; but the method of doing it and the process of bringing it to completion are most difficult. I have looked into the matter; but at the present stage of our development secondary industry is not capable of embracing everyone engaged in it on a co-operative basis; and the result would be that the public funds would be used in an industry where the public interest would sooner or later create very great difficulty either for the management or for the employees.

Mr. TAYLOR: Who is advocating that?

The TREASURER: The Leader of the Opposition. Let me repeat what he said, for the benefit of the hon. member for Windsor, who is not up to date.

Mr. MORGAN: So far as you remember it.

The TREASURER: I have unlimited time, and I can wait if the hon. member wishes to interject. The Leader of the Opposition referred to secondary industries associated with primary production, and he said that Governments have helped them; and he wanted to know why that same help should not have been available for other secondary industries. Personally I have given some attention to the question of helping people who were prepared to invest their capital in establishing industries in our State rather than have the State completely owning them.

Mr. ROBERTS: We moved an amendment in that direction, and you opposed it.

The TREASURER: The hon. member will find it a most difficult thing. It is not as easy as it is when you can apply the principle of State aid to a purely co-operative concern which pays no dividends and divides the whole of its profits amongst the people engaged in it. Public opinion will submit to the principle of co-operative ownership and of helping co-operative ownership; but I do not believe that the taxpayer or the people in general will ever submit to the Government finding money at low rates of interest to help purely private companies for dividend-earning purposes.

Mr. MOORE: You are doing it in connection with workers' dwellings.

The TREASURER: That is a very different thing. That is not for exploitation. I just want to say that the Government are endeavouring to limit expenditure without creating chaos. No one would willingly knock off thousands of men from the public service, as has been proposed by members in this Chamber at various times.

I realise that by closing down branch railways that do not pay, compelling the settlers of those areas to use the roads, and discharging the railway employees, I would be creating a more dangerous position than the existing one. The South Australian Government did something of this kind, but they found themselves in a very difficult position indeed, due to a drought and a very bad harvest in a State where the wheat crop is everything to them. I am not going to say that it was the fault of the South Australian Government that the drought occurred any

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more than I believe that it is in the minds of the Opposition that the drought here was our fault. I believe that the action on the part of the South Australian Government was too drastic, and created a greater difficulty than the one they set out to solve. We must have some regard for human needs, and to discharge thousands of men and have them hanging round the cities and towns without any means of sustenance would create a most difficult problem to handle.

Mr. EDWARDS: You did that in connection with the Queensland railways.

The TREASURER: Mr. Pollock, do you see how they contradict themselves? In one breath they say we do this, and in the next breath they say we are keeping these people—giving them too much money through the Unemployment Insurance Fund, giving them too many rations, and that we are too good to them. Now, we cannot do both of these things. We do either one or the other. I am not prepared to do the drastic thing that is necessary to reduce taxation in the way that the Opposition proposes to reduce it. The Government take the full responsibility for taxing the people, and I believe it is better to do that than create the chaos the Leader of the Opposition would create if he carried out his proposed reduction of taxation. How could a Government carry on if taxation were reduced? If, unfortunately, the Opposition were able to obtain the reins of government, they would do as Mr. Bavin did. They would probably say that they could not do anything because the Labour Party left the position such that they could not do anything. They say to-day that they can do these things, but I say again, emphatically, that I am not prepared to reduce taxation at the expense of the thousands of men and women who would suffer as a result of that reduction of taxation. You cannot have it both ways. If you wish the well-to-do to have more money than they have to-day, and the poorer class to have less, then the policy will be a reduction of taxation. You must take money from one to give it to the other.

Mr. EDWARDS: What is the use of talking like that?

The TREASURER: It is very useful to say these things. It is very interesting to listen to the truthful statements of the hon. member for Oxley. He deals quite frankly with the situation. He says in effect—I want to stress this—that to put into operation a policy of reduction of taxation we must sack men or reduce wages. That is the truest statement he ever made in this Chamber. (Opposition dissent.) The two things are identical. I know of no royal road to a reduction of expenditure.

Mr. MOORE: Then to decrease unemployment you would increase taxation?

The TREASURER: The hon. gentleman knows that taxation has little to do with the problem of unemployment. (Opposition dissent.) The hon. gentleman wishes to relieve the well-to-do. (Opposition dissent.) He covers that pill—which is a bitter one—with some sugar, and says, "If you do that, then those taxpayers will employ more labour." That is the sugar-coated pill, when, as a matter of fact, if taxation was reduced, the hon. gentleman, if he were in charge of the Government, must, on the other side of the ledger, either get rid of somebody who

to-day is working for the Government, reduce wages, or lengthen hours. (Opposition dissent.)

The CHAIRMAN: Order!

Mr. KERR: You are at a dead-end yourself.

Mr. TAYLOR: Those are things you started yourself.

Mr. SIZER: If increased taxation will solve unemployment, why not increase it?

The TREASURER: We do not propose to increase taxation.

Mr. SIZER: Why not, if that is the solution?

The TREASURER: We do not propose to reduce it if it would mean dismissals of thousands of employees and increase unemployment. The Opposition propose to reduce taxation, but they do not tell anybody how they are going to maintain the services when they do so.

Mr. SIZER: Cut out the land tax and State enterprises, and the revenue from one would balance the losses on the other.

The TREASURER: We did abolish the non-paying enterprises. Would the hon. member suggest abolishing the railways and getting rid of all the troubles associated with them?

Mr. SIZER: One at a time.

The TREASURER: Does the hon. member suggest that by simply abolishing the railways we would get to an end of all their troubles?

Mr. TAYLOR: You yourself made the statement that you inherited the legacies of the 44-hour week and the increased basic wage.

The TREASURER: It is true I said so.

Mr. TAYLOR: And that is the reason of some of your difficulties.

The TREASURER: I fought an election on those issues, and was returned. I never shirk the problem raised by shortening hours and raising wages. The Opposition think they can shirk that position by raising other problems. They cannot do so. The public will take no notice of them. I have at every opportunity stressed the loose talk of the Opposition. The solutions offered by the Opposition will give no relief in the matter of the public debt. The public service, as a whole, is not overstaffed or over-paid; so the Opposition must either propose to reduce the staff or to reduce wages. Silence on their part indicates that that is their policy. Then we come to other services they might deal with. I do not wish to drag in the public institutions.

Mr. TAYLOR: You did at the last elections.

The TREASURER: It is only repeating something which the Opposition deny. They do not propose to cut out the subsidies to charitable institutions?

GOVERNMENT MEMBERS: They do.

The TREASURER: Where are they going to effect this relief they speak of?

Mr. MAXWELL: By cutting out a lot of the State enterprises.

Mr. SIZER: State enterprises last year showed a loss of £528,000.

The CHAIRMAN: Order!

The TREASURER: Am I to understand that the whole of the economic troubles of this State will be solved when the State

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enterprises are cut out? If I thought that, I would cut them out. That shows how bankrupt the Opposition are of a policy for dealing with the problem. (Opposition laughter.) I have followed and dealt with their suggestions one by one; and I find that the only thing they are going to do to bring about relief of the present economic position is to cut out State enterprises.

Mr. H. M. RUSSELL: You are floundering.

Mr. SIZER: If it were not for our interjections, you could not have made a speech.

The TREASURER: I have dealt with some of the interjections, because I realise that an hon. member says something by way of interjection which he would not dare say when delivering a carefully-prepared speech. The Leader of the Opposition said that he would cut out State enterprises. That is his whole solution of the problem.

Mr. MOORE: No. You heard my speech. I did not say that it was the sole solution.

The TREASURER: I am not blaming you for the whole of the suggestion.

Mr. TAYLOR: The position at Chillagoe was serious enough for you to cut it out.

The TREASURER: It was serious enough, and at reasonable opportunities I will cut out the others that are not paying. The point I am making is that I am not going to solve the problem facing Queensland—nor is any Government in Australia going to solve the problem facing Australia—merely by getting rid of a few State enterprises which count neither here nor there in the general scheme of things. What I would like to know is how the Opposition propose to do the trimming to enable them to cut 25 per cent. off the income tax.

Mr. KELSO: You are the doctor.

The TREASURER: There is no royal road to doing this. The hon. member for Oxley truthfully and frankly faced the situation, and said what would have to be done if the policy of the Opposition were carried out.

Mr. SIZER: If his own policy were carried out.

The TREASURER: Not at all. I agree with the hon. member for Oxley that, if my attitude was to reduce taxation irrespective of the results, my methods for doing that would be as he said. But I do not agree with his methods. The hon. member who has just interjected finds it disconcerting; the reason for it is beyond his understanding. If a truth is stated, it matters not whether it agrees with the views of the Opposition or of the Government—it stands for all time.

Mr. SIZER: Do you think it is the truth?

The TREASURER: If it is a truth stated by a member of your own party—not with any pretence of putting up a political argument—a thing that may possibly damage his own political reputation and bring no gain to him—the truth must be stated all over the country to show that, in the opinion of hon. members opposite, there is only one way of reducing this taxation. (Opposition dissent.) I have given the Opposition some food for thought. Probably I have gone a long way from the question now before the Committee; but the Leader of the Opposition broadened the discussion—no doubt quite in order at this stage of Supply—into a general talk on financial matters. This

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year I have again endeavoured—and it is an election year—we cannot deny that—to curtail expenditure. I do not believe that the public want a “boom and burst” policy. It has been the policy in Australia, and your National Government have been the greatest offenders of all. Why, the National Government spent £9,000,000 at Canberra.

Mr. TAYLOR: Your Government have doubled the public debt in thirteen years.

The CHAIRMAN: Order!

Mr. TAYLOR again interjected.

The CHAIRMAN: Order! I ask the hon. member for Windsor to obey my call to order.

The TREASURER: It must be conceded that all Governments in Australia have been spending too much loan money. This year this Government proposes to spend a little less than last year. Financially we are in rather a good position. We have conserved our money, and it is not going to be used in one splash. I have no doubt that I shall be responsible for carrying on as Leader of the Government after the election, and I am not going to put myself in a difficult position.

Mr. KING: You are an optimist. (Laughter.)

The TREASURER: The hon. gentleman must readily realise that, when I took over the leadership of this party, the outlook was not nearly so bright as it is to-day. (Opposition laughter.) It is a good thing to be an optimist. We are in a good financial position so far as loan money is concerned, because we have conserved that loan money. We are not proposing to spend it in building unprofitable railways. There are railways which I would like to see built, as I honestly believe people should get railway communication that will promote settlement. But how on earth could I face the interest charges on those railways when the Railway Department points out to me that there is no possible chance of the railways paying interest and working expenses. I mention in particular two lines—one in the electorate of the hon. member for Burrum, and one in the electorate of the hon. member for Carnarvon. I wish both of those lines were built; but they would cost a lot of money to build, and, when built, they would add to the interest bill because there is no possible chance of either paying interest and working expenses.

Mr. KING: That Carnarvon line was promised when the present Secretary for Mines contested that seat.

The TREASURER: The hon. gentleman had better address his interjection to the Secretary for Mines. I do not want to anticipate a report from the Public Works Commission; but the difficulty is not the proposition itself, but whether the Government can spend £150,000 or £200,000 on a railway when the railway officials point out that it is going to add to our interest burden.

Mr. SIZER: The only pity is that you did not adopt that policy a long time ago.

The TREASURER: If we did not follow it long ago, we are following it now; and I believe the people of Queensland support our action. I do not think there is anything more that I can say. I again state that there is no intention to inflate the public service at election time. I can give the House

and the country the assurance that there is no intention to commence large loan works in different electorates. I do not think that is a wise policy—I do not admit that it was ever done—and I would like information as to when it was done. (Opposition laughter.) Hon. gentlemen opposite did it. Their Government passed fourteen railway lines in their last session. What position would we have been in to-day if we had built the *via recta*—the direct route to Warwick? We would have had three lines to Sydney.

Mr. MORGAN: You voted for it.

The TREASURER: I voted against it. The hon. member voted for it. You made an unholy alliance among you that, if one group voted for the *via recta*, the other group would vote for the Tinana deviation; but I believe the Downs group went back on that arrangement. (Laughter.)

Mr. MORGAN: I voted against the Tinana deviation.

The TREASURER: You went back on your bargain.

Mr. MORGAN: No.

The TREASURER: We were in your confidence at that stage, because both sections wanted the support of the Opposition.

Mr. CLAYTON: The Maryborough group went back on you last Saturday. (Laughter.)

The TREASURER: Fourteen railway lines were passed through this Chamber by the Donham-Barnes Government in their last session of Parliament; yet the hon. gentleman talks about political honesty, and, with his tongue in his cheek, he tells us that we are doing this and doing that. Could there be anything more dishonest politically than for this Government now to propose fourteen different railways in weak electorates throughout the country?

Mr. SIZER: We shall wait and see.

The TREASURER: I can assure the hon. member that there will be no railway proposals submitted to Parliament this session on the lines followed by the hon. member for Wynnum. When recalling 1915—as hon. members opposite are prone to do—it is as well to remember their last session of 1914. No doubt many members of the Country Party who were not here in those days will say, “We are not responsible for what was done in 1914.” I reply, “I am not responsible for what Mr. Ryan did, nor for what Mr. Theodore did.” I take my share of responsibility, and that is all anyone can do. I ask hon. members opposite to get the particulars of those fourteen railway proposals. The hon. member for Wynnum was Treasurer at the time. Some of them, if built, would have made our railway position 20 per cent. worse than it is to-day. Just imagine if we had the *via recta* now that we are getting the Kyogle line! We would have had several railway lines running to New South Wales if hon. members opposite had had their way. That all goes to show that hon. members opposite who hold themselves up to-day as a group of Simon Pures were quite willing, when in power, to attempt to bribe all the country electorates by passing railway proposals.

GOVERNMENT MEMBERS: Hear, hear!

The TREASURER: It is just as well to remind hon. members opposite of these things; I do not think that the leopard has

changed its spots. The Opposition have made no tangible suggestion except one—the abolition of State enterprises.

Hon. W. H. BARNES: No.

The TREASURER: We expound our policy to the electors on the eve of the election.

OPPOSITION MEMBERS: So do we.

The TREASURER: We shall also then explain the attitude of the Opposition in regard to this fallacy that they are going to reduce taxation, raise wages, and reduce hours.

The Government are exercising economy in every direction, and we hope to be able to continue to do that. We hope that, with the return of good seasons in Western Queensland, our difficulties will be lessened, if not alleviated altogether. Above all, the people themselves will have to depend more upon themselves, and not so much upon the Government. I said that when in opposition; I said it when a Minister; and I have said it as Premier. The theory that the Government can solve problems for each and every industry is one to which we must give less heed. The idea that we can give the maize-grower a high price for his maize, the wheat-grower a high price for his wheat, the sugar-grower a high price for his sugar, and everyone in the country a high price for his products is a policy with a good many holes in it; and the less we mislead people in that direction the better it will be for ourselves. No Government can solve our problems by promising to do this, that, and the other.

Mr. KELSO: You promised to solve it with your policy of socialisation of all industry.

The TREASURER: It is not a question of socialisation. A system of Socialism, if human nature was sufficiently adapted and sound enough to follow it, would be a much better system than one in which one man gets £10,000 a year and another man lives in the direst poverty. The hon. member can say nothing good of the present system. No economist or sociologist in the world will say that the capitalistic system is a humane system. We have grown into it, and we attempt, as far as possible, to alleviate it, because it is a hard system. The principle behind capitalism is ability to pay. One must pay at all costs; and, if one does not pay, one must go under. The law of the jungle is the law behind capitalism. I am not complaining about that. All we can do is to lighten the effects of the system; but to say that under that system by Government action we can solve all these difficult problems is only encouraging people to believe in something that cannot be accomplished. I leave it to the Opposition—I see they are all anxious and willing to talk—and I suggest that they tell the Government exactly how they are going to accomplish this policy of reducing taxation, how they are going to prevent the rural worker from getting a decent wage, and how they are going to give the wealthy people the relief they claim they should get at the expense of the working classes of Queensland.

GOVERNMENT MEMBERS: Hear, hear!

[12 noon]

The CHAIRMAN: I would like at this stage to make one or two remarks which

Hon. W. McCormack.]

I think may save hon. members on both sides a little heartburning. I do not propose to make any objection to interjections so long as they are relevant interjections; but I am not going to permit interruption of any speaker while I occupy this chair. I ask hon. members to refrain from interruption and obey my call to order, and, if they do so, I think we shall all get along together perfectly happily.

HONOURABLE MEMBERS: Hear, hear!

HON. W. H. BARNES (*Bulimba*): The Treasurer certainly has wandered pretty well all over the world in the course of the speech which he has just made. He has depended so largely on interjections from this side that I am perfectly certain that he must have felt very glad there were so many to help him to make a speech. Right down at the bottom of his speech was this confession, "Gentlemen, I have been in charge of the Government of this country and we have got into a mess. Will you please come along and tell me how to get out of it?"

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: That is really a summing up of the Treasurer's speech. I am perfectly certain that is how it must have appealed to anyone who listened to him. He very conveniently avoided any mention of some of those things which have helped to bring the Government of the country into the condition they find themselves in to-day. Did you notice, Mr. Pollock, how he laid special stress on the contention that this party was out to help the wealthy in the community? Without being in any way offensive, if I used that term, I should include the hon. gentleman amongst the wealthy class; and—if I agreed with the Treasurer that we were out to help them—I would say that he was one of those we wanted to get at, because I am perfectly certain he would come within that category.

The TREASURER: I am quite willing to pay the taxation that I pay to this State.

HON. W. H. BARNES: I am pleased to know—or rather believe, because I do not know; and, if I said I knew, I would be making an assertion which I have no right to make—I am pleased to have the belief that the hon. gentleman is one of the principal taxpayers of this State.

The TREASURER: It is only a man like you who would say that. That is not the teaching of your religion. It is a very unchristian-like thing to say.

The CHAIRMAN: Order!

HON. W. H. BARNES: The hon. gentleman has made statements which demand a reply, although some of them are such that it is very difficult to reply to them because he wandered so much. I want to draw his attention, however, to the fact that, when he talks about the wealthy and taxation, he forgets that even on the showing of hon. members opposite themselves—including some of their leaders—there comes a stage in taxation when it is impossible to pay it; and, when that stage is reached, I am bound to say—and I think every hon. member must admit it—the result is unemployment. I do not care whether the person concerned is the Treasurer or you, Mr. Pollock—if your capital is limited to a certain amount and taxation reaches that

stage, then you have to face the position, and it means unemployment.

Some of the reasons which the hon. gentleman forgot to face this morning—some of those reasons which have helped very materially to bring about the present unfortunate position—and I lay the charge against the Government in this connection—are to be found in the fact that the Government have played with certain influences which are at work in Queensland to-day, particularly in the electorate of the hon. gentleman himself. He has been afraid to tackle those things which have arisen and are arising in different parts of the State to-day. What is the cause of a great deal of the unemployment that exists amongst us? Why is it that people are not coming to our State to embark on industry? Boiled down, the cause is that there is a fear in the minds of such persons, whether they be shipping people or otherwise, that they will not get a fair deal from the Government of this State. Do we ever see the hon. gentleman taking a stand in connection with the men who work desperately against the interests of the workers—men who come to Queensland with one particular object? I have in my hand a cutting in which reference is made to a Mr. Moxon, who has come to Queensland for a specific purpose. What is that specific purpose? To strike at the very fundamentals of the workers. Hon. members opposite say that I have no right to quote these things, but I am going to quote them to show that they are matters that the Leader of the Government has been afraid to touch. Who are the people who have stood behind these individuals when their influence has been at work undermining the true workers of the State? Quite recently I stood on the railway platform at Coorparoo about to board a train, when the engine-driver jumped off the train and drew my attention to a circular which he handed to me—which I brought under the notice of the hon. member for Sandgate. That circular, which the Communist party is distributing throughout the workshops of Queensland, is part of the influence which is going in the direction of hurting the community generally.

The TREASURER: Did you report that matter?

HON. W. H. BARNES: The hon. gentleman has nursed that kind of thing, because he has received support in the past from it.

The SECRETARY FOR LABOUR AND INDUSTRY: Is that the circular the engine-driver gave you?

HON. W. H. BARNES: No, but I got it all right. There no question about that.

Mr. COLLINS: Let us have it.

HON. W. H. BARNES: Hon. members opposite do not like being hit, but I shall make my own speech in my own way. I shall hand this document to the Treasurer after I have made use of it. The article from which I now propose to quote says this—

"For the first time in its history Queensland is to be the object of a vigorous campaign from the Communist Party of Australia. The party's official organ in Sydney states that £700,000 is being made available for propaganda purposes throughout the British Empire,

[*Hon. W. H. Barnes.*]

special attention being given to Australia. According to reports, the organiser for the State of Queensland will be Mr. H. J. Moxon, who, fresh from a visit to Russia, declares that he and the party he represents are a part of a world-wide revolutionary force."

These men have been behind the Government in the past, and the votes of this party have gone to the Treasurer, who has not been game enough to tackle them.

The article continues—

"It is well to have so frank a statement from a responsible person of the party. At least we know what we are confronted with. These are not unions. They are political organisations. Their business is not to benefit the workers. Their deliberate object is to cause 'red ruin' throughout the Commonwealth."

Mr. HYNES: Does that support this party?

HON. W. H. BARNES: Of course they do. The article further says—

"For years now Communist cells have been operating in Queensland. Literature has been secretly smuggled into certain workshops. How far that secret propaganda has gone down into the unions we do not know. There is good reason for believing that it had a lot to do with the South Johnstone strike and railway crisis of last year. We do know that the Industrial Christian Movement literature is being sent regularly on the trail of the Communist, with what result will never be known."

Mr. HYNES: Read the rest of it.

HON. W. H. BARNES: I have read that portion because it becomes worse and worse as it goes along.

One of the causes of unemployment to-day is the kind of thing that the Government refuse to stamp out at Cairns. What has been the action of the Government in connection with such difficulties as have arisen? Their milk and water policy is to blame, for they have failed to deal with these people fairly and squarely as they ought to be dealt with in the interests of the community.

At 12.11 p.m.

Mr. RIORDAN (*Burke*), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. COLLINS: How would you deal with them?

HON. W. H. BARNES: If I were a Minister of the Crown, I would play my part in dealing with them, just as I did before.

The Treasurer said that the policy of this party, if returned to power, would be to knock off men. The policy of our party is not to knock off men.

OPPOSITION MEMBERS: Hear, hear!

HON. W. H. BARNES: We do not endorse that policy. I have been in this Chamber for many years, and I have never and will never associate myself with a policy that has for its object the knocking off of men. Such a policy has not been suggested from this side of the Committee. I would hark back to the time when I was connected with the Government, and remind hon. members that one statement contained in the policy issued by my Government was that men were not to be

knocked off, and there was not to be a reduction of wages. That is the policy to-day of our party.

The Treasurer spoke about a reduction of taxation. I say with all my heart that that is one of the things which would help to lift Queensland. Every time you add to the burden the greater the amount of unemployment; and the thing most needed in Queensland to-day is a restoration of confidence.

The Treasurer made reference to the railways undertaken by the previous Government.

THE TREASURER: Explain the fourteen railways which your Government passed.

HON. W. H. BARNES: There is no need to explain them. The hon. gentleman knows that, with the revenue receipts so much smaller in the days of the past Government—they have more than doubled since—instead, like his Government, of having just one small credit balance—over which there has been so much crowing—we had annual credit surpluses. The undertakings which we had in hand produced sufficient revenue for carrying on the services of the country. When the hon. gentleman trots out those things he forgets that it has been his policy of extravagance and want of care that have led to the present position. Have you, Mr. Riordan, not noticed that at every turn there have been some things the Government have tried to dispose of?

THE SECRETARY FOR LABOUR AND INDUSTRY: Keep on to those fourteen railways.

HON. W. H. BARNES: The hon. gentleman has tried to get rid of the State stations under his control because their accumulated losses amount to over £3,000,000. That capital is lying dead. Yet his leader gets up and has the audacity to say to-day that that is not one of the factors which are responsible for the existing unemployment!

The hon. gentleman spoke of the interest bill. Is it not a fact that that is one of the causes of the increased interest bill, or does he pay no interest on that money? We know he is paying interest on it. That is part of the contribution which has placed in their present position the workers, of whom the Government claim to be the only representatives. The hon. gentleman is going to find that the electorates around the city composed mostly of workers are going to bump him badly in the forthcoming election because they have lost confidence in this Government. He talks about coming back with a majority. It does not matter so much who comes back with a majority, for it should be the aim of any Government, whoever they may be, to do their best in the interests of this great and glorious country.

THE TREASURER: Is that why you approved of those fourteen railways?

HON. W. H. BARNES: The hon. gentleman might tell me this morning why he has embarked on some mining undertakings. Let me say that in that business he did not come out second best.

THE TREASURER: Generally I do.

HON. W. H. BARNES: I know that on one occasion the hon. gentleman did not, according to his own admission.

When the Leader of the Opposition was speaking this morning, the Secretary for Railways said that the statement made by

Hon. W. H. Barnes.]

the Leader of this party was a falsehood. I say it was not a falsehood, but a true statement with regard to the position of the railways. The Secretary for Railways had not the courage the other night to defend the railways, but told us he would deal with them when the Estimates were being considered.

Mr. HYNES: This is the first time I have heard it said that the Secretary for Railways lacks courage.

HON. W. H. BARNES: I propose to read a statement that, slightly abbreviated, has been made by the Secretary for Railways on many occasions. It reads—

“Rightly understood, there is no railway deficit. The nominal deficit represents the amount the users of the railways have in their pockets that otherwise would have been paid into the railway purse if the Queensland Government had followed the practice of other States and had increased the fares and freights in the same ratio as other States.”

Then follows a statement that I think is appalling—

“Average revenue per ton of goods and live stock carried—

—	1914-15.	1926-27.	Increase.
	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>
Queensland	10 1	21 6	11 5

Without going into the figures for the other States in detail, I may say that one of them showed an increase of 1s. 3d. and another an increase of 5s. 7d.

Let me hark back to some of the early history of the Labour Party—and it must not be forgotten that the Treasurer was part and parcel of that party.

The TREASURER: I helped to build it up.

HON. W. H. BARNES: And the hon. gentleman will be one of the main factors in helping to pull it down.

Mr. TAYLOR: He is the whole party.

The TREASURER: You and your Communist friends are doing your best in that connection.

HON. W. H. BARNES: We are not jealous of your friends; you can have them, nurse them, and parade with them in Queen street whenever the opportunity offers. (Opposition laughter.) In 1919, the then Secretary for Railways, Mr. Fihelly, made a statement in reference to the railway position, as appears from the following extract from the Brisbane “Daily Mail”:—

“RAILWAY FARES—NO INCREASES.

“There has been a belief in certain quarters that the Government intend to increase railway rates and fares, and especially those on suburban lines, after the elections. This rumour was emphatically denied by the Minister for Railways (Mr. Fihelly) yesterday. ‘We prefer to give the people in the country a fair deal,’ Mr. Fihelly said. ‘This Government has not raised freights and fares to speak of during the last four and a-half years of office, and has no intention of doing so. We could have a surplus to-morrow if we followed that policy. We prefer to have a deficit, and not to increase fares or freights.’”

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I would like to know what the deficit would have been if the Government had not followed that policy. It would have been a very big one indeed. You will notice, Mr. Riordan, how the Treasurer turns away.

The TREASURER: I beg your pardon!

HON. W. H. BARNES: I could forgive the hon. gentleman, because he has a little tender conscience left. (Laughter.)

I want to draw attention to another remark which was made by the Secretary for Agriculture. When the leader of this party was speaking, that hon. gentleman said that the “Telegraph” had a profound contempt for facts. Later on the Treasurer referred to the “Telegraph.” There are two things that are very noticeable. One is that the hon. gentleman must be a very close reader of the “Telegraph,” because he quoted a paragraph from “Fifty Years Ago,” and hon. members will remember how small is the print in that section of the paper. It is perfectly certain the hon. gentleman must have searched that paper for these pearls of wisdom. I thought the hon. gentleman was looking a little serious this morning, and I think the “Telegraph” has been so truthful in stating the financial position of Queensland that it is worrying the hon. gentleman, and now he comes along and says, “We are not going to have any more extreme expenditure. We are going to curtail it.” Of course, he is thinking of the £13,000,000 loan that matures next year. I think I am right in saying it is £13,000,000.

The TREASURER: You ought to know. You made them all fall due on the one day.

HON. W. H. BARNES: As a matter of fact, it is not a loan that I had to do with at all.

The TREASURER: Yes, you had.

HON. W. H. BARNES: This morning the hon. gentleman tried to blame our leader for certain things.

The TREASURER: I blame you for those fourteen railways.

HON. W. H. BARNES: Then he drew attention to another thing, and said this party was out to hurt the men who were engaged in the rural industries. This party takes the widest possible view of every industry in the country; and it would not be worthy of the name of a party if it was not prepared to do the fair thing by every person in the community. That is what this party stands for. It does not stand for class legislation. The Treasurer has a monopoly of that.

The TREASURER: Don't you think the rural workers should be brought under the Constitution?

HON. W. H. BARNES: We are out to help every industry in a sane and proper manner at every turn. We cannot say more than that. We are not going to do anything which is going to damage the rural worker, nor are we going to do anything which is going to damage the agricultural industry; but we do say that in all these things there should be a combination of those concerned to deal with the industry in a way which will be in the best interests of the State.

May I get back to the amount of unemployment? The position to-day is very grave, whether we like to admit it or not. I met one of the principal accountants of the city

of Brisbane to-day, and he made this astounding statement: "Wherever I go it is the same. Firms are showing debit balances instead of credits." What does that mean? It is the outcome of extreme taxation; and I have no hesitation in saying that, provided there has been reasonable care taken in connection with what has been and is being done, I would prefer even to show a debit balance and reduce taxation, because it would open the way for the employment of many people who are not employed to-day.

The TREASURER: You know there are a lot of other factors affecting your firm other than taxation.

Hon. W. H. BARNES: I could produce information which would make hon. members wonder, showing the state of things which have been brought about by this Government to the detriment of the community.

The bell indicated that the hon. member's time had expired.

The SECRETARY FOR RAILWAYS (Hon. J. Larcombe, *Keppel*): I wish to reply to the charge of the Leader of the Opposition, who stated that during election years railway employees are engaged in numbers out of all proportion to the needs of the Railway Department. That statement has been repeatedly made, and it is time it was replied to definitely and emphatically; it is unfair, unreasonable, and untruthful.

I will deal first with the number of employees per mile of railway, apart from railway construction. Figures show that the statement of the Leader of the Opposition is not in accord with fact—

NUMBER OF EMPLOYEES PER MILE OF RAILWAY.

1915-16	...	...	...	3.16
1917-18	...	...	...	3.11
1921-22	...	...	...	2.71
1922-23	...	...	...	2.85
1925-26	...	...	...	3.53
1926-27	...	...	...	3.12
1927-28	...	...	...	3.09

It will be seen from those figures that, with the exception of the year 1925-26, the greatest number of employees engaged, per mile of railway, was in 1915-16 when there was no election at all. Where is the force, cogency, or reasonableness of the accusation made by the Opposition concerning the employment of railway workers? Those figures deal with railway workers irrespective of railway construction. It has to be borne in mind, when considering the 1925-26 figures that in that year there was a record railway tonnage. Do members of the Opposition say that that record tonnage did not necessitate the employment of additional employees? The fact is obvious that, with a record railway tonnage, additional employees were necessary. The important fact has also to be borne in mind that in the following year there was a substantial drop in railway tonnage, due to the drought, of nearly 750,000 tons, which necessitated an adjustment of the railway staff.

Again, the 44-hour week came into general operation in 1925-26, and rendered necessary a substantial addition to the railway staff. The general application of the 44-hour week and the record tonnage are substantial reasons for the greater number of railway employees in 1925-26 as compared with the preceding and succeeding years.

Mr. SIZER: Why did the number fall in 1927?

The SECRETARY FOR RAILWAYS: There is not a great difference in the number of railway employees per mile of 3.12 in 1926-27 and 3.09 in 1927-28. Compared with 1925-26 there has been a substantial drop in railway tonnage.

Mr. KING: Can you tell us on which lines there was a record tonnage?

The SECRETARY FOR RAILWAYS: That does not affect the argument. There was a general increase in most lines in 1925-26 because there was a splendid season. There was a big drop the following year owing to the effects of drought, and that resulted in an adjustment of the staff. Again, the number of employees per mile of railway was 3.08 in 1914-15, and 3.09 in 1927-28, or practically the same number of employees per mile of railway in 1927-28 as in 1914-15.

[12.30 p.m.]

Mr. KERR: Do you think it is a fair comparison to take the number per mile?

The SECRETARY FOR RAILWAYS: It is not sound to take the total figures without taking into consideration the increased mileage to be worked.

Now let us see what the figures indicate in the direction in which there may be a possibility of employing men for party political purposes—that is, in railway construction. The figures show that in the election year 1925-26 there were substantially fewer men than in 1926-27 and 1927-28. The actual numbers of men engaged on railway construction during the three years—including the Kyogle line, which must not be omitted, as hon. members opposite sometimes do when making their comparisons—are—

	No.
1925-26	2,540
1926-27	3,099
1927-28	2,892

Those figures show that there were 559 more construction workers engaged in 1926-27 than in 1925-26, and slightly fewer in the following year than in 1926-27; so that on railway construction, where there is scope for engaging men for party political reasons, there was a substantial decrease in comparison with the years succeeding the election. Hon. members opposite pose as political Puritans. They would not for a moment think of juggling the railway service for party political reasons! But in 1912, under Tory administration, when some hon. members opposite were supporting the Denham Government, 1,500 construction workers were dismissed just before the election. Why? Hon. members can draw their own conclusions. Was it because the exigencies of the service demanded it? Was it because such workers would be likely to vote against the Government, and, if they were shifted, they would lose their political rights? The latter was the real reason. That was the state of political immorality in which hon. members opposite lived in 1912—dismissing 1,500 railway workers just before an election.

An OPPOSITION MEMBER: That happened in the distant past.

The SECRETARY FOR RAILWAYS: It does not matter. Carlyle says that the best judge of the future is the past; and what hon. members did in the past is a fair indication of what they will do in the future.

Hon. J. Larcombe.]

We know quite well that in other States in Australia where Tory Governments were returned on promises of economy, of no increase in taxation, no increase in the public debt, and no increase in unemployment, they have committed all the political sins of which they accuse Labour, the only difference being that they have committed them in a more intensified form.

Mr. KELSO: Where?

The SECRETARY FOR RAILWAYS: In South Australia and New South Wales; and what they did in those States is a fair indication of what the Tory Party would do in Queensland to-day if they had the opportunity. All the evils which they claim are committed in Queensland are to be seen under Tory Governments in other States.

An OPPOSITION MEMBER: Due to Labour Governments' commitments.

The SECRETARY FOR RAILWAYS: Not to Labour Governments' commitments at all. The "Melbourne Age," one of the most powerful anti-Labour journals in Australia, states that the finance of the Labour Governments in Tasmania and Victoria was the best known for many years, and that, after comparing the administration of the Labour Governments in those States with the administration of anti-Labour Governments, it is forced to the conclusion that Labour has been an immense improvement on anti-Labour in respect of finance and the fundamentals of government.

Mr. SIZER: In Victoria?

The SECRETARY FOR RAILWAYS: In Victoria. Why did a section of the anti-Labour Party—the Country Party—defeat the anti-Labour Government in Victoria and place a Labour Administration in power? And why, after twelve months of Labour rule, did these members rally and defeat a no confidence motion launched against the Labour Government in Victoria? We know quite well that the reason is that Labour government is infinitely superior to the Tory form of government in that State.

An HONOURABLE MEMBER interjected.

The SECRETARY FOR RAILWAYS: From the great pastoral electorates of Gregory, Balonne, Mitchell, and other pastoral electorates we have representatives returned election after election supporting the Government. A farming electorate like Leichhardt has returned a supporter of the Labour Party for over a quarter of a century. Do hon. members opposite claim that the electorates of Balonne, Leichhardt, Gregory, and Mitchell are not farming electorates? They invent new definitions to support their own cases. Is Rosewood not a farming electorate?

Mr. KERR: You had to extend the boundary of that electorate to the Ipswich Workshops.

The SECRETARY FOR RAILWAYS: The electorate of Eacham, a farming electorate, returns a Labour representative; and the electorate that I have the honour to represent is composed largely of agriculturists. For many years I have secured the support of the farmers in the Keppel electorate, as has been done by other Government representatives from the other agricultural districts of Queensland. The majority obtained in the Mitchell by-election might have been slightly decreased, but at the by-election for the elec-

torate of Martin, in New South Wales, the Nationalist majority was reduced by 4,000, showing a want of confidence in Tory administration.

Let me now return to the question of railway policy and railway employees. When the Government holding the political opinion of hon. members opposite were in power their political bribery was so shocking that it excited an outburst of indignation from the late Sir Robert Philp. In 1914, when dealing with the railway policy of the party, he said—

"We are making a farce this year of railway construction. Where will the money come from to build these lines? We know very well that we have only enough to carry us on for twelve months, but after that where are we to get the money . . . ? I think it is a waste of time to pass the line now, because we cannot commence the railway for a year or two, as the present section will take twelve months to complete. We are only wasting the time of the Committee in passing this line."

At 12.35 p.m.,

The CHAIRMAN resumed the chair.

The SECRETARY FOR RAILWAYS: That was a declaration by the late Sir Robert Philp, who was so disappointed and disgusted with the attitude of his own party then in power that he made that condemnation of their railway policy. In 1914 between 400 and 500 miles of railway were under construction in Queensland, but the year before the election the Tory Party then in power approved of the construction of hundreds of additional miles, estimated to cost millions of pounds, when they knew quite well there was no prospect of constructing those lines. Between 1909 and 1914 railways which were estimated to cost £12,000,000 were approved of by the then Tory Party in power; yet hon. members opposite talk about political bribery and juggling railway employees for party political reasons! One has only to observe the test laid down by Carlyle—to judge the present and the future by the past—to see how inconsistent and how illogical is the attitude of hon. members opposite. In 1912 1,500 railway construction workers were summarily dismissed by the Government of the day, and this in spite of the following minute by the Chief Engineer:—

"It will be, of course, understood that the reductions will delay the dates of completion and increase the cost of supervision."

Notwithstanding the fact that the cost of construction and the cost of supervision would be increased and the date of completion delayed, the Tory Party dismissed 1,500 men for their own party political purposes. They sent those men with their swags throughout the State in the hope of preventing them from exercising their political rights. In that way they deprived the railway construction workers of Queensland of the right to exercise their franchise, a right which should be established and upheld by any Government in any State.

Let me now deal with one or two other phases of the speech of the Leader of the Opposition. He said that the Government were building up the public debt of Queensland in an unwarranted way. As a matter of fact, the percentage increase in the public debt

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of Queensland since Labour came into power until 1926-27 has been less than in any other State in the Commonwealth. The hon. member also made the declaration that we have not expended loan money to promote wealth production and settlement, but have spent it simply in order to keep men in employment. That is not a fact. To take one instance, a few years ago I passed through the district where the Tully sugar-mill is now established. It was then a wilderness; but the last time I passed through it a fine township had grown up, hundreds of men were employed, and settlement and production were increasing. That mill was erected from the loan expenditure of this Administration. That loan money has been profitably employed in increasing settlement and production, and opening up a fertile area of this great State.

Let me proceed to elaborate that statement by referring to the Burnett land settlement scheme. We have spent a considerable amount of money on railway construction and land settlement in that district. Has it been employed in employing men only? No. Over 1,000 new settlers have been settled on the land, the erection of factories is going on, the wilderness is being subdued, and settlement taking place as a result of the present loan administration of the Government.

Take another example—the Mount Isa railway. Is loan money being expended in the construction of that line for the employment of men only? The construction of that railway will open up a mountain of wealth. Geologists compute the value of “proven” ore at £20,000,000. They further compute the value of what is known as “ore expectation”—what is expected from the mine as a result of the “ore proven”—to be £100,000,000. The company which has taken up those leases has promised to spend at least £3,000,000 in opening up this field. That will result in enormous settlement, production, increased railway tonnage, and an enormous expansion of our State and nation. The hon. gentleman, therefore, is using arguments that he cannot substantiate by facts. This Administration has expended loan money not only for the employment of labour but for the increase of settlement and production, and on all those works which a State requires. The hon. gentleman knows that to be a fact.

Mr. MOORE: You have a very poor defence.

The SECRETARY FOR RAILWAYS: Simple statements do not carry us anywhere. I am giving the hon. gentleman facts. The hon. gentleman is troubled with the weakness of his own argument. He knows quite well that his only hope to gain support in this State is by bamboozling the electors. (Opposition laughter.)

Mr. MOORE: That is what you have done.

The SECRETARY FOR RAILWAYS: The hon. gentleman knows quite well that, from the viewpoint of logic and facts, he has no case. He has not a scintilla of justice in his appeal to the electors; but, like a desperate gambler, with the last throw of the dice he attempts to throw dust in the eyes of the electors by bringing forward statements which cannot be justified by fact, reason, or logic.

The Leader of the Opposition, in quoting a list of farmers who paid income tax last year, said that the smallness of the number

indicated that the farmers in Queensland were not in a satisfactory position. The farmers in every country throughout the world are not in what might be termed a satisfactory position; but the farmers in Queensland are in an infinitely better position to-day than they were in years ago under Tory administration.

Mr. MOORE: That is only an assertion.

The SECRETARY FOR RAILWAYS: Let me follow it up. The aggregate wealth production for the years 1915 to 1926-27 under the Labour Government in Queensland was £608,000,000.

Mr. MOORE: What about quantity?

The SECRETARY FOR RAILWAYS: I have already given the hon. member figures as to quantity, as a perusal of “Hansard” will show. There was a record increase in the volume of production. Yet the Leader of the Opposition says that the small number of farmers paying income tax in Queensland is an indication of their unsatisfactory position. It is nothing of the kind; it is an indication that the sphere of exemption of the farmer has been widened.

Mr. MOORE: The income tax sphere of exemption has not been widened.

The SECRETARY FOR RAILWAYS: I will show that it has. In 1914 the farmer in Queensland was not allowed to deduct from his taxable income any amount in respect of his wife. To-day he is.

Mr. MOORE: He is no different from anybody else in that respect.

The SECRETARY FOR RAILWAYS: In 1914 the farmer in Queensland was not allowed any deduction from taxable income in respect of dependent children. That, however, has been altered, and, in addition to an exemption in that connection, the total exemption has been increased from £200 to £250.

Mr. MOORE: We are all treated the same in that respect.

The SECRETARY FOR RAILWAYS: The result to-day is that a man with a gross personal exertion income of £400 has no tax to pay in Queensland, if he has a wife and three dependent children. In South Australia, on the other hand, a man similarly situated so far as income and dependants are concerned, pays more than £5 in income tax under Tory administration.

Mr. MOORE: Does that explain why the farmer in Queensland pays land tax?

The SECRETARY FOR RAILWAYS: That comparison shows the hollowness and insincerity of the arguments of hon. members opposite. It proves—

Mr. MOORE: It does not prove anything.

The SECRETARY FOR RAILWAYS: It proves that the farmer in Queensland to-day is not paying income tax in the same proportion as he did in 1914 because of the higher primary deductions and the general exemptions now provided by the Income Tax Act.

Mr. SIZER (*Sandgate*): I do not intend to deal with all the matters touched on by the Secretary for Railways, but there are one or two points to which I wish particularly to refer. In the first place, I am wondering what sort of attitude the Leader of the Opposition will have to assume, to quote the

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metaphor of the Secretary for Railways, to blind the eyes of the electors with dust by a last throw of a dice. (Laughter.) I know the Leader of the Opposition has some capacity, but I think that is beyond him.

The figures quoted by the Secretary for Railways were rather interesting. He endeavoured to prove that the Government had not put additional men on the railway staff during election years. The hon. gentleman knows that is not correct.

THE SECRETARY FOR RAILWAYS: I said we put them on for certain reasons.

MR. SIZER: In the year 1924-25 the tonnage carried on the railways was 5,083,000; in 1925-26—the year specially selected by the hon. gentleman—the tonnage was 5,106,386; and the increased tonnage of 22,728 necessitated an increase in staff of 3,664 employees, or an average tonnage carried per employee of 6 tons. What is the use of saying that the extra men were necessitated by an increased tonnage? No one would believe that. It is clear that the additions to the staff were made for the purpose of an election, just as happened in the earlier election years—1918, 1920, and 1923. Those figures were supplied in a report tabled by the hon. gentleman himself. They are not my own figures; they are his own figures. I repeat that, when an election is looming, the Government put on men in the Railway Department, and, when it is over, they sack the men, as these figures show.

I was more interested in the remarks of the hon. gentleman lauding up the Government of Victoria. I intend to spend a little time to deal with one matter in that connection; and I am rather surprised that the Government have not taken notice of what has happened—that is, the attitude of the Victorian Government in connection with the great cattle industry of Queensland. I am very surprised that this matter has not been dealt with before. I intend not to deal with it in a carping spirit, because it is of vital importance to Queensland. I think this House should fight the embargo which has been placed by the Victorian Government on Queensland beef in exactly the same way as we fought for the sugar industry. We are endeavouring to find avenues for production; and, if we allow another Government of Australia—whether it is inside the Constitution or outside the Constitution—to place an embargo or regulations which amount to an embargo upon Queensland meat going to that market without protest, then I say we are neglecting our duty.

MR. HYNES: That is not so.

MR. SIZER: I intend to show that there is an embargo. The hon. gentleman should listen to what I am saying, because it is important. I am not dealing with the matter in any party spirit, but because I think it is necessary that it should be dealt with. The Victorian Government have issued a regulation that all Queensland chilled beef, before being sold on their market, must go to a special depot to be branded, and then wrapped and labelled so that the people of Victoria will know they are buying Queensland beef. That naturally infers that Queensland beef is inferior to that grown in Victoria. If that is so, it is fatal to Queensland, because, if we permit the Victorian people to malign

our beef, what prospect have we of establishing our product on the overseas market? That regulation presupposes that Queensland beef is unwholesome, when, as an actual fact, there is no scientific difference between beef chilled at a temperature of 36 degrees and ordinary fresh beef. All Queensland beef is sold on that market as chilled beef, and it has been so eminently successful that it has captured the market; and now the Victorians, in their parochialism, insist on Queensland beef being taken to a special depot to be dealt with in some different manner. That, again, presupposes that the inspection of our beef in Queensland is not up to the standard required, when in actual fact the Queensland beef which is sent to Victoria is inspected in a manner which is satisfactory to the Imperial authorities and to every other Government in the world. Yet, for some reason, the Victorian Labour Government say that the Queensland cattle-grower must suffer from special disabilities in order to get his beef on that market. That practically amounts to an embargo.

What would be said if we were to require all the apples, jam, and other articles from Victoria to be inspected at a depot and have a label attached to them before allowing them to go into consumption in Queensland? It would be breaking down the very thing for which federation was established. It is understood that under federation we should have free trade between the States; but, if the practice adopted by Victoria is allowed to continue, we shall have barriers erected between one State and another, and the Commonwealth Constitution will be nothing less than so many meaningless words. Queensland supplies, for instance, 30 per cent. of its beef production to the Southern markets; and, if we are not able to keep those markets, what will be the position of the cattle industry of this State? What will be the position of the men engaged in our meatworks, and of those who have their capital invested in the cattle industry? This is a most serious matter, and I expected that we would have been called upon to deal with the subject to-day, and let the people of Victoria know that we are not going to allow the staple industries of our State to be treated in a way which is opposed to the spirit of the Constitution of the Commonwealth. This is a vitally important matter, and does not affect Victoria only.

Under the Abattoir Act of South Australia Queensland beef which is sent to Adelaide is seized and not allowed to go into consumption at all! Surely that is contrary to the spirit of the Constitution, and is a matter for this Government to consider! In order to get Queensland beef to the South Australian market it is necessary to adopt a system which is practically akin to the "boot-legging" system in operation in the United States of America. It has to be taken by stealth into the outside districts before it can possibly go to Adelaide. The argument all the way through is that Queensland beef is inferior, when, in fact, Queensland produces the best beef cattle in Australia. Most of the Victorian cattle which go into consumption in that State are dairy cattle, and the beef is in no way comparable to Queensland beef. These embargoes—they practically amount to embargoes—all the time presuppose that our Queensland article is inferior. We must defend the interests of our State in this regard. If we cannot expand our natural industries, we shall be in a hopeless

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situation. I do not know whether there is any other objection to chilled beef going into Victoria for some reason which the Government of that State have not explained. If the same regulations were issued in England, the people there would starve. Beef goes to the English market in the same way as we are sending it to Victoria.

THE SECRETARY FOR AGRICULTURE: Most of the meat killed at the abattoirs in Sydney and Melbourne is chilled.

MR. SIZER: I quite agree with the hon. gentleman. It only shows that behind the regulations issued in Victoria there is a deliberate attempt to keep Queensland beef out of the Victorian market, which is against the spirit of the Constitution.

It seems to me that, behind this agitation of the moment, is something far bigger than would at first appear, and that Victoria, having successfully monopolised Queensland's trade for her secondary industries, now wishes to attempt to capture another portion—that is, the meatworks industry. There is a big

agitation, particularly by vested [2 p.m.] interests, for railway lines which will connect the centre of Australia with the South—that is to say, which will be useful for taking livestock to Victoria. Whilst that may benefit Queensland in certain directions, the people who will reap the greatest advantage, whilst at the same time avoiding financial responsibility for the cost, are those who are interested in the diversion of a large portion of our livestock to Victoria at the expense of our Queensland meatworks. It would mean that there would be hardly work enough for them here, therefore the question is one of most serious concern to this State. Whilst I am an Australian with a big outlook, I cannot stand idly by and see the advantage of our natural resources, which are of vital interest to this State, filched from us by other States, even though they should be able to do it within the four corners of the Constitution of Australia, which I doubt. The people of Australia naturally want Australia to be as self-contained as possible, and Queensland is, or should be, to Australia what Argentina is to other parts of America and to Great Britain. Our natural resources enable us to supply Australia with beef, and Victoria should not complain, because Queensland is one of her best customers for the products of her secondary industries. Why should Victoria at this juncture attempt to filch from us the trade which belongs to us? It seems to me that the haulage of livestock to Victoria would be out of all proportion to the benefits to be gained. It would not be economical to carry livestock with all its offal to that State when they could be killed in Queensland and the product sent in that way. I cannot imagine that the framers of the Australian Constitution contemplated that one State would impose an embargo of this nature on another State; yet that is what it is. The Government of Victoria have said to their Commissioners for Railways, "You shall not buy beef which is produced in Queensland." If that is not tantamount to an invasion of our rights as a State and an infraction of the spirit of the Constitution, I do not know what is. Queensland enterprise has entrenched itself in the markets of Victoria because the goods which Queensland produces are superior in this respect to those in Victoria; but the action which has been taken will lead to a more serious position than the framers of

the regulation ever contemplated. Assume that they are successful in excluding Queensland beef, prices to the cattle-grower in Queensland will unquestionably fall, and we shall get into greater difficulties in our cattle industry than those with which we are faced at present. At the same time the price of meat throughout Australia will increase accordingly. An additional $\frac{1}{4}$ d. per lb. on the aggregate purchase of meat throughout Australia will cost the people of Australia the sum of £2,000,000 per annum, and, if it amounts to an extra 1d. per lb., the increased amount involved would be £4,000,000. If this attitude is continued, is it not obvious that the Queensland interests will be unable to compete and thus have no markets available? The result of a sister State practically imposing an embargo on our product will also have a very detrimental effect on our oversea trade relations. The position for Queensland industry would become an impossible one, particularly when faced with a possible shortage of cattle or a difficulty in locating a market. If the Queensland industry is in a position to supply the requirements of Australia, and the Victorian Government insist on imposing this embargo in the interests of high prices for her own cattle-growers, one of two things must happen. Either the price of cattle will increase in Victoria, or the Queensland interests will have to force their product on the Victorian market at whatever price can be realised. If the latter course is pursued, the very low price for beef will attract a tremendous buying public on the Victorian market, and, despite all obstacles, the popularity of Queensland chilled beef will increase to such an extent that the cattle-growers of Victoria, instead of receiving a higher price for their product, will be compelled to sell their cattle at a lower price to maintain their portion of the market. Is it not apparent what the end will be? It will not benefit the people of Victoria, nor will it benefit Queensland; but will institute cut-throat competition in the industry, with repercussions throughout Australia. That is a situation that was never contemplated; and it is difficult for me to understand how such regulations could be framed by a Government professing unification. There seems to be neither sense nor reason in such a policy; and, irrespective of political parties, it is our duty, with the support of the Government, the support of the Opposition, and the support of the people of Queensland as a whole, to make our voice heard throughout Australia against this invasion of our rights and this infraction of the spirit of the Constitution. We must let it be known quite emphatically that we as a State, irrespective of our individual shades of political opinion, are going to protect our industry. At the same time let us point out to the Victorian Government what their position would be if the Queensland Government were to issue to the Commissioner for Railways an edict similar to that issued by the Victorian Government to their Commissioners for Railways. Such a position would be most serious; and I would be the last to advocate reprisals, because that is not in accordance with the spirit of the Constitution. It is our duty as Queenslanders and as members constituting a responsible legislature to protect our industries in the interests of our own people, otherwise we shall have increased unemployment. Surely we are not going to sit idly by when such a state of affairs exists! I emphasise again that

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whereas the people of Queensland have no desire to foist something upon the people of Victoria that they do not want, it has been proved that the people of Victoria desire this chilled beef. It is beef of the highest quality procurable in Australia. The trade requires it; and there can be no reason why the Victorian people should be prohibited from enjoying it. I sincerely hope that the Government will provide a day for a discussion on this very important subject, enabling all shades of political opinion to be brought to bear on the matter, so that our views in the form of a resolution may be transmitted to the people of Victoria and the Government of Victoria as well as to the Government of South Australia, pointing out the errors of their ways, and emphasising that Queensland is as vitally interested in this matter as she is in the sugar industry.

It is most peculiar that a State which depends so much on Queensland for a market for her secondary products should take up this attitude. We have no objection to either their dried fruits or boots coming to this State. The lead they have given to the people of Queensland is certainly one we should profit by. We should tell the people of Queensland that the time has arrived when the industries of Queensland should be protected, and see that Queensland not only produces but purchases goods which its own people manufacture. Unless we are prepared to do that, we shall sit idly by and watch further invasions of our State rights. In that event we shall be shirking our responsibilities, and our State will retrogress. Nothing I have said can be regarded as being uttered in a parochial spirit. I am sure I am expressing the views of the majority of hon. members, irrespective of party. I place my views before the Committee so that we can, in some tangible way, place our case based on our rights before the proper authorities.

Mr. MORGAN (*Murilla*): I wish to express regret that the Treasurer is not feeling as well as he might do, and I hope that in the course of a few days he will be restored to good health.

I listened attentively to the speech of the Treasurer, and could not help coming to the conclusion that it was the "swan song" of a ringbarked Premier. (*Laughter.*)

I also listened very attentively to the statement of the Treasurer that rural workers were entitled to the same rate of wages as employees engaged in other industries. I have myself made that statement repeatedly on the floor of this Chamber. I cannot see why, because a man is employed ploughing in order to sow wheat or maize, he should receive any less wage than the man engaged in ploughing for sugar. But, whereas provision has been made for the sugar-growers receiving a fixed price for the sugar-cane they grow, no such price has been fixed for the commodities grown by the general agriculturist. If that were done, the agriculturist would be able to pay the worker a decent wage for the services he performs. It is unfortunate that the Government have not seen fit to fix a certain price for the commodities in the rural industries governed by the recent rural workers' award. The Government have fixed a certain price for those commodities, but the price has been fixed, not in the interests of the producer, but in the interests of the consumer, and it does

not enable the producer to pay the wages awarded by the Board of Trade and Arbitration.

Mr. FOLEY: It is the oversea prices which affect those industries.

Mr. MORGAN: We all recognise that the home market is the best market for local produce. The Government have appointed a price-fixing board, which, in order to protect the consumer, has fixed prices above which primary produce cannot be sold. The result is that the farmer cannot afford to pay the wages fixed by the Board of Trade and Arbitration. In consequence, many men are thrown out of employment; yet most of these men would be willing to work at the rate of wages that obtained prior to the introduction of the rural workers' award.

The Treasurer has also stated that we in Queensland have over-borrowed, and that the whole of Australia is in a similar position. I am not one of those who think that, having regard to the vast territory which is required to be developed in Queensland and assuming that the borrowed money had been spent wisely in reproductive work, we have ever exceeded the borrowing capacity of the State. My point is that, having borrowed money, we have unfortunately expended it in an extravagant way. After millions of pounds of loan money have been expended, we have only 50 per cent. of assets for that money. Let me put it this way: We borrow £1,000,000 with which we undertake certain work—perhaps railway construction. When that work is terminated, we have £500,000 worth of actual assets in return for an expenditure of £1,000,000. Not only are we paying interest on the £1,000,000 borrowed, but we also lose in the value of assets. In other words, if we borrow that money at 5 per cent., we are, in effect, paying 10 per cent. on the actual value of the work performed. No country can perpetuate that state of affairs and become successful. I illustrate that unwise expenditure by a reference to the Tara-Meandarra railway, which is approximately 50 miles in length, and which took five or six years for this Government to construct. During the progress of construction the men employed numbered from fifty to ninety, although there were sometimes 120 men employed on the job; but the point to which I draw attention is that the number of officials supervising those men was quite sufficient had 500 men been employed. Instead of that work being completed in twelve months, as it should have been, we had the spectacle of the work being prolonged and men drawing wages for supervision which was far in excess of requirements, with the result that the actual cost of the line was from £7,000 to £8,000 per mile, and that notwithstanding that there were no engineering difficulties to overcome. Notwithstanding that the cost of material may have increased in the last few years, I venture to say that, had another Government been responsible for the construction of that line, the cost would not have exceeded £5,000 per mile.

Further, in connection with the erection of a fence along a railway line, the men were supposed to erect twelve posts per day, that being considered a fair day's work. I know perfectly well from experience that on that class of land no man who called himself a fencer should erect less than thirty posts per day. Yet the Government were

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satisfied that men who erected twelve posts per day earned a day's wages. The same remarks apply to platelaying, where a certain distance of line is prescribed as a day's work. Now, I know from men actually employed on the work that it has taken only four hours to do the fixed amount of platelaying, and that without any rushing; yet, after completing the work in that time, these men were allowed to cease work for the rest of the day. When public money is being expended in that manner, we naturally come to the conclusion that the sooner we stop borrowing the better; but I claim that, if this Government or any other Government were able to borrow money at a reasonable rate of interest, we should not discontinue a borrowing policy, but safeguard the position by ensuring that the money is not spent under Government supervision but under circumstances that will ensure its being used upon reproductive work. If a business man can borrow money at 5 per cent. and make it return him 7 per cent., he is on a good wicket.

The TREASURER: What business man can borrow money at 5 per cent.?

Mr. MORGAN: I will put it in another way. If a business man can borrow money at 7 per cent. and make it return 9 per cent., he is on a good wicket; but, unfortunately, the Government borrow money at 5 per cent., and, after spending the money, they find that the asset represents only half the expenditure. Therefore, the interest is doubled, and, instead of paying 5 per cent. we are actually paying equal to 10 per cent. on the value of the asset.

Unfortunately, we do not get a fair amount of work for a fair day's pay. The policy of this party and the policy of all those who would like to see the worker give a fair day's work for a fair day's pay is clearly stated by Ruskin in these words—

“The beginning of every good law, and nearly the end of it, is that every man shall do good work for his bread, and that every man shall have good bread for his work.”

That is the policy in which I believe. I believe that every man should do a good day's work for a good day's pay, and he should not be encouraged to loaf because it happens to be the Government that is spending the money.

Mr. FOLEY: Don't the great bulk of the workers give a fair return?

Mr. MORGAN: I admit that the great bulk of the workers do give a fair return, but, unfortunately, in every gang there are two or three loafers who impose on the Government, and, if the foreman sacks those two or three men, there is a strike, and these men are reinstated. Then the rest of the gang say to themselves, “Why should we do more work than these men for the same amount of pay?” It is not human to expect one man to do twice as much work for the same amount of pay as another man does. Wherever we can engage men to do work by piecework we should do so. If I let a contract for ringbarking or fencing at so much per acre, I do not care if the man earns £10 a week, or even more. I would prefer him to earn as much as possible, because the man who would do the work quickly and do it well is the best class of man to employ. That is the class of man we should encourage in Australia.

I want to refer also to the taxation on racing investments. Not very many in this Chamber have much sympathy for the man who goes to the races as part of his recreation. If you spend your money on bowls or some such sport, it costs you very little in taxation; but, if you go to the races, immediately you pay a considerable tax to the consolidated revenue. I do not think investors on the totalisator realise the position in regard to their investment, and I think they will be surprised when they learn how much they eventually receive back of the money they put on the totalisator.

The deductions in regard to the totalisator in the metropolitan area, that is within a 20-miles radius, are—

	Per cent.
Club	8.75
Government	5.00
Fractions (approximate)	1.00
	14.75

Taking the case of a number of people collectively investing £1,000 on the first race and reinvesting the dividends on the following races, the result at the end of seven races would be:—

	Investment.	Totalisator Deduction.
	£	£
First race	1,000	147.5
Second race	852.5	125.7
Third race	726.8	107.2
Fourth race	619.6	91.4
Fifth race	528.2	77.9
Sixth race	450.3	66.4
Seventh race	383.9	56.6

When they leave the racecourse after the last race—it does not matter what horses are in the race—they have £327 6s. left., and there remains in the totalisator £672 14s.

What happens with regard to the bookmaker? A number of people go to the races collectively investing £1,000, and it is quite possible for them to leave the racecourse after a day of racing with £2,000 or more. That does not often happen, as the Treasurer will admit.

The TREASURER: Why pick on me? (Laughter.)

Mr. MORGAN: It is quite possible for a number of investors to go there with £1,000, and, after the races are over, to leave with £2,000, £3,000, or £4,000. When investing on the totalisator it is impossible for them to leave the racecourse with more money than they came with.

Questions were asked by the hon. member for Toowong with regard to the money obtained from the bookmakers in 1927-28. The figures show there were 419 bookmakers, that the amount received was £34,975 4s. 9d.; and the maximum amount contributed by any one bookmaker was £704 16s. 3d. The amount received through the totalisator was £63,421 10s. 11d.—practically double the amount received from the bookmakers. That means that the investors who go to a racecourse in Queensland, if they get on a totalisator, pay in taxation twice as much as they pay if they bet with the bookmaker. In fact, they pay four or five times as much, because it is well known that for every £1 that goes through the totalisator—say at Albion Park

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—£4 go through the bookmaker. Notwithstanding that fact, the totalisator investors have to pay double the amount of taxation that is paid by those who bet with the bookmakers.

Mr. HYNES: You should take into consideration the fees that the bookmakers pay to the Crown.

Mr. MORGAN: I am taking that into consideration. There should be some form of taxation so far as the racing public are concerned—it is more or less of a luxury—but

I contend that these deductions [2.30 p.m.] from the totalisator, instead of being 14.75 per cent., should be reduced to 10 per cent. The result would be that more people would bet with the totalisator than with the bookmaker. The Government would get the same amount of revenue—perhaps more. More money would go through the totalisator, the Government would, at any rate, not lose anything in revenue, and in every way it would be much better. I claim that at present these people are unjustly treated.

The TREASURER: You do not know how much the bookmakers take out?

Mr. MORGAN: I do not believe in bleeding the industry white. It is an industry, and why should we bleed it white? If you go to Ascot any morning, you will see numbers of horses there. That all means the consumption of a certain amount of feed grown by the farmer, and hundreds of men get employment. It may not be the very best form of employment, I admit, but there they are; they are living on this particular game, and the breeder of stud stock also receives revenue from the sale of blood animals. We should not bleed the industry white, and perhaps cause it to cease to exist altogether. The taxation is too high, and I say that we should try to be fair.

The TREASURER: You are correct up to a point, but I do not agree with you with regard to the bookmakers.

Mr. MORGAN: I have already said that the bookmaker may make a loss or a profit, but it is impossible for the totalisator to make a loss. The bookmaker at least takes the risk, and that is a big difference. Take the challenge race last Saturday. For every £1 invested with the totalisator the holder of a winning ticket received £2 6s. With the bookmakers, at the starting price of "High Syce," 7 to 4—I know there were other prices before that—you received £2 15s., showing that the taxation on the totalisator is not fair.

The TREASURER: It does not show that.

Mr. MORGAN: The conditions were equal.

The TREASURER: You know as well as I do that other factors operate.

Mr. MORGAN: Notwithstanding that fact, the bookmaker gets more business simply because you deduct 14.75 per cent.

The TREASURER: No; the Government only get 5 per cent.

Mr. MORGAN: I am talking about the general deductions. I feel sure that the bookmaker would be perfectly prepared to carry on with a 10 per cent. return over the amount of money he handles throughout the year. I hope this question will be taken up by the public. I think they would be quite justified in boycotting the totalisator altogether, and, in fact, during the last four or five weeks

the investments with the totalisator have been over so much less each week than the previous week. The people are waking up to the fact that the industry is paying too much taxation. They are waking up to the fact that it is too expensive a sport for the people generally. We have no right to cripple the industry because there are some people who do not believe in horseracing.

The TREASURER: If I had my way, I would put a tax on those gloomy people who do not believe in horseracing. (Laughter.)

Mr. MORGAN: I hope the Government will ascertain whether this taxation is justified or not. If the Government took from the totalisator 10 per cent. instead of 14.75 per cent., the revenue would not be less than it is to-day, as more money would go through the totalisator and less to the bookmaker.

Mr. HYNES: That would be 2 per cent. to the Government?

Mr. MORGAN: No. There is nothing to prevent the Government from receiving, say, 4 per cent., the race clubs 4 per cent., and those controlling the machine 2 per cent. At the present time the club receives 8.75 per cent.

The TREASURER: What is the total percentage deducted?

Mr. MORGAN: Altogether 14.75 per cent.

The TREASURER: Where did you get those figures?

Mr. MORGAN: They are authentic figures obtained from the department.

The TREASURER: What is the definite deduction?

Mr. MORGAN: The club receives 8.75 per cent.; the Government receives 5 per cent. and the fractions, the latter amounting to 1 per cent., making the receipts by the Government practically 6 per cent.

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

Mr. TAYLOR (*Windsor*): The Treasurer was at great pains this morning to tell the Chamber that, if by any chance this party came into power, one of the first things that would happen to the people of Queensland would be a reduction of wages and an extension of the hours of labour; but he knows that that is all rubbish. We contend that none of those things would happen if we were returned to power; but we do claim that there would be such a restoration of confidence throughout the whole of this State that we would be able to reduce taxation without doing any of the things that the Treasurer suggested.

The TREASURER: You are a cheerful optimist, but I like an optimist.

Mr. TAYLOR: I do not know whether the Treasurer is an optimist or a pessimist.

The TREASURER: I am a bit of both.

Mr. TAYLOR: The hon. gentleman seems to be everything. During his remarks this morning he brushed aside quite airily the loss on State enterprises as though it did not matter.

The TREASURER: I did not say that it did not matter.

Mr. TAYLOR: Up to the present time the State has lost £2,041,000 on these enterprises, and, in addition, £577,876, representing

[*Mr. Morgan.*]

uncharged interest. But that is not all. The total indebtedness of State enterprises to the Treasury at the present time is no less a sum than £4,733,737, and the undertakings are worth only 10s. in the £1 to-day. If any institution or any individual offered to the Treasurer to-day 10s. in the £1 for the purchase of those interests that have cost £4,733,737, he would take it, and would consider that he was doing good business.

The TREASURER: Apply that argument to the railways. You would not get 10s. in the £ for them. You would not get 2s. in the £.

Mr. TAYLOR: The figures I am quoting have no reference whatever to the railways.

The TREASURER: You can apply that argument to the railways.

Mr. TAYLOR: You cannot apply that argument to the railways at all. The loss on these enterprises last year was £500,000. How long is that state of affairs going to last? Is it any wonder that there is unemployment throughout the State to-day when such a condition of affairs is now existing? We can see no evidence whatever of an attempt by the Treasurer to meet the situation. The hon. gentleman sits on the Treasury benches and adopts the attitude of a schoolmaster talking to a lot of schoolboys.

The SECRETARY FOR AGRICULTURE: He takes the cane to the Opposition a lot of times.

The TREASURER: I do not object to that simile, but I do wish that the class was more intelligent. (Laughter.)

Mr. TAYLOR: He takes the cane and the whip occasionally to his own party, and sometimes he gets the boot in return. (Laughter.) At the Townsville Labour Convention he adopted the role of a schoolmaster. You know, Mr. Pollock, what happened at that conference. They had community singing. (Opposition laughter.) They had a leader of a choir. (Renewed laughter.) I think you know who that was, Mr. Pollock. The members who composed that choir were a remarkable crowd. They included the silver-haired, silver-whiskered, silver-tongued, silver-named Silver Collings. (Laughter.) He was in the choir, but, instead of singing "For he's a jolly good fellow," memories of the past came to him, and he found himself singing instead "Solidarity For Ever" and "The Red Flag," until you, Mr. Pollock, caught his eye and brought him back to earth. (Laughter.) The Home Secretary folded his arms in his very best Napoleonic attitude—(laughter)—and he could only utter "Oh—! Oh—!" (Renewed laughter.) My friend, the hon. member for Bowen, was sitting at the back.

Mr. COLLINS: Looking on and thinking hard. (Opposition laughter.)

Mr. TAYLOR: The hon. member for Bowen was not only thinking hard, but he was groaning "Ichabod! Ichabod!" (Laughter.) The Treasurer then got up in his schoolmaster attitude and in the "Bless you, my children" style, and the reds, the pinks—the moderates and the extremists—all fed out of his hand. That is how the hon. gentleman got through that conference. If it were not for the serious state of affairs existing in Queensland, it would be absolutely ridiculous in the extreme. However, the Treasurer came out of that conference with flying colours.

Mr. CLAYTON: He was white-washed.

The TREASURER: You accuse me at one time of being dictated to by outside influences, and then of adopting the role of a schoolmaster. How can I please you? (Laughter.)

Mr. TAYLOR: I have not said that, but it is high time that the hon. gentleman was dictated to, and at the next election I think the people of Queensland are going to do that dictation in a manner that it will be something for the hon. gentleman to remember. The administration of Queensland by Labour during the last fifteen years has been a sorry state of affairs.

Mr. COLLINS: The working population were never better off in the history of Queensland. (Opposition dissent.)

Mr. TAYLOR: The hon. member for Bowen can make himself believe anything if he believes that.

The TREASURER: You never were better off in your history than you have been lately.

Mr. TAYLOR: And the hon. gentleman was never better off either. (Opposition laughter.)

The TREASURER: I am not a "Jeremiah," but you are.

Mr. TAYLOR: I am not a Jeremiah. I have too great a faith and too much confidence in this State of ours.

The TREASURER: You have never done so well in all your life.

Mr. KERR: That is not your fault.

The CHAIRMAN: Order!

Mr. TAYLOR: I do realise that, if the present state of affairs is going to be continued in this State—and Queensland we all claim to be the equal of any State in the Commonwealth, in spite of the administration of the last thirteen years—its progress will be retarded, as it has in that time, so long as the Socialist Administration has control. If the Treasurer is serious in his desire to improve the conditions throughout the State, he will have to drop his socialistic ideas and replace them with saner ideas than he has at the present time.

The TREASURER: You are always saying I have dropped them. How can I please you?

Mr. TAYLOR: Plead guilty, and you will be all right. (Laughter.)

The TREASURER: If I lead I am no good; if I am driven I am no good; if I am a Socialist I am no good—

Mr. TAYLOR: If you kept quiet, you would be quite all right. (Laughter.) With the economies which in my opinion can be effected without causing the distress and trouble which the Treasurer forecast in his speech, we can get the State upon an even keel, as the Treasurer has described it on more than one occasion.

In regard to the expenditure of loan money, we shall have to borrow money for many years to come. There is no doubt about that in a State like Queensland. What we have to do is so to expend that money that we shall get an adequate return for it. The position of the railways is regrettable. I do not say that the Government are wholly and solely responsible for that. Certain changes have taken place in the world during the last few years that have made it most difficult for railways to pay. As I have said on more than one occasion—and I support

Mr. Taylor.]

the Treasurer in his remarks—if you have a railway ending at point “A,” and you want to take it on to point “B” at an extra cost of £70,000 or £100,000, and you are only going to get the same loading by extending it to point “B” as you get at point “A,” then it is an economic mistake to make that railway extension. The sooner the people of Queensland and of Australia realise that the better.

We have to realise, too, the altered condition of affairs which exists not only in this State but throughout the Commonwealth and the whole world so far as transport is concerned. In conclusion, let me say that more careful administration is absolutely necessary in the financial affairs of this State if we are to occupy the place which is our right as one of the leading States of the Commonwealth.

Mr. KERR (*Knoggera*): Anyone who has listened to the remarks of hon. members opposite during this session and the last session of Parliament must come to the conclusion that on every conceivable occasion the Government are appealing to the Opposition to solve some of the problems which they have created.

The TREASURER: We are like the schoolmasters. We ask questions you cannot answer.

Mr. KERR: It indicates that the Treasurer and his party are hopelessly at a dead-end, because they are constantly appealing to the Opposition to solve problems which they themselves cannot solve. The Treasurer, by way of interjection, asks the Opposition what they are going to do. An election has been spoken of, and, if there is one thing which is influencing the minds of the people outside to-day and which will undoubtedly play a big part in any election, it is the utter hopelessness of the Government. There is no question as to where the Opposition stand, and, apart altogether from the question as to whether the policy of the Opposition will appeal to the people or not, I do know that one of the greatest factors influencing the minds of the people in connection with the forthcoming election is the utter hopelessness of the Government, who are now up against a brick wall and cannot solve the problems which the Treasurer is always appealing to the Opposition to solve for him. These problems do not alter in a day, and it may be that we shall be in the position of having to tackle them.

One of the outstanding problems to-day, as has been mentioned by different Ministers of the Crown, is the Railway Department. It is said that other factors are operating which have brought about the present position; but the Treasurer has told us that, if the problem in connection with the railways were solved, it would be the means of reducing taxation by 25 per cent. If that is so, there is only one thing to ask ourselves. These branch lines were in existence in 1914 as feeders to the main line. As a matter of cold fact, in 1914 the Liberal Government, with which I was certainly not associated, built more branch lines than this Government ever did. Not only that, but for the ten previous years the Liberal Government built more branch lines in Queensland than the present Government have built.

A GOVERNMENT MEMBER: Did they pay?

[*Mr. Taylor.*]

Mr. KERR: My reply to that interjection is that the Railway Department paid into the Treasury in 1914 over £30,000 of a surplus after interest and working expenses had been paid.

Mr. FOLEY: No.

Mr. KERR: There is the statement in the Auditor-General's Report. That is our reply to the complaint from the other side with regard to the railways.

I admit that the position has become difficult, but who is responsible for it? Surely there is a day of reckoning, and the people of Queensland, when they get the opportunity, will say that this disastrous state of affairs should be remedied.

Mr. Fihelly, when he was Secretary for Railways, frankly admitted in this Chamber that the Railway Department was not expected to pay. In his opinion, the general taxation on the community should bear any loss on the railways as the railways were there for the convenience of the people. I do not think the present Treasurer agrees with that policy. He may do so to a limited extent in that the Treasury on this occasion has paid a certain amount of money to the Railway Department; but I do not think he agrees that the general taxpayer should pay for this convenience to a large number of people. However, the people have to decide. The Opposition do not for a moment hide their light under a bushel in this regard. We say that it is an enterprise to be handled by the people, but it should be made to pay its way. The Government ask us how we are going to make it pay. We are of the opinion that the Railway Department should be investigated from start to finish, as has been the case in other countries of the world, where the problem of the serious loss to the taxpayer has been solved. The Government appointed a gentleman who has had experience of railways—certainly not a great administrator, nevertheless a man who knows a goods train from a passenger train—and this gentleman brought in a large report which cost the State a lot of money. I never heard of anything so ridiculous in my life as to consider for a moment that a gentleman such as he could solve this difficulty in the Railway Department. No politician can solve it.

The TREASURER: Tell us how the Opposition are going to solve it.

Mr. KERR: The Treasurer is the “Lord High Executioner,” and thinks that he can solve every problem. We know there are experts who have been trained in railway matters for years, and we say these are the men who should be asked to solve the problem. We say now, “Bring in your expert to find out what is wrong with the railways.”

Mr. BRUCE: Who is he?

Mr. KERR: Get the best man in the world. It is better to pay £10,000 to a man who is able to rectify the position in regard to our railways than to go on everlastingly running them at a loss. What is the use of the Secretary for Railways standing up and telling us that a few men have not been put on? That is no solution of the question.

The TREASURER: You raised it.

Mr. KERR: We say that the railway problem is too big for the Premier and his party. Everyone knows that we have piled up deficits

amounting to millions of pounds for a number of years, and it cannot go on. There is a greater number of people paying taxation to-day, because the community is being searched for additional people who have not paid taxation for a number of years. That is why the taxation assessments are about 14,000 more this year than last year. It is not a question of the incomes of the people increasing.

The railway expenditure is the bugbear of our finances, and I strongly advise the Government to follow in the footsteps of other countries and see if the taxpayer cannot be saved this recurring deficit of £1,500,000 every year.

Mr. BRUCE: Would you cut down the wages by £2,000,000, as they did in Great Britain?

Mr. KERR: The hon. member says, by inference, that a shortage of £2,000,000 is going in extra wages to the railwaymen, but that is not true. That is not the trouble. If we take rates and fares in Queensland to-day and the extra revenue received therefrom, it will be seen that all the money has not gone to pay the wages of the railway employees.

Mr. BRUCE: Like that £2,000,000 in Great Britain, I said.

Mr. KERR: I do not know anything in regard to that. It is a stretch of imagination to say that the increased losses on the railways are caused by having to pay increased wages. The Railway Department should be in a better position to-day than it was in bygone days. How many of these branch lines in similar circumstances paid their way years ago? In 1914 there were thirteen sections opened, representing 189 miles, and in the last year of this Government there were four sections opened with a mileage of 61 miles—that is one-third of what was opened in 1914, when the railways paid their way.

I want to make another point in regard to railways with regard to—

REVENUE PER TON OF GOODS OR LIVESTOCK CARRIED.

	s.	d.
1914	10	1
1926-27	21	6

An increase of 11s. 5d., or 113 per cent. Now, we know that wages have not gone up 113 per cent. Then—

REVENUE PER PASSENGER JOURNEY.

	s.	d.
1914-15	1	0
1926-27	1	11

An increase of 11d., or 91 per cent. I cannot understand why the Minister continually quotes the figures he does. "Searchlight"—a fine authority, and an independent freelance in this regard—has repeatedly pointed out in the "Telegraph" where the Ministers are wrong, but still they repeat their misstatements.

An analysis of the figures shows—

—	1914-15.	1926-27.
Average train miles per employee	803	605
Average tonnage carried per employee	332	219

Those figures show that there is something wrong, and that the Minister in charge of the department is not competent to solve the difficulty. There is only one way to solve it.

[3 p.m.]

There is just one other point I want to make. The Treasurer has often asked the Opposition to solve his problems for him. There is only one way to solve them. There is only one way to solve the railway problem he talks about and decrease taxation. There is no other method I know of than by increasing the wealth of the community, and I want to know why the wealth of Queensland has not increased in proportion to the increase in her population, the increase in wealth in the other States, and the increase in our standard of living. Certain things which were luxuries some years ago are now regarded as necessities, our standard of living having risen. I am not going to say that the wealth of this great State has not increased. Primary production has increased in practically every way; but the question is whether it has increased sufficiently, or as is warranted by these other increases I have mentioned. Has it increased to the same extent as in the other States? An examination of the figures will disclose the fact that, although Queensland has increased in prosperity, it has not in any way increased in the same proportion as the other States. There can be no question of a "Jeremiah" there. It is a statement of plain fact. In every State of Australia there has been rapid progress. Nobody can deny that. Every State and Australia as a whole are wealthy countries. There is nothing wrong with Queensland as a State, for in 1914 she was the most advanced of all the States. In the previous five years we had increased our prosperity more than any other State in Australia; yet during the last ten or twelve years we have gone back a vast distance in the sense that we have not increased as we should. If we endeavour to ascertain what the trouble is, we shall find that many legislative enactments have imposed of late too great restrictions on our production.

The rural award has been mentioned to-day. The time is not ripe for that yet—you cannot put the cart before the horse. If any man should receive consideration, it is the producer. Take the pineapple crop, in which the grower is just about coming into his own. One man can look after about 5 acres of pines; but he cannot make out of that area more than about £3 a week, so he cannot pay another man £4 odd to produce £3 worth of pineapples. There is not sufficient money in the industry. The same thing applies to other crops.

The SECRETARY FOR AGRICULTURE: As a matter of fact, the pineapple growers are better off to-day as a result of this Government's administration than ever before.

Mr. KERR: That is not true. There is only one way in which you can test prosperity. It is all very well to say that some men are making more; but at Beerburum and further on, where the pines are grown, you cannot get away from the fact I have stated, and the banks here have several pineapple propositions which were deserted months ago, and which they cannot get anybody to occupy.

The SECRETARY FOR AGRICULTURE: If that is true, it is unsuitable land.

Mr. Kerr.]

Mr. KERR: That may be; I know there is the instance of Beerburum. I am only quoting pineapples as an example of production from the land. I know a man who was growing pineapples, and was employing a man to look after 5 acres; and he found that he had to pay that man more than he was getting out of it. That is not increasing wealth to the same extent as in the other States.

The SECRETARY FOR PUBLIC LANDS: The pineapple position to-day is better than it was before this Government came into power.

Mr. KERR: The hon. gentleman may say that it is better, but there is a restricted output as a result of what has happened, and the imposition of the rural award is going to make the position much worse. No hon. member on the other side can claim that it is because of the efforts of the Government that the people have reached the position in which they are to-day. Mr. Ranger, who has had control of this section of the work, has done splendid work.

The SECRETARY FOR AGRICULTURE: This Government gave them the machinery, but your party opposed it.

Mr. KERR: When the pact was made last year in connection with the canning of pines to be sold at a certain price when canned, the very first people to break that pact in its relation to the price to be charged was the State cannery.

The SECRETARY FOR AGRICULTURE: Ananias again.

Mr. KERR: It is no use making wild statements. I am setting out definite facts. There are many restrictions imposed on industry to-day, particularly on secondary industry. The supply of labour is regulated from the Trades Hall. I do not think for a moment that the regulation of the labour supply is in the best interests of the State. I am not altogether averse to labour being secured through the Labour Bureau; but I am absolutely opposed to compelling every man in the community to be a supporter of the Trades Hall. I am opposed to every man being compelled to be a unionist before he can claim the benefits of an award. There must be some drastic change in this dominating control of the community by the Trades Hall interests. It is wrong in principle that the Trades Hall should have secured to itself this cruel absolute domination. Capital must be encouraged and the irritating pinpricks of to-day absolutely abolished. Throughout the whole State the wealth of the community is being interfered with in every conceivable way by pernicious legislation; and in making appropriations in this Chamber we should set as our objective the betterment of our industrial position. It is tragic to witness the millions of pounds expended in this State with such a small return.

Mr. COLLINS: Give us something constructive.

Mr. KERR: The hon. gentleman will receive that when we reach the Treasury benches next year. I can tell him definitely that a commission of inquiry is required in connection with the Railway Department. That is one thing. Does he require it any straighter than that? Then I would suggest that the absolute control of labour be not vested in the Trades Hall, and that a man be allowed the opportunity to work. We believe in

[Mr. Kerr.]

unionism; but no man should be compelled to become a unionist before he can undertake any work. If he is offered work, then he should have the right and privilege of accepting it. That is something constructive for the consideration of the hon. member for Bowen.

I also suggest to him that the control of the unions should not be in the hands of a few domineering agitators, well paid, and with the control of the rules in their pockets. The rank and file should govern the unions as unions should be governed, and the Trades Hall should not be a hotbed of industrial unrest, but should be a hall of trades and industry.

The Treasurer makes such a wishy-washy speech that no one knows where he stands. To-day he says one thing, and to-morrow deliberately repudiates what he has previously said. No one knows where he stands, or what he is going to say next. He does not seem to have any definite policy.

Even the hon. member for Bowen has lost his "punch," because he has dropped the only plank he ever had—Socialism. When speaking the other day, the hon. member made no reference to that plank of his platform. The only thing for which he could be commended in the past was his honesty and genuineness in connection with his platform; but he has dropped that overboard now, and he was hopelessly at sea the other day when endeavouring to make a speech. I for one am very glad to see that he has dropped that plank and that he is now showing a little common sense.

I now desire to deal with money we have borrowed, which is wrapped up in this appropriation. The Treasurer now intimates that he is totally opposed to borrowing in connection with everything but public works. It is interesting to note that during his two years' Premiership he has borrowed over £9,000,000, while the annual interest bill has increased by £584,717. The decrease in receipts from loan services and works during the same period has amounted to £485,470, while for every £1 of shrinkage of those receipts there has been an increase in the public debt of £19 10s. 6d. How long is this State going to suffer in this manner?

We have before us certain public works and an irrigation scheme. It will be interesting to hear from the Minister in charge of those irrigation works, which are to cost £5,000,000 when completed, what the return from the expenditure of that money is going to be. No one seems to know very much about the scheme. The only thing we know is that we have an officer in charge of this department spending millions of pounds; but not one word about what the ultimate result is to be.

It was the same in regard to the expenditure of loan money in the past. Taxation was not introduced for the alleged purpose of carrying out unremunerative public works. It was introduced to meet the expenditure in connection with the cost of administration and humanitarian legislation. No man hesitates to pay income tax for humanitarian measures, but people making small profits only do object to paying large amounts of taxation to the Government to make up the losses they have incurred in unremunerative public works and State enterprises. The Government are a body of incompetents who have been finicking with administrative matters, and the result to-day is absolute

financial chaos. There needs to be a commission appointed to inquire into the whole of our public works policy. If I had my way, a commission such as was suggested by the hon. member for Toombul would be appointed to go into every work undertaken by this Government, and into the expenditure of every penny on it in order to find out why it was not more remunerative. I can point out where money costing the State 6 per cent. has been expended from the trust funds for a return of under $\frac{1}{2}$ per cent. Members on the back benches on the Government side do not give consideration to these matters. It is more interesting to them whether there should be day or night sessions, or whether this one or that one is selected in a plebiscite.

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

Mr. SWAYNE (*Mirani*): The Treasurer asserted that we on this side have not indicated in what manner relief can be given in taxation; but the direction is fairly obvious. Relief can be obtained by the better use of the riches that Nature has placed at our disposal, by taking such steps as will induce capital and people to come here and settle the country, by increasing our resources, selling more than we do at present, adopting more businesslike methods to meet our commitments in the shape of interest on loans, paying for what we import from overseas, producing more and exporting the surplus, instead of living on borrowed money as we have been doing for many years. We now find, as the Government were warned, that loan money is failing us, hence the distress.

It behoves the Government to learn the lesson and give fair play to those who come to assist us in the development of our great natural resources. I am quite aware that in doing this it will be, perhaps, necessary to repeal some of the class legislation that has become law; but we should be governed in such a way as will inspire confidence and testify to the fact that all classes of a community are receiving fair play. At the present time the general impression—and it is held on good ground—is that only one class in the community is considered and that all other sections are neglected. In that regard there is room for improvement.

When speaking on this matter, the Treasurer pointed out the difficulties facing the State in having to provide means of transport over great distances with such a sparse population to use that means of transport. Those difficulties can only be met by settling the areas at present unoccupied, which will provide freight for conveyance on the railway lines which at present traverse unsettled country. But to do that there must be a different policy pursued towards the primary producer than is followed at present. Furthermore, we must disabuse the minds of hon. members opposite of their strange doctrine that to reduce taxation will be benefiting only the rich and doing no good to the poor. Surely it must appeal to the Treasurer that, if some of the money paid in taxation were left in the pockets of the taxpayers by a reduced taxation policy, there would be an incentive to develop the resources I have mentioned! That would be the means of stimulating production and creating work, and would be of inestimable benefit from a national point of view.

It seems to me that the Treasurer takes a very narrow view of most important public

questions. As an illustration of the fallacy of his suggestion that there is no overstaffing in Government departments and that there is no stagnation in production, I propose to quote comparative figures in connection with agriculture, in which there has been a falling off. In quoting the various acreages I do not intend to include fallow land, but merely give figures as to the acreage under plough in Queensland. In 1914, when the area under plough in Queensland was 981,420 acres, the employees of the Department of Agriculture and Stock—which is the department charged with the welfare of agriculture generally—numbered 155. In 1923, the number of employees in that department had increased to 347, although the land under plough was only 871,965 acres. There was actually a decrease in the acreage under the plough in 1923 as compared with 1914.

Going still further, in order to illustrate my argument, in 1926 the area under the plough had increased to 1,039,765 acres and the number of employees in the Department of Agriculture had increased to 528. Coming to 1927, the number of employees had further increased to 555, while the acreage under the plough had again decreased according to the figures supplied by the Government Statistician, the total area under the plough in that year being 941,783 acres. In other words, a comparison for the two years shows that we had twenty-seven more employees and 97,982 acres less under cultivation. To put it in another way, for every additional official in the Department of Agriculture there were 3,628 acres less under the plough. If that does not show stagnation and overstaffing, I do not know what does. I am quite prepared to admit that, as a result of the big increase in the number of employees in the department, many new activities of a beneficial nature have been inaugurated. I am by no means criticising the increase in the number of employees, but I do say that with that large addition in the employees there ought to have been a corresponding increase in the area under production. As the department grows, the range of activities with which it is charged should increase; but, instead of that, while the staff has increased from 155 to 555, the area under production remains very much the same. Even if the department had not engaged in these new activities, there should have been an increase in the acreage under production; therefore, with these increased activities, there should have been a still greater increased production, instead of which the position is somewhat the same as it was thirteen or fourteen years ago. With the increased activities we should have doubled our area under the plough. That is a highly unsatisfactory position. The beneficial legislation of the present Administration has been more than counterbalanced by the injury done to our agricultural industries in other respects, and, as a result, the position in the agricultural industry is no better than it was fourteen years ago. The rest of the world is not going to allow us to monopolise this country and make such a poor use of it as we are at present.

Another means of improving our financial position and of improving our trade balance so that we shall have to buy less abroad is to manufacture more of our own raw products. Let us take one only of our secondary industries.

Mr. Swayne.]

Close to the locality where I reside there is a chain factory in East Brisbane—I think about the only works of the kind in Australia. One would have thought that the Government would have done something to encourage an enterprise of that kind, in view of what we have heard from the other side in the way of criticism of other States, whose Nationalist Governments hon. members opposite have been twitting with importing goods from abroad instead of patronising local manufacturers. The Government might have shown a good example in that respect. In regard to this particular industry—and I am afraid this only illustrates the position in regard to many other industries—the Railway Department has bought 47 tons of chains at a cost of £2,900, and only £150 out of that amount has been spent in Queensland at the only chain factory which is in operation here. It may, perhaps, be said as an excuse that the price or the quality was wrong; but I can easily disprove such an assertion by showing that, while our Government departments have only paid £150 for the Queensland products, New South Wales has bought £3,000 worth of these chains. The total requirements of the New South Wales Railway Department last year were £4,500, out of which £3,000 came to Brisbane. It is estimated that about 11 miles of chains will be required for the tramways in New South Wales next year; and I am informed that our local factory has every prospect of getting the order for that work. Again, this same firm supplies the New South Wales Harbours and Rivers Department and Irrigation Department with all the chains they require; yet the combined orders from all the Queensland departments in five years have only amounted to £150. As proving that there can be nothing wrong with the price or the quality of our Queensland article, I have a list here of 200 customers, most of whom have placed repeat orders with this Brisbane firm. Let me quote a few of these customers:—

[3.30 p.m.]

Brisbane City Council.
 Mossman Sugar Mill, North Queensland.
 Colonial Sugar Refining Company.
 New South Wales Railways and Tramways.
 Globe Worsted Mills, Sydney.
 Adelaide Steamship Company, Limited, Mckay.
 William Collin and Sons, Limited, Brisbane.
 Department of Public Works, Sydney.
 Broken Hill Proprietary Company, Limited, Newcastle.
 Tooths Limited, Sydney.
 Metropolitan Meat Industry Board, Homebush.
 Department of Defence, Sydney.
 Howard Smith, Limited, Sydney.
 Burns, Philp, and Co., Brisbane.
 Eliza Tinsley, Limited, Melbourne.
 Broken Hill Associated Smelters Limited, Port Pirie.
 E. G. Eager and Sons, Brisbane.
 Geelong Woollen Mills (5,200 feet).
 Water, Sewerage, and Drainage Board, Sydney.
 W. B. Carr, Brisbane.
 Thomas Borthwick and Sons, Brisbane.
 Hadfields Limited, Sydney.
 James Campbell and Sons, Limited, Brisbane.

Queensland Meat Export Company, Brisbane.

Mort's Dock and Engineering Company, Sydney.

Union Steamship Company.

Hoskins and Co., New South Wales.

Such customers as the Colonial Sugar Refining Company—which is managed by shrewd business men who do not pay more for an article than it is worth—and the Broken Hill Proprietary Company, Limited—who would not be likely to buy from this firm unless it was good buying—may be quoted as evidence that the quality and price are right. Nevertheless, during five years the Queensland Government have spent only £150 on local chains, in spite of all their protestations regarding the support of local industry.

It may be argued, of course, that the prices of this locally-produced article are high, and I quite realise that material has to be bought in Brisbane on business lines. I would be the very last to urge the Government to buy a thing irrespective of value simply because it was made in Queensland; but I think the list of customers from which I have quoted shows that the value is there or keen business firms such as I have mentioned would not buy.

I have here also a list of tests of chains of different kinds made by this firm. Let me take conveyor chain. The imported sample at 1s. 9d. per foot will stand a test of only 75 lb., whereas the local chain will stand a test of 2,450 lb. There is no comparison in the strength.

A GOVERNMENT MEMBER: What is the price?

Mr. SWAYNE: There is a shilling difference between them, and I think that is justified when you compare the quality.

Not only the railways here but the Harbours and Rivers Department also are users of chain, and, as I have pointed out, the New South Wales marine engineering firms use it. I think it most necessary to call the attention of the Government to the matter. There may be good reasons why even in the face of the evidence I have quoted they have not used more of it; but it is very hard to discover them. With such a range of customers and so many repeat orders it seems that the value must be all right. The fact of the matter is that in Queensland the British Board of Trade tests are not used by the Government and a poor article is allowed.

I want again to urge, as I have often done in my speeches in this Chamber, that in the expenditure of public money such as we are asked to vote by this resolution more use should be made of the piece-work system. Over and over again I have stressed the waste of the day-labour system. In fact, I have done it in season and out of season. I am quite content to admit that there are occasions when it is most suitable; but, on the other hand, the day-labour policy as carried out by the Government, irrespective of the nature of the work, has largely brought about the position we are in to-day.

Over and over again £3 is being spent to have £2 worth of work performed, or, in other words, £3,000,000 is required to carry out operations that should cost only £2,000,000. In view of our huge annual interest charge, it is nothing short of criminal that the future people of this country should be involved in heavy interest

[Mr. Swayne.

commitments for all time as a result of the waste of borrowed money. Although this may be the last financial year in which the Government will administer the affairs of the country, I urge even at this late hour that they use a little common sense.

All over the country, wherever you go you hear the same complaint that the children of the country should receive the same treatment as the children of the cities in the matter of school accommodation. I realise that the Secretary for Public Instruction is thoroughly sympathetic, but the trouble lies with the Department of Public Works—a department which finds it necessary to expend £3 to produce £2 worth of work.

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

Mr. G. P. BARNES (*Warwick*): This morning the Treasurer charged hon. members on this side with having made no suggestion of a remedial nature in connection with our present problems. If the policy of the Opposition had been adopted, the country would have been spared from the horrible dilemma that we witness to-day. If our suggestions were not acted upon, it was not through any fault of members on this side of the Chamber. During the thirteen years of office of this Government the Opposition have made supreme efforts to frustrate the mad policy of the Government from time to time. There is no doubt that this party was never at one with the Government in the expenditure of huge sums on enterprise, and, if the Opposition had not been watchful of the interests of the people, another £5,000,000 might have been expended on another enterprise at Bowen. We ought to be very thankful that the country was saved that expenditure. In that effort by another Chamber we were successful; but in the other directions our constructive suggestions were of no avail, and we are to-day landed in the loss of millions of money that can never be recouped. What have our thoughts been in connection with land settlement? If the criticism of this side and the old policy of a previous Government had been carried into effect, would we have been in the mess that we are in with our railways to-day? Not by any means. The position is created because of discouragement of the landholder in every direction by the Government in the early days of their administration. It is because settlement has not proceeded hand in hand with railway construction. When the proposals to construct these railways were brought down hon. members on this side urged that railway construction and land settlement should proceed simultaneously. If that is not constructive criticism, then hon. members opposite can tell me what is. Simultaneously with the building of railways there should be land settlement and production to keep pace with them. Instead of that policy, production has gone to the wall.

It is not interesting to quote cold figures for a second time, but the fact remains that before the advent of this Government our railways were carrying a tonnage in excess of what they are carrying to-day. Figures I quoted on a previous occasion showed that the tonnage of goods carried on our railways to-day is 229,368 tons less than was carried in 1914-15. What has happened? Those figures show that, although the Government

have spent £20,000,000 in constructing railways, they have done nothing to encourage simultaneous land settlement. That has been a huge blunder, and is accountable for the position we find ourselves in to-day.

There is another direction in which we have not supported the policy of the Government. That is the policy of the Government in borrowing money locally. A paper tabled in this Chamber recently disclosed the fact that no less a sum than £26,554,379 has been raised in Australia with the condition that it shall be free of State and Federal income tax, and that a further sum totalling £12,843,318 has been raised free of Federal income tax. That is approximately £40,000,000 has been raised free of Federal income tax and to some extent State income tax. That principal is wrong. The Opposition told the Government at the time that they did wrong in taking that money from enterprise, because we believed that the Government would kill industry to a large extent by this method. They relieved the owners of that money of the obligation of paying taxation on that money, and thus imposed additional taxation on those running enterprises and industries in this State. Is it fair to single out the men who have the courage, the earnestness, and are willing to take on the responsibilities of our industries and penalise them in this manner? The Government penalised those who elected to become captains of industry. Did the Government do anything when we raised this aspect of the question? Only to-day the hon. member for Sandgate raised the question of the embargo placed upon our beef by the Victorian Government. It was not for us to do that. Surely it was the duty of the Government to take the initiative in that direction! Victoria is the greatest manufacturing State in Australia. What would the people of that State think if we turned around and said, "We will take none of your goods. We will place an embargo on them, and insist that they shall be specially branded in this, that, and the other direction because they are competing with our manufactures"? We are being assailed in every direction. That is one aspect of our constructive policy—that we should protect ourselves.

There is another matter: New South Wales exploits our trade in a given direction by favoured railages from Sydney to our border. Although I have asked questions in this House, the Government have not raised their little finger to protect the Queensland interests. On the table of the House to-day there are astounding figures which indicate that a vast quantity of flour and mill offals is entering Queensland via Wallangarra simply as the result of the favoured legislation which enables the New South Wales miller to exploit the trade of Queensland. We say that the Queensland Government should do something to prevent the decline in Queensland industries, and thus assist in providing employment.

Mr. HANLON: We cannot interfere with the New South Wales railway rates.

Mr. G. P. BARNES: If we are attacked in a given direction, surely it is not beyond the Government of this State to say, "Gentlemen, if you do that kind of thing, then we intend to protect the industries of our State, because what is 'saucage for the goose is saucage for the gander.'"

Mr. G. P. Barnes.]

Mr. HANLON: Incidentally your people would be enjoying half the railway rates charged elsewhere.

Mr. G. P. BARNES: I do not know that it would be right to do that; but I do think that negotiations with New South Wales might be initiated, so that they might be informed that, unless they are prepared to extend equal conditions to Queensland, the Queensland Government will consider some other action.

All along the line we have been making constructive suggestions to the Government by pointing out that they were doing destructive work in this, that, and the other direction. The Treasurer has made special reference to railways, and, in speaking the other day in answer to criticism by the Opposition regarding the unwise expenditure of money, he repeated that members on this side had expended money in connection with railways to an alarming extent when they were in office. Now, where would the main trunk lines be without their feeders, which tap the wonderful agricultural resources of the State? The matter must be considered from more than one aspect; but the Treasurer hurled the charges at members on this side that there were fourteen railway proposals approved in the last session of the Parliament in which the anti-Labour forces were in power: that one of these railways—via recta—would cost £1,000,000; and that we would then have had three lines to Sydney. There are more than three lines to Sydney at present, and, unless we wake up and do certain things, there will be more. In the first place, there is the line to Mungindi, and then there is the line to Moree, in connection with which there is an idea to build a connection to Cunnamulla. These are the connections that we have discussed.

In reply to the Treasurer's statement that the via recta would cost £1,000,000, I should like to quote the remark of Mr. Paget, then Secretary for Railways, as reported in "Hansard," volume CXIX., for the year 1914. In moving the approval of the plans, etc., of the Mount Edwards to Merivale Railway, he said the cost was made up in this way:—

	Mls.	Chns.	£
Ipswich to Mumbilla ..	23	64	100,000
Mumbilla to Llandawke ..	19	22	121,775
Llandawke to Summit ..	12	33	219,570
Summit to Merivale ..	12	50	122,271
	68	9	£563,616

Speaking on that occasion I said—

"Undoubtedly, it included the cost of resumptions, and so does the estimate for this line from Mount Edwards to Maryvale. It includes every possible cost, and I hold that if it is built over difficult range country for £15,906 per mile, we shall get the railway constructed very cheaply. It is a pity that we have not more mountainous country. Instead of regretting that we have difficulties due to mountainous country to overcome, we should rejoice that we have what mountainous country we have, and regret that we have not more. The total cost of the line is estimated at £389,384. To this is to be added £20,000 for rolling-stock,

£15,000 for rearranging the Warwick Station, and £100,000 for regrading the existing line from Ipswich to Mumbilla. The Minister for Railways, when speaking on this subject last year, indicated that the rearrangement of the Warwick Station yards, for which a sum of £15,000 is set down in this estimate, would not, in his opinion, be necessary. The hon. gentleman went so far as to say that as regards the £100,000 in connection with the Mumbilla line, that need not enter into our thoughts, for the simple reason that, in any case, the Mumbilla-Ipswich section would have to receive attention at the hands of the Railway Department.

"Mr. Stevens: For what reason?

"Mr. G. P. BARNES: Simply because the grades are so stiff and the rails too light to carry the heavier traffic that now goes over the range. The matter, therefore, resolves itself into a cost of about £419,000."

Where does the £1,000,000 come in?

At 3.54 p.m.,

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

Mr. G. P. BARNES: The other day I asked a pertinent question in regard to one of these railways. This House knows that in season and out of season I have stressed the importance of linking up our border railways in order to secure trade for our ports, and claimed, as pointed out by the former Commissioner for Railways, Mr. Thallon, that the via recta is vital in the interests of the trade and ports of Queensland. I have emphasised that on all occasions, and last session I again brought the matter forward. The Dirranbandi extension was one of the fourteen railways referred to by the Leader of the Government. This would not be a branch line, but is necessary in order to secure for Queensland the trade which belongs to Queensland. But this Government, for some reason that no one can fathom, never constructed that line. In reply to my question the Premier told me that—

"The Queensland Government do not favour the policy of building strategic railways along State borders to capture the trade from other States, and likewise, it objects to other States adopting such policy. The Railway Department and Governments of the States concerned should work amicably, and trade which rightly belongs to ports should go to those ports irrespective of which State they may be in, provided that one State has not already built the necessary railway connection. In such cases there should not be duplication."

That is an extremely liberal way of looking at the other fellow's business, but we are not out to do that. Apparently that spirit does obtain in regard to the beef business in Victoria and the flour trade in New South Wales very forcibly, and the spirit is the same right through. We have to bestir ourselves, and look after our interests. The other States are not going to do so. It is unthinkable that the Treasurer and the Secretary for Railways should not have looked into this matter in the interests of Queensland. On the Dirranbandi line—which is one of the

[*Mr. G. P. Barnes.*

few lines that paid during last year—the result was—

	£	s.	d.
Net revenue	38,676	0	0
Interest return on capital (per cent.)	4	1	8
Amount short of interest paid	6,796	0	0

If the other section I mentioned had been carried out, there would not have been that loss of £6,796. The proof of that is this: We are not following our trade; our trade is going to New South Wales. I turned up the report of the Commissioners for Railways in New South Wales, which contains these figures with regard to traffic from Bourke last year—

Passengers carried	9,903
Outward railage of goods (tons) ...	5,942
Inward railage of goods (tons) ...	9,902

The earnings totalled £36,789, showing an increase over the previous year of £7,104. The great bulk of that traffic is Queensland wool—the best paying stuff we have—yet the Government, in answering a question I put, are altogether oblivious to the interests of Queensland, and on that score we cannot repose one bit of confidence in them. The number of bales of wool carried last year was 34,866, as against 26,253 in 1926. I might have quoted Mungindi as well, but Bourke suffices for my argument. I have been stressing during my career in Parliament in connection with the construction of the via recta that it is essential, and that, if the interests of Queensland are to be conserved, both the via recta and the line due west along the border as far as Barrington should be constructed by the Queensland Government, for the pertinent reason advanced by Mr. Thallon that, when you get beyond Thallon we give an undue mileage advantage to New South Wales as against our own State.

It is my duty this afternoon, representing the constituency that I do, to make reference to the arguments placed before the House by the Premier two or three times during this session in connection with the building of that extension. I say that the railway that above all others should have received the attention of the Government is the border line in order to conserve to Queensland her own trade. I am sure that I need say no more than that I trust that the Government, though late in the day, will admit that the Opposition, in fighting for that kind of thing, are working in the interests of a true constructive policy.

[4 p.m.]

Mr. DEACON (*Cunningham*): I find it difficult to speak in this Chamber this afternoon. It seems impossible to say anything to reform the Government. I regard them as the toughest crowd that ever governed any country. (Laughter.)

The TEMPORARY CHAIRMAN: Order! I do not like the hon. member's language.

Mr. DEACON: The Treasurer this morning admitted that he was in difficulties, and he asked for advice. But what is the good of giving the hon. gentleman advice? A long time ago, when he was going to England, he said that the time had come when he wanted advice, and probably at that time he was willing to take it. Of course, at that time he was going home to call on the bank. (Laughter.) I can quite understand his position. I should feel very

humble myself if I were in the same position. I would go home in the same mood. At that time he was quite willing to agree to anything; but, after he came back, he and his colleagues became just the same as ever. They do not really care what is happening. I do not think that in the whole lot, even on the back bench—even in that corner—there is any one of them who cares what happens. They ask for advice, as the Treasurer asked for advice this morning.

Mr. HANLON: Then give it to us.

Mr. DEACON: The Treasurer has been getting it all day. He made a speech in which he asked for advice, and five minutes afterwards he went out. He does not want advice. He does not care how things are going. He does not really care if there is a lot of unemployment in the State. He does not care if taxation is too heavy.

Mr. HANLON: That is your care.

Mr. DEACON: It is the care of the man who has to pay it. Hon. members opposite have been saying, "Show us where we are going wrong." We do, but they do not listen. They are too thick skinned—that is the trouble with them. Taking them as the managers of the State, they are as thick skinned a lot as there are in Australia. (Laughter.) I would like to say more about them—more than I am allowed—but I have to realise the position I am in and I have to be polite. (Renewed laughter.) At any rate, what is the use of our telling the Treasurer what is wrong, or pointing out where there is waste, and how his Government are a wasteful lot? He does not care if they are. Year after year members on this side have pointed out where there is waste; still the Government have gone on wasting just the same; and they will go on again. The Treasurer says that he is in difficulties now, but he has not reformed and none of his Ministers has either. They have not got it in them. The fact is that, as politicians, it is impossible to reform them. If they were sincere in their desire to govern this country in the way it should be governed for the benefit of the people, they would have reformed long ago. At least, they would have tried to reform. It seems to me, however, that there is no sincerity in their proposed desire to reform, and that there is scarcely a Minister who has shown that he has intelligence enough to see the necessity for reform. (Laughter.) They have asked for advice and have got it; but we know very well that things will go on just as before, although with all the things they have done and the millions they have wasted nobody but a fool would go on doing the same thing.

A GOVERNMENT MEMBER: Your own side is laughing at you.

Mr. DEACON: They are not laughing at the hon. member.

Mr. HANLON: I do not see any of them shedding tears.

Mr. DEACON: If I could only get one member on the other side to shed some tears I would be satisfied; but the trouble is that they cannot shed tears.

Mr. HANLON: We are happy.

Mr. DEACON: They are happy with anything. So long as they have a sufficient wage, that is quite enough to keep them happy.

Mr. Deacon.]

Things are wrong. Everybody knows that they are wrong; but no effort is being made to set them right. There is no desire on the part of the Government to do anything to set them right. They do not show any evidence of that at all. That is the biggest trouble of the lot. It would not matter what our troubles were so long as we all seriously tried to solve the difficulties; but the Government are not trying.

We are asked to vote a large sum of money. Bearing in mind the way they have handled that money in the past, is it reasonable that we should give them all this money, when we know that a lot of it will be wasted? I can give an instance of sheer waste. The Secretary for Labour and Industry, I dare say, had a number of clerks in his department for whom he could not find work, and he set about collecting unemployment statistics. He had a lot of books printed and sent them all over the State. The farmers and everyone else were asked to fill in forms when the Minister already had all the information at his disposal. A couple of boys from the State insurance office could have collected the whole information without going to the expense of sending out second letters asking the people to fill in the returns or be liable to prosecution. Why all this annoyance? There is an instance of sheer waste of money. When the figures are secured they will be printed in a book; and nobody will read it or take any notice of it. The Ministers themselves will not take any notice of it. It will be put away on a shelf, and that will be the end of it. That is what always happens.

This morning the Treasurer referred to troubles in connection with branch railways; but he did not show any knowledge of the difficulties concerning branch railways. He merely condemned them as being unpayable. The Secretary for Railways could not say anything about them either. Some time ago the Government were advised to adopt motor transport on the railways, thereby reducing the expenditure on the branch lines. They could have done that; but so far they have not commenced, except in a small way near Ipswich and one or two other small places.

Mr. FERRICKS: Did you see the statement in the press to-day?

Mr. DEACON: I see them every day and every week. That is the trouble. That is all we get—statements in the press. We want something else. We want something accomplished. What is the use of talking and merely making statements?

Mr. FERRICKS: The statement proves that something has been done.

Mr. DEACON: I have seen those things before. The whole thing is simply boost. That is all hon. members on that side are doing. They are responsible for the government of the country, but they do not take it seriously. They are out only for some personal boost—boosting their job.

The facts stated by the Treasurer in so far as branch railway lines are concerned are wrong. The hon. gentleman, replying to the hon. member for Wynnum, used the simile that the railways and branches were like a river and its tributaries. We all know that, if it were not for its tributaries, the river would receive but little of the water that now flows in it. According to the reasoning of the Treasurer, the construction of branch railways does not add to the traffic on the

main railway system. I disagree with that statement. Let me take the Pittsworth district, where, but for the construction of the branch line to Pittsworth, the district would be devoted to grazing and not to agriculture. If an area of land is too far away from a railway, it does not pay to cultivate it, and it is only able to be developed by cultivation through the construction of a branch railway. That has been the reason for building our branch lines which have been paying propositions—that is, if a proper view is taken of the importance of the branch line to the main system. It will be then found that these branch lines pay, and pay well. The railways should not be in any difficulty. It is certainly a fact that expenses in so far as wages and materials are concerned have been doubled; but it must not be forgotten that the Government have doubled the freights. Therefore, they ought to be in the same position now financially as when they took office. What bothers me is that the Government know that all the facts are against them, and that the position is due wholly to their own mismanagement; yet they do not show the slightest desire to improve the position. It seems to me an absolute waste of time to attempt to reform the crowd, for the further they go the worse they become.

Mr. COLLINS: The further north you go, the more intelligent the people become.

Mr. DEACON: Then why do hon. members not show their intelligence in matters of State? They are in charge of the management of the State. It would be better if they stood off and looked at themselves (Laughter.) I know it is impossible for a man to do so, but that is an expression that is freely used, and, if hon. members opposite did so, they would see what foolish things they do. They can take my word for it that that is the way they look at the present position.

Mr. RIORDAN (*Burke*): It is evident that the Opposition to-day are out to criticise the Government, and in so doing are criticising the administration of this State by Labour. Queensland will more than favourably compare with any other State in the Commonwealth in regard to the position of unemployment, notwithstanding the fact that she has the largest area to develop. Hon. members opposite are like the chambers of commerce referred to by the Treasurer, as nearly all their requests are for the construction of branch railway lines, mostly of a developmental nature, which would have the effect of increasing the railway deficit.

It is suggested that Parliament should not control the railways, but that an expert should be imported to do that work. The present Commissioner is a man who has had a lifelong training in the Railway Department, and he has associated with him men who have had years of experience in railway working. The railways cannot be expected to pay until our lands are more closely settled. Why, along the coast alone we have sufficient land to carry the present population of the State; and it is an unwise thing to construct railways before big holdings are resumed. In the old days railways were constructed through large pastoral holdings, which in most cases were controlled by managers for absentee owners. Most of the properties in the Gulf country to-day are run by blacks.

[Mr. Deacon.

Great exception is taken to the operation of the rural workers' award and to the amount of money the worker is receiving from industry. If the question of land settlement in Queensland is considered, it will be found that most of the people who have selected properties ranging from 8,000 to 15,000 acres in Western Queensland are to-day rationed financially as the result of the drought. The financial institutions for which they have been working during the whole period that they have been on the land are waiting to foreclose as soon as the drought breaks and dispose of the properties to others. Throughout Queensland to-day there are dozens of good Queenslanders who have selected land, who are good employers, and who are prepared to pay a fair share to the worker engaged in industry so long as the going is good and seasons are all right; but the plea all the time has been for the Government to come to the relief of this person and that person, and no obligation has been imposed on the financial institutions who hold a mortgage over the holdings of these persons.

Mr. COSTELLO: There is the obligation of carrying the client.

Mr. RIORDAN: Those institutions are trying to get their clients to force concessions out of the Government in order to improve their security, so that, when the drought is broken, the financial institutions will be in a more favourable position for disposing of the properties upon which foreclosure has taken place. It is no use hon. members on the Opposition side arguing against that statement, because that is actually happening in Western Queensland to-day.

Mr. KELSO: You know that statement is not true.

Mr. RIORDAN: The hon. member is so accustomed to misleading the House that nobody takes much notice of him.

Mr. KELSO: It is not true

Mr. RIORDAN: It is absolutely true, because I have investigated these matters in my own electorate. The hon. member, who visited the drought-stricken areas in company with other members of this Chamber, must know that practically all the settlers in the drought-stricken areas are mortgaged up to the hilt to some bank or other financial institution. Quite recently a couple of inches of rain fell in Western Queensland, and many of these settlers were immediately told that they would have to reduce their overdrafts at the banks. They knew these men had no chance of reducing their overdrafts. They were on a ration. They were told that they would have to sell, and I interviewed the Land Administration Board in connection with one case and told the board that, if the financial institutions closed down, they must, in accordance with the Act, offer the selection at auction within three months.

Mr. KELSO: You are taking an isolated case.

Mr. RIORDAN: It is only a matter of 5 or 6 inches of rain falling when they are going to get their pound of flesh. It is a shame that any Government should allow any outside body to handle the money to finance our land settlement scheme. The Government can borrow money cheaper than the individual, and they could lend it out to these men and give them sympathetic treatment, as they are good settlers who have had experience throughout the drought.

If any party in the world made an attempt to finance settlers on these lines, that attempt was made by the Labour Government when they established the Commonwealth Bank. Since Labour has lost control in the Federal Parliament, there has been a tendency to restrict the operations of the bank. Now that bank will not operate in connection with land settlement or advances to settlers—its punch is destroyed. At the present time these settlers have to pay 6 per cent., 7 per cent., and up to 8 per cent. for accommodation from the financial institutions, and the money paid by way of interest goes to the other States or overseas.

Mr. KELSO: You have just admitted that capital is leaving Queensland.

Mr. RIORDAN: Capital is leaving Queensland and going to absentee landlords when we should be controlling our own finance.

Mr. KELSO: That is an admission.

Mr. RIORDAN: It is quite certain that the hon. gentleman will never make an admission of any kind that you can nail him down to. Capital produced in Australia by Australians is going out of the country because the land settlement policy of this country has been financed by money from overseas. The money is going back to pay interest on the money borrowed, whereas the Commonwealth Bank should be financing our land settlement policy.

Mr. COSTELLO: The Labour Government are to blame.

Mr. RIORDAN: It is all very well to blame our Government. Your Government in the Federal House has been one of the biggest failures—

The TEMPORARY CHAIRMAN: Order! The hon. member must address the Chair.

Mr. RIORDAN: The Nationalist Government in the Federal House has been one of the greatest failures as a Government that Australia has ever seen.

Mr. KELSO: The people won't say that on the 17th November.

Mr. RIORDAN: Whether it be on the 17th November, or at any other time if the elections are fought, not on a catch cry or on a set of circumstances such as that which prevailed at the last election, but on a definite national policy for the advancement of Australia, then the people will say that a Government that will allow importations to the extent allowed by the present Commonwealth Government, and allow our industries to fail because of insufficient protection, thereby preventing our own people from getting work, shall no longer be allowed to control the affairs of this Commonwealth.

The Government are controlling the affairs of the State to the satisfaction of voters generally throughout Queensland. Only quite recently we had a by-election in the Mitchell, at which the electors voiced their confidence in this party. We came from the last general election with a big majority; and I think that the result of the next general election, whether it comes next month or next June, will be the return of a greater number of hon. members of this party than there are now.

The policy of restricting the spending of loan money when drought and other adverse factors are operating in the State is not a good one. We should endeavour to keep as

Mr. Riordan.]

many people as possible working. When there is a deficit in private concerns owing to bad times, an industry is either carried on at a loss or just holds its own. I would not like the Government to launch out on a too cheese-paring policy, to the detriment of employees throughout the State. We should endeavour to adjust our loan expenditure so as to speed up public works during the slack season. After the meat and sugar industries close down for the season a great number of men are thrown out of employment; that is the time we should speed up on construction and railway maintenance work, such as the relaying and rebalasting of lines. By so doing, we should give an opportunity to those who are thrown out of industry to carry on for the whole period of the year.

Hon. members opposite cry out about the demands upon them by way of taxation; but the man who is in a position to pay taxation to-day is very lucky indeed. There are hundreds of people now walking the streets who would be only too willing to be in the position of those who are paying taxes. The National Government reduced taxation last year to those who could afford to pay more, while numbers of people were unemployed from one end of Australia to the other. The result of that unemployment will be that that remission of taxation is going to react on those who have been relieved therefrom. I hope the Government will not curtail their expenditure to such an extent that it will mean the throwing of men out of work.

Mr. FRY (*Kurilpa*): I agree with the hon. member for Burke that we should keep as many men in work as we possibly can. Idleness is no good to the State or to the individual. It is the duty of the Government to see that everyone is provided with work—not that I am going to advocate that the Government should carry out their policy, which they have enunciated so often.

At 4.30 p.m.,

The CHAIRMAN resumed the chair.

Mr. FRY: I propose to show that two of the greatest causes of unemployment in Australia to-day are strikes and taxation. We are confronted with the worst period of unemployment that this country has experienced in its history. From year to year it has been getting worse. The unemployment relief in 1914-15 cost the State £5,860, whereas in 1926-27 the cost was £407,121. During twelve years ended 30th June, 1915, the cost of that relief totalled £110,787; during the twelve years ended 30th June, 1927, it totalled no less than £1,638,784. During the year just closed unemployment relief cost £412,220, and outdoor relief £46,806. That is a very alarming condition for a State such as Queensland; and I think we can commence our criticism by saying that the policy of the Government is based upon boom conditions and profitless prosperity. The Government have made no provision to meet a condition such as exists to-day; in dealing with unemployment they seem to be helpless.

There are two immediate courses the Government might pursue in dealing with the position. One is to take no action—as they are doing—and leave the suffering people to the care of their neighbours until economic forces bring their ruthless policy to an end. The other is to render such assistance as they can towards shortening the period of distress, trying to restore industry to its

normal prosperity, and creating opportunities for employment. The lot of the people has not improved while the Government have been carrying out their policy of the socialisation of industry; and the excess of unemployment can be said to be the first fruits of that policy, for the destruction of privately controlled industry inevitably means the destruction of the means of employment, and, as privately controlled industry is destroyed, so employment must go and unemployment increase.

The Government have been trying to get away from their responsibility by saying that unemployment is not a political question but that it is economic. The "Daily Standard"—which is the mouthpiece of the Government—says that the Labour Party has no remedy for unemployment, and it blames the capitalistic system of trade and commerce for it. If there was anything in the latter argument, countries such as the United States of America and Great Britain, both embracing the capitalistic system, would have a greater number of unemployed than Australia or Russia. Australia and Russia have both grasped the one objective—the socialisation of industry—but on reference to figures in relation to unemployment, we find that neither Great Britain nor the United States of America is in such a bad way as Australia. Russia is in such a deplorable position that for purposes of comparison we need not even refer to that country. The record to hand from members of the British Labour Party, people of Russian descent who have resided in Australia and visited Russia, and visitors to Russia to investigate the position all tell of the bad conditions in that country. Therefore, it can be placed beyond the realms of consideration. The population of the United States is 117,135,900 and the unemployed number 1,800,000.

Mr. HANLON: The official records show 4,000,000 unemployed in the United States.

The SECRETARY FOR PUBLIC WORKS: The unemployed in the United States number 4,000,000.

Mr. FRY: I desire the Committee to take note of the interjection by the Secretary for Public Works and the hon. member for Ithaca. I shall quote for their benefit the speech delivered by the President of the United States a few days ago, which will prove that their figures are incorrect. It is of no use hon. members opposite shifting their ground. I anticipated that interjection, and I am now prepared to meet it.

The SECRETARY FOR PUBLIC WORKS: I say there are 4,000,000.

Mr. FRY: I heard one member interject that it was 7,000,000, and, if we wait long enough, the sky will be the limit. Then we shall have hon. members opposite endeavouring to excuse themselves for their errors in the figures. In the United States the unemployment is 1.5 per cent. of the population; in Great Britain it is 3.32 per cent. of the population, the population being 45,226,300, and the unemployment 1,500,000. The Commonwealth Statistician has stated that the unemployment in Australia represents 11.1 per cent. of the membership of the unions making returns to the Commonwealth. In Queensland the Government admit that the percentage of unemployed in the unions is 7.1 per cent., to say nothing of the

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thousands of unemployed who are not members of unions, or the thousands of young people who have finished their scholastic career and are now awaiting opportunities to be absorbed in the commercial world. In referring to the percentage of unemployed, the Government Statistician says—

“It might be mentioned that the investigation is confined to trades unions. Notwithstanding this fact the figures may be taken as a fair indication of unemployment amongst workers generally except as regards occupations of a purely casual nature, although of a more or less permanent nature such as railways, tramways, public service, etc., in respect of which no returns are collected. Unemployment due to strikes is also excluded.”

The Development and Migration Commission in reporting to the Federal Parliament upon unemployment and business stability in Australia had this to say—

“CAUSES OF UNEMPLOYMENT.

“The frequent statement that unemployment is due almost entirely to one specific cause, such as excessive imports, immigration, industrial disputes, or the wages system, is not supported by precise data. The Commission examines the following factors and seeks to define the measures of their respective influence:—

1. Seasonal fluctuations.
2. Fluctuations attributable to other causes.
3. Industrial change.
4. The reserve of labour, casual labour, and immobility.
5. Unemployables.
6. Migration.
7. Wages system (including reference to the effects of Arbitration Court awards to rural industries).
8. Industrial disputes.
9. Incidence of taxation.”

The first seven reasons cited are factors in unemployment, but, as I consider that the last two reasons are the main factors, for that reason I propose to deal with them.

I will take the question of taxation first. During the period the Government have been in office they have spent £267,962,431, compared with the expenditure for the same period of the Liberal Government which preceded them of £94,707,493. For the financial year ended 30th June, 1915, when the Labour Government came into power, the Liberal Government expended £11,421,097, whereas the present Government for the year ended 30th June, 1927, expended £26,222,855. Those figures show a big increase in expenditure.

Another point I desire to make is that the public debt has been increased during the present regime. It has been increased from £56,000,000 in 1914-15 to £112,000,000 in 1926-27. The debt per family of five has, as a result, been increased in that period from £14 12s. 1d. to £28 5s. That has necessitated increased taxation, and it is that increased taxation which has crippled industry. The taxation per family of five on 30th June, 1915, was £7 0s. 10d., whereas on 30th June, 1928, it was £27 13s. 9d. The Government has declared that taxation has been imposed only on those most able to bear it; but,

as I have said so often in this Chamber, the people who pay the taxes are the people who buy the goods, and the people who buy the goods are the consumers. The consumers are the workers, so that the workers are the people who carry the burden of taxation. Taxation is always imposed at the head, because the Government realise that it is the easiest method of collecting taxation; but that taxation naturally filters down until it reaches the whole of the workers and consumers. Taxation is collected in one lump sum from industry, and industry distributes it over all articles in fractions of profit. It descends upon the producer and consumer quietly, but nevertheless surely.

In the face of these figures, is it any wonder that the “Daily Standard” told us in 1922 that conditions in Queensland were no better than they were ten years previously under a Liberal Government?

Mr. DASH: It said nothing of the kind.

Mr. FRY: To reassure the hon. member who has just interjected, let me quote the following extract from the “Daily Standard” of 14th March, 1922—

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

Only the other day the Treasurer told us that the present money value of £1 is only 12s. in comparison with pre-war days. The “Daily Standard,” the “Railway Advocate,” the Government Statistician, and the Treasurer are more or less in agreement on that point.

What is more, the cost of living has increased by 54 per cent. The following is a quotation from the Brisbane “Telegraph” of 12th June, 1928, and is interesting in that it shows that, with a decline of indebtedness, there was a decrease in unemployment, and vice versa. The article reads—

“President Coolidge, addressing the heads of the Government Bureau, predicted that the United States would continue to be prosperous during 1929. He said: ‘We have been favoured with a long-continued era of prosperity. Year after year the tide of good fortune has steadily risen, and it seems not yet to have reached its flood.’”

I ask hon. members to take particular notice of the next statement:—

“‘Prosperity is only an instrument to be used; not a deity to be worshipped. It is my firm belief that for the most part the people of the United States are making proper use of their prosperity.’”

That is quite different from what the Queensland Government are doing here—

“President Coolidge pointed out that in 1921 there were 5,700,000 unemployed in the United States, whereas the number at present was only 1,800,000. He also emphasised that in the last seven years the public debt had been reduced by over 6,327,000,000 dollars (£1,265,400,000), which meant a total of 950,000,000 dollars (£190,000,000) in interest savings to taxpayers.”

The lesson to be learnt from that article is that a decline in public indebtedness invariably means decreasing unemployment, but

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that abnormal indebtedness rapidly increases unemployment. I emphasise the word "abnormal," because in my opinion the Government have been most abnormal in increasing the public indebtedness of this State.

Let me quote another authority—the Brisbane "Age," which on 4th March last had this to say on the question of unemployment:—

"That there are 19,000 people unemployed in Brisbane is a deplorable fact, the reasons for which should be sought diligently, and the blame for which should be laid at the proper door.

"Queensland is a land flowing with milk and honey. We frequently boast of it as the greatest of the States of the Commonwealth. It is fabulously wealthy in natural resources, and it is carrying less than a million in population. That there should be so many unemployed—notwithstanding droughts and other drawbacks—is a serious reflection on the management of public affairs.

"To-day we are suffering for the many imprudences committed in times when prosperity was over the country, and the spectre of unemployment was almost negligible.

"Our Government and municipal borrowing has been immense, so that we are faced with a heavy load of debt, coming after the devastating drought from which it will take the State years to recover.

"There seems to be no escaping the impression that there is something unsound in our economic life. It is not so difficult to realise this as to know where exactly to lay the blame. We are forced to the conclusion that better management would have saved us from our present predicament."

That is the statement of the "Age," and I am prepared to accept the considered statement of the President of the United States. He has nothing to gain by misrepresenting the position when addressing public servants, as he was, and there is nothing to be gained by the "Age" in making a false statement.

Mr. HANLON: What authority has the "Age" for those figures?

Mr. FRY: The "Age," being one of the most influential papers of its kind in the State, I take it, would work on facts, because it would never do for a paper of that description to publish anything unless sure of its facts. If I am not mistaken, those figures were given by the unions themselves. Nevertheless, that does not remove from us the responsibility that rests upon members of Parliament in dealing with the unemployed question. As my time has expired, I cannot say any more; but, when I next address the Chamber, I intend to deal with the unemployed question, as I want my people in Kurilpa to understand something of the truth, even if hon. members on the Government side of this Parliament do not wish to admit it.

Mr. H. M. RUSSELL (*Toombul*): I do not intend to traverse the arguments already adduced, but, in view of the fact that the Opposition have launched a motion of want of confidence in the Government, we would be lacking in our duty if we did not protest against the request of the Government to pass this appropriation to-day.

[*Mr. Fry.*

The TREASURER: That is as good a reason as any yet given.

Mr. H. M. RUSSELL: The Treasurer talks about reasons. I could mention some of the reasons he has advanced on previous occasions, and they generally wind up this way: "At any rate, the Government are going to put it through, in spite of the arguments adduced by the Opposition."

I think it is our duty to call attention to the financial drift in Queensland. We cannot do this too often. No doubt the Treasurer has seen the error of his ways, and is deserving of some credit for having, in a sense, admitted that his acts in the past have been detrimental to the financial stability of the State.

We know that the party that he leads has been able to govern during the last thirteen years by the distribution of largesse amongst the electors. I believe that the Treasurer has already indicated that doubt has arisen in his own mind as to whether a Labour Government can carry on without being bolstered up by a huge amount of money for distribution practically to buy support.

The TREASURER: That is not my policy.

Mr. H. M. RUSSELL: The hon. gentleman is showing what I might call a death-bed repentance. He sees the writing on the wall, and is endeavouring to put himself right with those who are of the same opinion as we are—that Queensland has lived beyond its means for a number of years, and that extravagance must come to an end.

The TREASURER: That is a terrible reflection on the electors.

Mr. H. M. RUSSELL: I am pleased to see this repentance on the part of the hon. gentleman; but I do not think the rank and file behind him want to see any restriction in the borrowing which has characterised the administration of that party for the last thirteen years. Although the hon. gentleman has only been Premier for a short time—and his administration, I think, has been noted as the most extravagant of the lot—he himself must take some share of the blame for the extravagance perpetrated in the past by his predecessors.

The TREASURER: The people of the country outside, including a lot of your supporters, have a good deal of confidence in me.

Mr. H. M. RUSSELL: The hon. gentleman said this morning that it was all very well for the Opposition to criticise, but he asked what solution we had to offer to bring about greater prosperity and at the same time endeavour to reduce taxation, without at the same time interfering with the wages bill of the State. I admit that it is a pretty tall order to expect to secure prosperity in the near future and at the same time reduce taxation; but the time has arrived when the Government should set about preparing what I might term a national stocktaking—not with the idea of putting men off, because it is a terrible thing to put men out of billets—I rather prefer not to put men on so as not to incur the odium of putting them off. The Government have been too lavish in the past in making billets, and they now find they cannot employ all the men they put on. It would have been far better if they had not put on so many in the past so that they would not have to incur the odium of sacking them. It is a horrible thing for any employer

to have to put a man off; and nobody wants to see that done. It seems to me that every department of the State should be overhauled to see if we cannot get greater efficiency. I believe that, with careful scrutiny of the departments, we may get better results.

Our friends opposite are wedded to their system of day labour, which to my mind is one of the curses of this country. I have always believed that a man should be paid according to merit. While I believe in paying the man at the bottom of the ladder the basic wage, I think those who show greater ability and resourcefulness should have greater emolument.

The TREASURER: You cannot apply that argument to the public service.

Mr. H. M. RUSSELL: It cannot be applied in some of the departments, but in many of them it can be; and it should be done in order to show an example to other employers.

An attempt should be made to remove some of the tremendous burdens by way of taxation on our primary and secondary industries.

I notice that in the old country there is a movement to relieve a great many industries which are languishing from some of the local taxation which they have to bear [5 p.m.] in the form of local authority rates, and I understand that the Government there are assisting to the extent of about £5,000,000 per annum. They realise that taxation of those industries which have made for the progress of the old country in years gone by may make a difference.

The TREASURER: Somebody else has to pay.

Mr. H. M. RUSSELL: A different position obtains in Queensland. What attempt has been made to relieve those industries on which our progress depends of some of the taxation which they have to bear? We say that a solution of our present trouble would be to encourage as far as possible greater co-operation between the people engaged in both primary and secondary industries. We want to bring about peace in industry, and I would urge the leaders of the Labour Party to try to bring about some cessation of the internecine warfare which is going on between class and class. Greater contentment is needed so that every section will bend their backs to the task. By that means we shall get the best results from the worker, whether he works as a manual worker or as a mental worker. So shall we get greater progress and greater productivity. I say quite frankly that the Opposition do not stand for low wages. On the contrary, I believe that there must be some basis on which all wages are paid. Certainly we must pay a living wage to the poorest citizen in the community; but the more efficient should get the greater remuneration. I say that to show that the Opposition do not believe in lowering our present standard of living or lowering our wages; but we do believe in encouraging workmen to give greater returns so that we can get greater results by greater effort. At the same time we do not believe, as some of our friends say we do, in the Yankee method of speeding up. We do not want to breed a race of industrial slaves; but we want to inculcate in every worker the idea that he can improve his position by bringing about greater output for himself and the country.

I think our friends on the opposite side must also admit that there is a good deal to be said for an endeavour to bring about a uniform standard of hours and wages throughout the Commonwealth, so that a State like Queensland with its 44-hour week will not be penalised by a State like Victoria with a 48-hour week, which means that there is no possible chance of Queensland's secondary industries competing with those in Victoria. Let us get together on this question. I admit that at the last referendum Queensland voted to give the Commonwealth greater powers, and we have the spectacle of Victoria being strongly against it. If the State Premiers could get together and advocate that these discriminations between State and State could be removed and bring about a uniform standard of wages and hours throughout the Commonwealth, then a State like Queensland would not be penalised in the growth of secondary industries. We are all preaching first that we have to encourage primary production. That is the mainstay of our welfare. Increased primary production in Queensland would mean of necessity the furtherance of secondary industries, the one as a natural corollary of the other; but, when we are up against such a handicap as is to be found in the longer hours in the other States, it seems an almost impossible task for Queensland to make any progress.

The TREASURER: You know that in coal alone the difference in favour of Queensland is more than the difference in taxation is in favour of New South Wales.

Mr. H. M. RUSSELL: I am surprised to hear that, but I accept the hon. gentleman's statement. What is needed in Queensland is more sympathetic administration to attract capital to our shores. The hon. gentleman knows very well that a man would be a fool to set up a secondary industry in this State. Where do men with capital go to-day? Why, to Victoria, where they receive greater sympathy.

Mr. HANLON: You say a man would be a fool to set up a secondary industry in this State?

Mr. H. M. RUSSELL: I speak of purely secondary industries—not such secondary industries as sawmills, sugar works, butter and cheese factories; they are not secondary industries, but sub-primary industries. Nobody would have the temerity to establish steel industries in Queensland in preference to other States. The Government's adventure in steel in Queensland was very disastrous, costing the State £40,000.

This morning the Treasurer stated that he was prepared to accept some solution of the difficulties if such were advanced by the Opposition.

The TREASURER: I dealt with your solutions.

Mr. H. M. RUSSELL: Out of his own mouth he has admitted that he is quite cognisant of the present financial difficulties, and is at his wits' end to know how to solve them. I suggested on a previous occasion—I think it is a suggestion that might well be adopted by the Government—one which has been carried out in other parts of the world—that all finance measures should be submitted to a Committee of the House for dissection. The Treasurer and his subordinates do not possess all the brains of the country, and these finance measures should be submitted for scrutiny and attention by such

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a committee, so that, when they are brought before the House, there will not be an attempt to rush them through as has been the case in the past. It will be some time before the Estimates are presented, but to-day we are giving the Government a blank cheque for nearly £4,000,000. I do not think that is fair business. I think the members of this Chamber should know a month before hand how the money is going to be spent. We have to agree to the motion because we have not sufficient numbers to make our protest effective; but I suggest in all sincerity that all finance measures should be submitted to a committee of the House. I do not wish to usurp the functions of the Treasurer. He may know something about finance; but there are a number behind him who know very little about it. If the measures were submitted to a committee, he might secure some benefit from the financial geniuses on the Opposition side.

I hope that our remarks will make some impression upon the Treasurer. I think he has reached that stage when he is "hogging" for some suggestion that will get him out of the hole he is in to-day. We are prepared to help him, and everybody hopes that Queensland will soon be placed in a stable financial position. The main thing is to bring about immediately industrial peace in this State, so that all sections can work shoulder to shoulder for the benefit of the State.

Question—That the resolutions be agreed to—put and passed.

The House resumed.

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

Resolution received, and agreed to.

WAYS AND MEANS.

COMMITTEE—VOTE ON ACCOUNT, £3,900,000.

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

The TREASURER (Hon. W. McCormack, Cairns): I beg to move—

"(a) That, towards making good the Supply granted to His Majesty, on account, for the service of the year 1928-29, a further sum not exceeding £2,000,000 be granted out of the Consolidated Revenue Fund of Queensland (exclusive of the moneys standing to the credit of the Loan Fund Account);

"(b) That, towards making good the Supply granted to His Majesty, on account, for the service of the year 1928-29, a further sum not exceeding £1,000,000 be granted from the Trust and Special Funds;

"(c) That, towards making good the Supply granted to His Majesty, on account, for the service of the year 1928-29, a further sum not exceeding £900,000 be granted from the moneys standing to the credit of the Loan Fund Account."

Question put and passed.

The House resumed.

The CHAIRMAN reported that the Committee had come to certain resolutions.

Resolutions received, and agreed to.

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APPROPRIATION BILL, No. 1.

FIRST READING.

A Bill founded on the resolutions reported from the Committee of Ways and Means was introduced, and read a first time.

SECOND READING.

The TREASURER (Hon. W. McCormack, Cairns): I beg to move—

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

Question put and passed.

COMMITTEE.

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

Clause 1—"Appropriation"—

Mr. KING (Logan): Before this Bill goes through, I desire to ask the Treasurer what amount is standing to the credit of the Loan Fund Account.

The TREASURER (Hon. W. McCormack, Cairns): Speaking offhandedly, I think the amount is £2,000,000. Despite what has been said, hon. members will realise that there has been a very determined attempt made by the Government to curtail loan expenditure. Because of that the Government find themselves in the position that they will have to ask for only £2,500,000 of new money during the present financial year. When the Loan Council held its last meeting, we found that Queensland was in a more fortunate position than any other State of the Commonwealth, due largely to the determined attempt to limit the expenditure of loan money to works that would return interest on the moneys expended. We are not saying that loan expenditure shall stop altogether. In my humble opinion, we are spending a little more money than we should be spending; and, unless we find avenues in which the expenditure of money will return interest to this State, then we, in common with the other States of the Commonwealth, must review our borrowings in the future.

Mr. EDWARDS: Why did you not think of that years ago?

The TREASURER: We do not want to be brought into a political controversy on this matter, because it is a matter that Governments of all shades of political opinion have been prone to forget. I am no political Columbus who has made a discovery that was not apparent to everybody. It has been apparent to most thinking men in the community for a number of years; and one of the reasons why it has been so difficult to get away from the expenditure of large sums of borrowed money by all political parties is that pressure of public opinion has been allowed to influence Governments year after year.

I do not want to criticise other State Governments, who find themselves, irrespective of the party to which they belong, in a difficult position.

As I mentioned before, the New South Wales Government find themselves in a very difficult position with huge commitments for big works in the city of Sydney that will not add one penny of wealth or wealth production to Australia. Interest and redemption have to be found on these big undertakings. Previous Governments—from both political parties—committed the State

to these undertakings. We find ourselves in a similar position, as will any Government succeeding us. A determined attempt to conserve loan funds should have the support of every man in the community, no matter to what political party he may belong. The Government has no intention of setting out on a "jamboree" because it is an election year.

MR. BRAND: It will be quite unusual if you don't.

THE TREASURER: It will not be quite unusual. The hon. gentleman waited on me the other day and asked me to spend a large sum of loan money in his electorate.

MR. BRAND: Not a large sum.

THE TREASURER: I have the money, and I could employ these men and probably defeat the hon. gentleman by doing that.

MR. BRAND: We ask you to do it.

THE TREASURER: I am not going to do it. I am not going to be guided by those principles. I think the public will recognise that the position is being faced. It may be said that the Government should not have a large amount of loan money at their disposal. I consider it is a good thing, and, as I stated earlier to-day, whatever happens to the Government at the elections—and I am building on our return—if we are not returned, it will not be an empty Treasury that will be left to our successors, because I do not think that is a good thing for the country, and I do not think it makes any difference in the appeal to the people themselves, because, in the last analysis I think the feeling is broadcast that Australia as a whole will have to learn to live within her means, and it is because of that that I am attempting to lessen loan expenditure. If it can be pointed out to me that there is a project that will return interest or that will nearly return interest—a project that will make for development, and will indirectly return interest on the expenditure—I am prepared to consider it; but merely to satisfy the claim that we should spend a large amount of money to create employment or to specially favoured districts, as mentioned by the hon. member for Windsor to-day, to spend £150,000 to carry produce that is being carried now—well that is an undertaking that this Government and no other Government can entertain in the future.

MR. CLAYTON: You have got your party well whipped up now.

THE TREASURER: I have got you well whipped up. The hon. member can go to the country and promise all these things. I do not care. I intend, and this party intends, to go to the country with its policy and its programme: and, if it is defeated, well, it is not going to promise to give the people the moon.

MR. COSTELLO: You did that at the last election.

THE TREASURER: We carried out practically everything we promised at the last election, and those things that have not been carried out will be completed this session. Hon. gentlemen will realise that the loan position is quite sound; that we are not embarking on heavy expenditure, and as I said before in answer to criticism, we have not created the unemployment.

MR. KERR: You are helping it considerably.

THE TREASURER: The Brisbane City Council has created more unemployment in one particular area than the whole of the people knocked off the Government service from the North to the South. I am not criticising the City Council; it is their business. I am not charged with the responsibility of running the City Council, but I am charged with the responsibility of running the Treasury; and what I cannot understand is that the political party in opposition can criticise the Government for doing the very things that their own party are doing to a much greater extent in the arena in which they have control. I am not going to criticise them—it is their business and responsibility. These matters are above party politics. We cannot solve the problem by throwing more money into unproductive works merely to settle the present unemployment problem. We do not intend to do that; and, if it makes us unpopular, I cannot help it. No Government can undertake to employ everybody who is thrown out of work by a private employer; and that is the position which has been caused throughout the Commonwealth. South Australia is in a bad position, and Victoria is in the worst position it has been in for years.

MR. CLAYTON: We know why—because there is a Labour Government there.

THE TREASURER: The Labour Government are in office, but not in power.

MR. EDWARDS: They are in power, and you know it.

THE TREASURER: They are not in power. They have not got a majority to support them in Parliament, and they cannot pass any legislation. To claim that Victoria's difficulty has been created by Mr. Hogan, who has been only a few months in office without having passed any legislation, is unjustified. I asked for suggestions from the Opposition this morning. I thought that, as the Opposition are telling the public that they can solve these problems, it would be a fine thing to let the public know the method they suggest. I have no intention of solving these problems on their advice—it is my responsibility—but it is interesting to hear an Opposition, which has become noted for its general ineffectiveness, glibly undertaking to solve economic problems which are worrying every Government and every undertaking in the civilised world.

MR. ROBERTS (*East Toowoomba*): The remarks of the Treasurer are astounding. We have heard him on two or three occasions to-day lecturing the Opposition and the country on the position which his Government have brought about. When the Government came into power, Queensland was in a prosperous position and men could get employment; and the hon. gentleman comes along to-day after thirteen years of administration and says that he does not know what to do, and that it is not advisable that loan money should be spent. I would like to know if it is not at a time like this that the Government ought to be considering the financial position. No one can tell me that in this great State there is no profitable investment for loan money, seeing the large number of unemployed. The Treasurer is the last man in the House who should talk about the financial muddle and about a knowledge of finance being necessary in connection with the business of this country. He has been connected with the Government

during the period in which this want of prosperity has been brought about. His Government are responsible for the position in which we find ourselves to-day.

Reference was made by the hon. member for South Brisbane to a press report as to the reason why officers of the Railway Department were going about trying to get business for the State. The department had that business once. What has happened to cause it to lose it? It is the Government's interference with the business of the country. The men in this House who are paid to carry on the railway administration have brought about a set of circumstances under which others have catered successfully for business in competition with the railways. We have to-day a special committee set up to deal with the matter; and nobody is more responsible for the position than the Treasurer himself. He is always telling the country that, when there was a railway lock-out, he stood by the country. He caused the lock-out, and he is not game to deal with the situation which exists.

[5.30 p.m.]

Mr. G. P. BARNES (*Warwick*): The Treasurer just now made a statement to the effect that the Loan Fund was in a sound position. On reading the Auditor-General's report for last year I find that he indicated that, although the Loan Fund was in credit £5,306,735, it actually had debited against it in respect of revenue £1,975,440 and Trust Funds £527,022, leaving a net balance of £2,804,373. The Treasurer just now stated that it was in credit about £2,000,000, which evidently means that it is much as it was at the end of last year. Certainly the Loan Fund stood in debit at the end of the quarter, because there was still a big debit arising from the fact that revenue was debited against loan money. Under these circumstances the Loan Fund cannot be in a sound position if there is a debit against it of £2,500,000 odd. At any rate, some explanation should be forthcoming from the Treasurer.

Mr. KERR (*Enoggera*): Half this discussion would not have arisen had the Treasurer not again set himself up as the "All Highest" in embryo. (Laughter.) The Deputy Leader of the Opposition merely asked a question, and the hon. gentleman saw fit again to point out what he terms the ineffectiveness of the Opposition. (Government interruption.)

The CHAIRMAN: Order!

Mr. KERR: Let me say that the Opposition are just as "fed up" with the platitudes of the Treasurer as are the people outside. They are positively "fed up" with listening to his platitudes, which the people outside will no longer tolerate. The Treasurer never seems to look at the position from the point of view of doing the country any good: he seems to rely at every turn on the bare statement that he is doing the right thing. Even in the few words he has had to say just now he saw fit to attack the Brisbane City Council.

The TREASURER: Not attack—expose.

Mr. KERR: He said that the Brisbane City Council was responsible for more unemployment than his Government. How ridiculous that is! The position is that, whilst there is depression in Brisbane and Queensland, the Mayor of Brisbane has seen fit—so that it would not become more acute and in order to give a little more confidence

in the city—to spend at least £75,000 on necessary works. (Government interjections.) He did it to give a lead to the citizens and inspire a little more confidence in the country. What is the Treasurer doing?

Mr. MAXWELL: Nothing!

Mr. KERR: For years past the hon. gentleman has followed the policy of spending in times of plenty, and in times of depression, when there are thousands of people out of work, he calls on the associated banks and the City Council to come to their aid while he restricts loan expenditure and conserves his resources. In times of depression why does he not give a lead to the business houses? Why does he not give a lead to everyone?

The TREASURER: Borrow, boom, and burst!

Mr. KERR: The hon. gentleman is a past master at platitude. With him it has been an experience of "boom," and probably it will be an experience of "burst" at the next election. He can come into this Chamber and talk down his supporters; but the Opposition have the right to voice their opinions here. For years the Government have been spending millions of pounds in a wasteful and extravagant manner, with little or no return. Now, with thousands of men out of work, the hon. gentleman has the audacity to boast that he is conserving loan money. It is a pretty sad commentary on a Government with £2,000,000 of loan money when they cannot find a channel for the wise expenditure of that money in this State. Surely all the hon. members supporting the Government are not dummies! Have they nothing to say? Are they content to sit like dummies behind the Treasurer, when this money could be usefully employed in this State, especially at a time like the present, when the position is such a very depressed one? Where do we look for an inspiration in times of depression? To the Government. But we have looked in vain. I repeat that the Treasurer and his colleagues have lost their initiative, and the people are crying that out everywhere.

At the last election the Treasurer outlined a certain policy, and promised to carry it into effect. Is he going to adopt all those fancy things that he advocated, or is he going to conserve again? He knows very well that there is not one man in this Chamber who believes a word of what he is talking. He knows that he is merely getting himself into a hopeless position, and that his speech amounts more to something that is jocular than to a sound sensible speech. The hon. gentleman boasts that he is the only Treasurer in Australia who is conserving loan money; but he knows that his argument is ridiculous. The time has arrived when the Government should sum up the position. Is it right at this stage, with so much poverty and starvation in the community, that the Government should have money in the bank, when it could be wisely expended on some productive works? Just prior to Christmas the Brisbane City Council were anxious to secure for married men a few weeks' work. The mayor waited upon the Treasurer to see if it were possible to secure a grant of money, and the Treasurer replied, "Yes, I will do something. I will lend you the sum of £10,000 at a certain rate of interest." The Brisbane City Council could have secured double that amount from the Commonwealth Bank.

[*Mr. Roberts.*]

The TREASURER: They could not have obtained a "blue cent" without my guarantee.

Mr. KERR: Mr. Jolly pointed out that the married men of Brisbane were then up against it, and he desired the co-ordination of the Treasurer in an effort to provide them some money for Christmas; but this great Treasurer said that he would lend him £10,000 at a certain rate of interest! The Brisbane City Council could have secured the amount down the street at any bank. The day has arrived when the people are calmly watching the political somersaults of the hon. gentleman day in and day out, making promises that mean nothing. In this Chamber he boasts that he stands alone in his conservation of loan money.

The time must arrive when the party in charge of the affairs of government—and let us hope that time will arrive shortly—must give a lead and incentive for business to progress. If private enterprise is imbued with that pessimism which the Treasurer has propounded to-day, then God help the State! If we desire the State to progress, then an inspiration should come from the Government, which has over £2,000,000 idle. There must be avenues in which the Government can spend this money on reproductive works. The whole trouble in a young country like Australia is not in borrowing money but in seeing that it is wisely spent.

Over £45,000,000 had been expended in our railways before the Government took charge of the Treasury benches. That money not only paid interest and redemption charges, but returned a profit to the Treasurer. Since the present Government took office, what has been the result? Between £50,000,000 and £60,000,000 invested in the railways is now not paying its way. Why? Because of the policy laid down by the Treasurer and his colleagues. Then the Treasurer talks about conserving loan money! If in this young country, where private enterprise requires a lead, the Government are going to restrict the expenditure of loan money in productive avenues, how can one expect the State to progress or private enterprise to launch out on a policy of development?

The TREASURER: If the Government took your advice, they would refuse to expend any money until before the elections.

Mr. KERR: We accuse the Government, and have done so for years, of being bereft of a policy and ideas, and, in addition, we now accuse them of having lost that initiative which the country requires.

The CHAIRMAN: Order! I ask the hon. member to confine himself to the question before the Committee.

Mr. KERR: I am absolutely disgusted at the Treasurer, as Leader of the Government, coming before this Chamber and announcing that he is going to restrict the expenditure of loan money. Profitable avenues were found to expend loan money before 1914, and there is no reason why, in 1928, those profitable avenues cannot be further exploited by the Government. A depression exists in the State, and those engaged in private enterprise are putting off employees every day. They have become imbued with a pessimistic spirit as a result of the continued high rate of taxation. The Mayor of Brisbane gave a lead to the people, as he said he was desirous of inspiring business people in this period of

depression, but the Government are making the position worse and worse.

Mr. HANLON: Do you support the hon. member for Toombul in his statement this afternoon—that a man would be a fool to invest money in secondary industries in Queensland?

Mr. KERR: The hon. member for Toombul did not use that expression in the manner which the hon. member desires to interpret it. The hon. member knows perfectly well that, if two industries are going to start in Australia, and the possibilities of Queensland and Victoria are inquired into, the enterprise will be launched in that State which will give the greater return on the capital invested.

Mr. HANLON: All he is concerned about are the interests of the importers.

Mr. KERR: If capital has the choice of investment between two States, in one of which taxation is less and profits are greater, it is only to be expected that investment will be made in the more favoured State. That is why Victoria offers a greater inducement to capital than Queensland, considering also the greater population of Victoria. The main factor in this discussion is the speech made by the Treasurer. Let me tell the hon. gentleman that, when the Opposition become the Government—

GOVERNMENT MEMBERS: When? (Laughter.)

Mr. KERR: When the Opposition become the Government, they will have so much new blood and so much new initiative—(renewed Government laughter)—

The CHAIRMAN: Order!

Mr. KERR: That the psychological effect will be such that depression in Queensland will be removed. I believe that unemployment will be reduced by at least 50 per cent. in the first six months of a new Administration. I believe, too, that, with confidence inspired in the State, the secondary industries referred to by the hon. member for Ithaca will be established, because every consideration will be given by a Government who understand the position better than the Labour Government have ever understood it in the thirteen years of their administration.

Mr. SIZER (*Sandgate*): I certainly consider that members on this side of the Chamber should not receive a lecture from the Treasurer without replying. What has been the sum total of the hon. gentleman's speeches to-day? He talked about a tax on gloom; but, if such a thing were in operation, he would be the greatest contributor we have. When the Government assumed power they told the people of Queensland they would solve all their problems; that it only needed a Labour Government to remove unemployment; that the State would become a veritable garden wherein the services of men would be sought, instead of their having to walk the streets in search of work. With the passing of years we find that they have taxed and taxed until we have reached that stage in our development when the Treasurer on one occasion says, "I have taxed to the utmost of my capacity. I cannot tax further, because, if I do, unemployment will increase by leaps and bounds"; and then on the next occasion has the audacity to tell this Committee, "I have over-taxed; I do not intend to go on; I am at a dead-end."

Mr. Sizer.]

What a statement to come from the chief Minister of the State! Whose business is it to solve the present difficulties of the State? Did not the people of Queensland put the Treasurer and his party in power to solve these problems? The people are being disappointed. If we said he has failed, the people might not altogether believe us—(Government laughter)—but the hon. gentleman himself admits that he has failed, that he is at a dead-end, and that he cannot find avenues in which to spend profitably the money necessary for development work. Here we have the position of a State with a population of only 300,000 and an immense area awaiting development, whose Treasurer cannot find avenues for the expenditure of loan money on productive work! How can we build up the State under such a policy of gloom as that enunciated by the Treasurer? I have told the hon. gentleman and his colleagues on previous occasions that it ill becomes them to talk about over-borrowing when they have increased the national debt from \$56,000,000 to £112,000,000 since they assumed control of the Treasury benches. Now they have reached the stage at which they are unable to find ways and means.

To-day the hon. gentleman is attempting to adopt a policy which might be described as a Labour Premier with a Liberal policy. After leading them to regard his party as the only party which can govern this State and develop it, he is now attempting to tell the people that he is at a dead-end, that he cannot use loan money, and that he can offer no solution of our problems.

The TREASURER: I am spending as much loan money as Queensland can afford.

Mr. SIZER: The hon. gentleman said he could not spend it profitably. There is something wrong with the State of Denmark if at this stage of our career we cannot spend loan money profitably. The reason why the hon. gentleman is in trouble to-day is because for years and years he and his party have been wasting their loan money. They have accumulated huge losses, and these losses have gone on to the public debt without any tangible assets to show for them. The Government are paying interest on their losses in the past, and they cannot afford to borrow loan money which could be profitably used in other directions because in the past they have not exercised that wise care in their expenditure that was necessary. If some avenue is not opened up, what is going to happen to the people of Queensland? What is to happen to the boys of Queensland if the Secretary for Labour and Industry cannot find positions for them under his apprenticeship scheme? What is to happen to them if the Government are at a dead-end? If there was ever an admission of failure, it is the hon. gentleman's admission of failure to-day.

The TREASURER: You put up an Aunt Sally and then knock her over.

Mr. SIZER: At all times the hon. gentleman sets up his own Aunt Sally, and then proceeds to knock her down, always ignoring the fact that he has produced the very position of which he complains. This is not a state of affairs which has happened by accident. This is the inevitable result of thirteen years of bad administration. We have told the people and we have told the Government that we would meet the situation, and we have met the situation. I am not going to allow

the Treasurer to come to this Committee and attempt to gloss over the situation and refuse to accept the responsibility, when he more than any other man has been responsible. He knew years ago that this result must happen, but for party reasons he has allowed it to go on. He has allowed the position to go on in order that his party might retain power, and he can offer nothing to the people in return. The audacity of the hon. gentleman in coming here and stating that he has no intention of making election promises that he could not carry out is astounding. The hon. gentleman to-day said he did not intend to pursue that policy, and that he had no intention of flooding certain electorates. That is the best indication I have that he does intend to do it, because in the past, whenever he has said he does not intend to do a thing, that thing has been done.

I have read the hon. gentleman's last policy speech, and I remember the inference he drew to the effect that, if the Commonwealth Government did not introduce childhood endowment, the Queensland Government would do so. He said that we could afford these things. He said in this House that we could not afford to give a 44-hour week, but in his policy speech he said that Queensland could afford it. Those things were said purely and simply to win votes, with no intention of carrying out the promises made. I strongly object to the hon. gentleman now coming down and making the statement that he is a "Simon Pure" and never makes election pledges which he does not intend to carry out. He ought to realise the sorry caper he is making in the community. He is a man big in stature and with apparently big ideas, and the people are waiting to see those ideas translated into action. If a man poses before the public as one who will do something and fails to do it, great will be his fall. The people are looking to the Treasurer to deliver the goods which he promised, but he is not doing so. The hon. gentleman says it is a new policy which he is advocating. It has been laid down before now that Labour can only govern so long as it has something to offer. The hon. gentleman knows that he has offered all he could in the past, and he has nothing more to offer. The position we are in to-day is an admission on the part of the Leader of the Government of his inability to solve the unemployment problem which exists and to give a lead to the community. That is a sequel to thirteen years of maladministration. Will the hon. gentleman say that, if the Government had not spent the money they did in Chillagoe, they would not be able to use it to better advantage in other directions? Will he say that the money spent in State enterprises could not have been used to much better advantage in other ways? Not only have the Government damned the State morally, but they have damned it financially, and have arrived at a position which is difficult to solve. The hon. gentleman's inability to do anything in the matter is apparent to everybody. We had only to suggest a problem at one time, no matter what it was, and he and his party would say they could solve it.

[7 p.m.]

I object to this claim of the Treasurer that he is never guilty of breaking election promises. If he cannot find avenues for the expenditure of his loan money now, is he saying it so that he may have plenty to

[Mr. Sizer.

spend before the election? That appears to be his object in holding it.

The TREASURER: Are you urging me?

Mr. SIZER: The hon. gentleman will not need any urging to do it. From our past experience we can feel confident that that is what he will do. He is holding the loan money now in order to have it at election time.

But let me deal with his claim that he never breaks pledges. His policy speech promised some more railway workshops. Where are they? It is true that every time an election comes along the Willowburn works are started and continued for a little while. Then they are stopped till the next election, and then started again. The fact is that the railway workshops policy of the Government has been all gerrymandering and humbug for years past. The hon. member for East Toowoomba will agree with me that the Willowburn works have been started five times for electioneering purposes and then stopped.

Mr. ROBERTS: For a time there were only seven men working there.

Mr. SIZER: The Toowoomba election has been won times out of number by the Willowburn works, and the Treasurer knows it perfectly well.

The hon. gentleman says that he did not increase railway fares and freights, and that he would not do so. He knows perfectly well that he has done so. He knows that he promised a fodder conservation scheme. Where is it? This is this high-minded gentleman who never promised anything that he did not perform—this George Washington who never tells a lie! One has only to read the list of promises in his policy speech to show the amount of hypocrisy in it.

Where is the increased cotton guarantee that he promised in his electioneering speeches? He has no more intention of increasing the cotton guarantee than he has of flying. Where is the organised milk supply, which was promised in his policy speech? For whom was that put there? The hon. gentleman cannot say. Then he finished up by simply saying that, if the people trusted him with the reins of government, he would faithfully carry out these things! It shows his absolute incapacity, and that his word cannot be taken on public affairs.

The hon. gentleman is always lecturing members on this side of the House and asking what they would do. Then in the next breath he says he will not take our advice, and that he would only like to hear our views because he is interested.

Mr. FOLEY interjected.

Mr. SIZER: Let me ask the hon. member for Leichhardt who was responsible for changing the policy of the Government in regard to the gem industry? Members on this side of the Committee.

OPPOSITION MEMBERS: Hear, hear!

Mr. SIZER: I can refer the hon. member to the fact that he had to send a wire post haste to the Treasurer asking him to change the policy of the Government because the people on the gem fields were starving. That was the result of thirteen years of Labour policy.

Mr. FOLEY: That is not correct.

Mr. SIZER: It is correct; we have a copy of the wire. It was pasted up at Ruby Vale and Sapphiretown. It was sent post haste.

Mr. FOLEY: I wrote the wire.

Mr. SIZER: We know the hon. member wrote it—pleading with the Government to change their policy; yet the hon. member was a party to the Government instituting that policy in the first instance. It lost thousands of pounds and created unemployment all for the sake of the foolish empty fetish of a gem pool.

The hon. gentleman claims that his party are not responsible, and complains that we do not make any practical suggestions. Are we not giving him practical suggestions. For instance, have we not told him time after time to abandon his policy of State enterprises? He has abandoned that policy to a certain extent, but, had he adopted our advice earlier, he would not be in the position that he is in to-day. It was only his pigheadedness that prevented his adoption of our policy earlier.

We also told him that he should have a revision of the iniquitous land laws that had been imposed on this State by his Government, but he refused for a long time to follow our advice. When he did adopt our suggestion that a commission should be appointed to inquire into the matter, what did they say? Exactly what we on this side have been saying for years, and the policy of the Government had to be reversed. These are the things that are causing the trouble that the Government are in to-day. The hon. gentleman has admitted that he has got to the end of his tether, does not know what to do, and cannot offer any solution of the problems. He cannot offer any help to the people outside. I respectfully suggest that he appoint a commission to advise him as to what best to do in the interests of the State. He might then get some enlightenment such as he has received on other occasions.

The TREASURER: That is all Mr. Bruce does.

Mr. SIZER: If the hon. gentleman would only emulate the Prime Minister of Australia, Queensland would be a much greater State than it is at the present moment. Having admitted his incapacity to carry on, the only course open to him is to appoint financial advisers to examine the affairs of the State and give him the advice he needs so badly.

Mr. BRUCE (*Kennedy*): The hon. member for Enoggera and the hon. member for Sandgate seem to be fulfilling the function of Punch and Judy of the Opposition in that they have been up and down ever since this debate commenced. Probably the idea is that the hon. gentleman who uses the stick best will be appointed the "whip" for the Opposition. Since hearing the maiden speech of the hon. member for Stanley they have not given him an opportunity to get up and permit us to hear an intelligent speech from the Opposition; but they continue to get up in their places every chance they get.

In dealing with the railway situation the hon. member for Enoggera said that, if ever they got on the Government benches—perish the thought that they ever should!—they would engage the greatest experts in the world to deal with the problem. The greatest

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experts in the world have been dealing with the railway position as it affects private companies in Great Britain, and, after giving the matter their fullest consideration, they came to the conclusion that the only way to reduce costs was to hold what they called an industrial peace conference—the lion lying down with the lamb, and in such cases, of course, the lamb is always devoured by the lion. The result of the investigation by these wonderful experts was that to reduce cost to the private railway owners of Great Britain it was necessary to cut down the wages of the workers to the extent of £2,000,000. I can quite understand that members of the Opposition are going to adopt exactly the same attitude as the private railway owners did in Great Britain.

The TREASURER: And tax the motor car owners to relieve the railways.

Mr. BRUCE: I can quite understand their adopting the same attitude—obtaining the greatest experts of the world, and then by a peace conference, if they can arrange it, cutting down the wages of the workers, or, if they could not do it per medium of a peace conference, definitely doing it by legislation. Despite all the criticism of this Government, there is no doubt in the minds of the people of Queensland that the Opposition members as a whole, or the policy that has to be accepted by Opposition members as a whole, has for its object the cutting down of the wages of the workers. In that they see the solution of our industrial difficulties. On the other hand, they have suggested that we should give bonuses to people engaging in secondary industries in order to boost up those industries. We can be quite sure that, if those bonuses were granted, they would be given to the men who put the cash behind the Opposition to enable them to fight their election campaign. The action of the Opposition in that regard can be quite understood.

We also have a section of the Nationalist Party controlling a public function somewhat similar in character to Parliament—namely, the Brisbane City Council. I remember on the occasion of the seamen's strike one of our prominent ecclesiastics expressing the opinion that he believed in the sanctity of the contract—that, irrespective of what the position of the men was, if a contract were entered into, it must be upheld and maintained. When the Brisbane City Council took over the functions of the Metropolitan Water Supply and Sewerage Board, they found a contract existing as to the rate of wages to be paid to the men employed by the board, and almost immediately they did their utmost to break that contract by reducing wages. Yet we have had no one on the other side raising his voice and saying that he believes in the sanctity of the contract, and that, irrespective of what the position was, the contract must be maintained and the wages specified under that contract paid.

We also have in the Nationalist control of the Brisbane City Council evidence of their method of finance. It was stated that the council intended to borrow £350,000 to carry on certain works. The following day a statement appeared in the press to the effect that this money had already been taken by the council from revenue, and that the loan had to be floated in order to repay the money so taken. The council were sacking their employees continuously, thereby adding to unemployment. They would have continued

to add to the number of unemployed had it not been for the fact that some of the leaders of the Opposition, realising the danger of that action to their party, got into touch with the mayor and aldermen of the Brisbane City Council in order to stop further employees from being "sacked." (Opposition interruption.)

Mr. KERR: That is not correct.

The SECRETARY FOR PUBLIC WORKS: It is quite correct.

Mr. BRUCE: If the story had been told some time ago, one might be charged with romancing, but, as the facts are so recent, they are fresh in the minds of every hon. member, and I therefore cannot be charged with romancing.

Mr. TAYLOR: You would say anything.

Mr. BRUCE: The attitude of the press on this matter was remarkable. We had the statement made that £75,000 was to be borrowed in order to avoid the sacking of further men. So far, so good; but the press subsequently came out with another statement—that the mayor was solving the unemployed position by borrowing £75,000 to maintain the services already existing.

The TREASURER: He never borrowed the money.

Mr. BRUCE: The mayor, after throwing some hundreds of men upon the labour market, called a halt to further "sackings" in the interests of the Opposition, and, therefore, of their political propaganda.

The TREASURER: He did not borrow the money. He went to the Commonwealth Bank and got it on the guarantee of the Government. (Opposition interruption.)

The CHAIRMAN: Order! I am giving hon. members a chance to quieten down, in order to give the hon. member for Kennedy an opportunity to continue his speech.

Mr. BRUCE: I can quite understand that the mayor had to get the Government guarantee; but the point is that he is mortgaging the assets of the people in the Brisbane area, which means that at a later date there will be an increase in the rates to be paid by those people. The present Brisbane City Council has been in power for a short period. Had the Labour Government borrowed on a pro rata basis, or had they expended on a basis comparable with that of the Brisbane City Council, we would have been bankrupt years ago. (Opposition dissent.) On the other hand, we have the hon. member for Enoggera saying that the Government should give a lead to the business people to create a spirit of optimism amongst them. I remember when the hon. member for Toombul made his maiden speech in this House. After saying the usual things about being pleased to be here, etc., he finished up by saying that he thought it would be better if three business men were appointed to run the affairs of the State.

Mr. H. M. RUSSELL: I said nothing of the sort. I do not believe in that either.

Mr. BRUCE: I think that in this case the hon. member for Enoggera has a clearer perception of the ability of members of Parliament than the hon. member for Toombul; and I agree with him that politicians, through the method of selection, are able to formulate

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a policy for the business men. Where is all this pessimism amongst the business men?

Mr. KERR: It is over on your side amongst the non-business men.

Mr. BRUCE: I meet quite a number of business people in the course of my everyday peregrinations about the city, but I find none of these business men who are taking up this attitude of pessimism. As a matter of fact, there is a buoyant tendency in business throughout the State of Queensland.

There is some difficulty owing to the policy of the banks, whose coffers are bursting with cash, but who are trying to create a scare from the money point of view by refusing to lend money at reasonable rates of interest when it is required to carry on business. (Opposition dissent.) Hon. members on the other side are suggesting that we should go on the loan market and borrow large sums of money in order to create a false prosperity in Queensland. If the moneys already available in the banks of Australia were used for the purpose for which it is placed in the banks, there would be no necessity to borrow any money overseas, because there are ample liquid funds available in Australia to carry on the development of the country if these funds are properly used.

Mr. SIZER: Why do you not do it?

The TREASURER: We are spending millions of loan money each year.

Mr. BRUCE: There has been an expenditure of £4,500,000 of loan money this year, a fact of which hon. members opposite should be aware. Yet on top of that they suggest that we should again go on the loan market and borrow more money in order to create an era of false prosperity. There is no doubt in the minds of members here—men who understand business—that in the country electorates particularly the banks are not using their money for the purpose for which it was deposited—that they are asking exorbitant rates of interest and calling for excessive guarantees when loan money is asked for. When money is required at particular times in order to be of the greatest value to industry—particularly primary industry—the banks refuse to lend that money.

Mr. SIZER: What is wrong with the Agricultural Bank?

Mr. BRUCE: The Agricultural Bank is lending large sums of money at a rate of interest which is practically 50 per cent. less than that charged by private banks. It will be appreciated that the Government have in turn to get money from banking, insurance, or other similar concerns, and that the Government cannot continue to borrow money to an unlimited extent at 6 per cent. and make it available to people at 5 per cent. To do that to an unlimited extent would be the surest way to ruin this State. It is a peculiar thing that, while members of the Opposition are opposed to State enterprises of any kind, they are not opposed to the Government giving money to private men to squander and do whatever they like with it whenever they like.

Mr. KERR: When did we advocate that?

Mr. BRUCE: The hon. member for Enoggera stated in his speech that, if they were on these benches, they would lend money to private enterprise in the shape of bonuses to carry on enterprises. I hope the time is far distant when our Government will act on such a policy as that.

Mr. DEACON (*Cunningham*): I cannot help commenting on the inconsistency and inaccuracy of the speech of the hon. member who has just resumed his seat. He has endeavoured to fasten upon this party the charge that we advocated the cutting down of wages. As a matter of fact, at a Labour conference the hon. member voted for a reduction of wages. I have seen the list, so I know that that is true. He is known as a "wage reducer."

Mr. BRUCE: You are speaking of Stanley Bruce of Melbourne.

Mr. DEACON: I am speaking of the hon. member for Kennedy. He knows very well that he voted for a reduction of wages at a Labour conference. He cannot get away from his past.

Mr. BRUCE: That is a deliberate lie.

Opposition interjections.

The CHAIRMAN: Order! Order!

Mr. KERR: Withdraw it!

The CHAIRMAN: Order! I ask the hon. member for Kennedy to withdraw.

Mr. BRUCE: I withdraw.

The CHAIRMAN: I warn the hon. member for Enoggera to obey my call to order and cease interrupting.

Mr. DEACON: When we come to talk about cutting down wages, it is only fair to state what the Government are doing at the present time. They are getting men to pool their work, and that means a reduction of wages. They are putting them on short time in the Railway Department where possible. That is reducing wages. They are doing it; yet they have the brazen effrontery to talk as though we were advocating it, and as though we were doing it. We are doing nothing of the kind.

The hon. member made another statement that is absolutely inaccurate, and I am surprised at the hon. member not knowing better. He said the Agricultural Bank was lending money at 50 per cent. below the rates charged by private banks. The hon. member knows that the Agricultural Bank is lending money at 6 per cent., and he knows he can get money from the private banks at $\frac{7}{8}$ per cent. Really he ought to go to school again.

I want now to deal with the speech delivered by the Treasurer to-night. We cannot treat this Bill as a formal matter, as apparently was the intention until the Treasurer made his speech. The policy speech delivered by the Treasurer to-night is totally different from the policy speech delivered by him before the elections. The Treasurer's policy as laid down to-day is not a Labour policy. It is not the policy on which the Treasurer came into power; it is not the policy his party stand for. That is not the policy laid down at the late Townsville Convention. We had something entirely different from the Treasurer on this occasion.

He has set out a policy which he says is the policy of the Government. He referred to loan expenditure; and we all recognise that he has got to the end of his tether in that respect. We must all recognise that we have to go slow with regard to loan expenditure, but it is not sufficient to stop there. There are other problems to deal with. Apparently the unemployment problem has to cure itself without any help from the

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Treasurer. He has laid down the policy that he is not going to spend any more loan money than can be helped, and we cannot blame him for that; but he must do other things besides.

Mr. CARTER: Your colleagues do blame him.

Mr. KERR: We blamed him in the past.

Mr. DEACON: Not one of the speakers to-night has blamed the Treasurer for spending loan money. We all know that he has got to the end of his tether. The Government must deal with the present depression in the State. They cannot simply stand still, but must seek means to get out of the difficulty. The Government can assist production. Although it is only by increased production that we are going to keep up our prosperity, the Treasurer never said a single word about that. He laid down the policy which the Government intend to put forward at the next election. The Treasurer must assist production, but apparently he is not going to do so. There are things which are hampering production which will have to be removed.

The TREASURER: We are finding money to build wheat sheds in your electorate, and money to build peanut silos in the Nanango electorate.

Mr. EDWARDS: The farmers have to pay.

The TREASURER: Of course they have; but we are finding the money.

Mr. DEACON: The Government must go further than that. It is no use building sheds if we are not going to have them filled, and, if we are going to place restrictions on the people who have to fill them which prevent them from producing sufficient to do so. We must go further, and we want the Treasurer to admit that. He should go very much further than just simply cutting down loan expenditure and lending a few pounds here and there. That is quite insufficient. The introduction of the 44-hour week was a restriction on agriculture. The Treasurer is not going to see any great progress in agriculture while that restriction continues.

The SECRETARY FOR LABOUR AND INDUSTRY: What should the hours be—fifty?

Mr. DEACON: Leave the hours alone. I learned my business of farming, and I know that sometimes in farming operations you have to work more than forty-four hours or you could not get the work done; and sometimes you may have a whole week when it is too wet to do anything.

A GOVERNMENT MEMBER: Can't you put them at a different job?

Mr. DEACON: That interjection shows where the trouble is with the Government. Not one of them is a practical farmer. They have never had any experience at it, and they will not listen to any man who has been in the game and knows it. They would not

even listen to a working man [7.30 p.m.] who had been working as a farmer. Those who do know farming know that it is impossible to place restrictions on hours. There is not going to be any increase in production along that line, so that is one of the obstacles that ought to be removed. So far as wages are concerned, even if the rates are fixed by the Board of Trade and Arbitration—and I have no fault to find with the wages—you

are no further forward, because, if you fix the hours, you cannot carry on the farming industry. Instead of the Government being able to give the unemployed some little hope when they tell them that they cannot spend any more money in giving work themselves by pointing out that there is going to be expansion somewhere else, they are doing nothing to give relief. All these things are hindering expansion. The Government are at a dead-end.

A GOVERNMENT MEMBER: What is the Opposition's policy?

Mr. DEACON: Every Opposition member who has made a speech has stated clearly the policy of the Opposition. We have not thrown ours overboard and taken on something that is neither Labour, Tory, nor Communist; but simply a matter of waiting for opportunity—of waiting for something to turn up.

The country cannot stand still just because the Treasurer finds himself at a dead-end so far as loan money is concerned. The country must progress and you have to develop the industries we have got.

The TREASURER: We are doing it.

Mr. DEACON: They are not doing it.

The TREASURER: They have done a great deal in your district while they have been in power.

Mr. DEACON: No. The other day we were discussing a Bill dealing with the super land tax. I am not going to deal with that now, but there is one way in which the Government could give encouragement to men to cultivate land—by removing cultivated land from the tax. There is no encouragement at present, with the result that the Government are bringing that land down to grass value and letting it be used for grazing purposes. I suppose I am getting nearly out of order; but things like this could be done to help the industries we have. We must help those industries that need help. It is no use thinking of other industries than primary industries, because we have lost the opportunity of getting manufacturing industries going in Queensland. They are established in the South, and it is very difficult to establish secondary industries here when you have the same class of industry established across the border with a big market. Whatever opportunity we had of establishing manufacturing industries has gone, and we must do our utmost to encourage primary industries; but for that purpose the policy of the Treasurer and his party is absolutely hopeless. They do not recognise the need for doing these things. They offer to do something, but they do not try it. To-day the Government denied that they had guaranteed a price for maize, but they made that guarantee prior to the election, and have done nothing since. I do not say that they could guarantee a price for maize, because it would be an impossibility, but they could do something to help the maizegrowers.

Mr. O'KEEFE: What do you suggest?

Mr. DEACON: My suggestion is contained in a speech I made the other day and which now appears in "Hansard," and I advise the hon. member to read it. The Treasurer has made promises so often that he intends to do certain things that I do not know now whether he means what he says. I really do not believe that he means what he says. It

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is impossible for me to believe him, a member of a Labour Government, consisting of representatives elected by working men, some of them Communists, some of them genuine Labour, and some out-and-out Tories, who would not be at home on our front bench because they would be too Tory to be of any use to us. (Laughter.)

The TREASURER: You admit that the front Opposition bench is where the Tories are?

Mr. DEACON: We could not permit one from the other side—one equal to the old-time Tory pure merino—to be on the front bench on our side of the Chamber. We could not think of allowing the Treasurer to sit on the front bench on our side.

The TREASURER: Is that why you have the hon. member for Oxley there?

Mr. DEACON: If the Treasurer really meant what he said to-night, and that is really his policy, we shall have to place him with the hon. member for Oxley. There is nothing else for him. The Treasurer did not intend to carry out the promises he made at the last election. He found it impossible. Now he creates a similar position by suggesting something that is impossible and hopeless. If he does mean it, then it is a disgrace to himself and his colleagues simply to stand on the policy and confess that circumstances are too much for them.

The SECRETARY FOR AGRICULTURE (Hon. W. Forgan Smith, *Mackay*): It is somewhat interesting to follow the speeches of hon. members opposite, particularly since this Bill came before this Chamber. During the past few days, and particularly during to-day, hon. members opposite have declaimed at considerable length about the iniquity of the loan expenditure of the Government. They pointed to this, that, and the next thing, which they claimed had brought about disaster to the State; and, if there is one point of agreement at all in the speeches of hon. members opposite, it was that the State had reached the position that they said it was in as a result of excessive loan expenditure.

Mr. KERR: Wasteful expenditure.

The SECRETARY FOR AGRICULTURE: To-night we find hon. members making a double shuffle. They say that the difficulty has resulted from excessive loan expenditure; and, to remedy the position, the hon. member for Sandgate and the hon. member for Enoggera and those who support them say that it can be remedied by increasing the amount of loan expenditure anticipated by this Government for the present financial year. They may interject that they did not say that; but, if their words conveyed anything to a person with a logical mind, that is the meaning they conveyed.

Let me review the position. They are endeavouring to lead people to believe that unemployment is due to the action of this Government in curtailing loan expenditure, and they definitely recommend that the cash balances to the credit of the Loan Fund Account be immediately spent on various kinds of nebulous utilities which are more or less left in an indefinite state.

Everyone knows that the great bulk of the unemployed were employees of private enterprise. A considerable number of the unemployed in Brisbane are shop assistants, clerical employees, and so forth, who have

never followed public works, and who have not been trained in that class of calling. As a matter of fact, while denouncing public enterprise and boosting private enterprise, they say in effect that, in order to solve the position created by private enterprise, the Government should start public works, thereby admitting to some extent the breaking down of the chief part of their policy. I want to say definitely that the Government in connection with loan expenditure are carrying on the affairs of government within the capacity of the people to pay. There has been no diminution of Government employment; and the funds at our disposal have to be spread over the whole twelve months of the financial year. We must, therefore, provide funds to carry on to the end of that year. Here we have the hon. member for Enoggera, supported by his opponent for the "whipship"—the hon. member for Sandgate—advocating that the funds at credit of the Loan Fund be immediately spent, without regard at all to the fact that it is still early in the financial year, and that any wise Government naturally ration the money at their disposal throughout the whole of the financial year. At the present time the Government have as many men in their employment as they have had at any period in normal conditions. Loan expenditure is deliberately allocated for such classes of work as provide the major amount of employment to labour. In addition to that, circulars have been issued to all local authorities pointing out that preference will be given to that class of local authority loan work which gives the maximum return to labour. Those are the facts of the position, which should be clearly known to every hon. member of this Chamber. Hon. members opposite wish the Government to dissipate their funds during the early part of the financial year with a view to creating greater difficulties later on in the year. That is the position as I understand it. The Government in the Federal sphere, which hon. members opposite support very strongly, have caused a great deal of unemployment. They closed down operations on the Kyogle line, thus throwing out of work large numbers of men. It was this Government who came to the rescue and enabled that work to be carried on, thus giving re-employment to large numbers of men.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR AGRICULTURE: In addition to that, we have as many men employed on main roads and public works generally as the Government have ever had under normal conditions.

On the one hand the Opposition depict a very gloomy picture of the position of industry in this State, which they say is the logical result of excessive expenditure by this Government. Then, on the other hand, they suggest as a remedy for that gloomy state of affairs—which exists only in their own imagination—that we indulge in further expenditure of funds over and above the commitments that have to be met. Anyone who knows anything at all about the public funds realises that the balances we have at the commencement of the financial year are only adequate to carry on the normal work of the Government. More money than that will be spent during the financial year, and more money will have to be raised. How hon. members opposite would gloat at the idea of the Government being short of

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funds during that period of the year when seasonal industries have closed down. As a matter of fact, for years past the Government have laid down definitely the policy that, so far as is humanly possible, public works will be carried on during that period of the year when men are not usually required for other works.

Hon. members opposite have also endeavoured to debate what they would do under similar conditions. They, of course, may derive some pleasure from engaging in that form of speculation, which may occupy the time of people who have nothing else to do. They know full well that, so far as any proposals they put forward are concerned, they will never have the opportunity of exposing their absurdity, inasmuch as they will never have the opportunity of giving effect to them. But we are entitled to judge what the Opposition would do by what they have done under similar circumstances in other States of the Commonwealth. We know the speeches that were made in New South Wales by Nationalist candidates at the last election there. The daily press of New South Wales supported the Bavin party along certain lines of policy. What has resulted? Unemployment is far greater than it is in Queensland—(Opposition dissent)—despite the obvious advantages of greater development and greater economic expansion in the past. Everyone realises that the position in New South Wales under a Tory Government, composed of men of the same political ideas as hon. members opposite, is such that there is more distress and poverty there than there has been for many years past. In addition to that, they have sought to impose conditions on the people that are subversive of a policy calculated to promote human interests. Only last week the Premier of New South Wales, in reply to a deputation, intimated the desirability of breaking down award conditions and wages.

Then in South Australia, which is the most heavily taxed State in the Commonwealth, thousands of men directly controlled by the Government have been thrown out of employment. As a matter of fact, the Government there have on many occasions refused even to give effect to awards of the Arbitration Court.

Summed up, it can be said with every degree of accuracy that, if there is anything at all in the case of the Opposition, their policy can only be carried out by attacking the conditions which the workers have gained as the result of years of sacrifice and years of labour organisation. They may repudiate as much as they like the speeches of the hon. member for Oxley, but he, at least, is honest enough to say in the course of his speeches what all hon. members opposite actually think and know they would give effect to, if given the opportunity.

OPPOSITION MEMBERS: That is not right.

That is the position in its entirety. If they are going to decrease taxation; if they are going to do this, that, and the other thing, then how is it going to be done? It can only be done by shifting the burden to shoulders other than those who bear it at the present time. In South Australia on the lower scales of income they have the heaviest taxation in the Commonwealth of Australia—a poll tax which everyone on £2 a week and 21 years of age, both male and female, has to pay.

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Mr. MORGAN: Caused by a Labour Government.

THE SECRETARY FOR AGRICULTURE: Because of conditions brought about by a Government comprised of members who hold similar political views to members opposite—not by the Labour Party, as suggested by the hon. member for Murilla—but by Mr. Butler, Leader of the Nationalist Party, supported and composed of men of political ideas similar to those of the hon. member.

With regard to loan expenditure generally, everyone must realise that the capacity of the State to pay decides the amount which it is reasonable to expend. Everyone realises that; and all Governments of whatever political complexion have been guilty of spending public funds on purposes which are not returning interest to-day. Local authorities of various kinds have engaged in loan expenditure, which, in many instances, is not represented by any tangible asset to-day. The attitude taken up generally by members opposite when they were in power was, that, while the money was being spent, their friends got the advantage of such expenditure. If it was a success, good and well; if not, it was something that was passed on. Any Government having the interests of the people at heart must realise that that state of affairs cannot be allowed to continue. It is in the interests of the people that our policy is devised, and, inasmuch as we shall be in power for a considerable number of years to come, and inasmuch as the welfare and prosperity of the State is our chief concern, we are seeing to it that our expenditure is along channels that will increase the capacity of the State to pay interest, increase general development, develop and foster our resources, increase production, and extend various enterprises.

The hon. member for Cunningham had something to say about the maize industry. The members opposite have a very loose way of dealing with facts. It might be said of some of them that they show a complete contempt on many occasions for the value of truth. They are in the habit of making statements in the hope that they will stick. If they are caught up, they make another misstatement, and endeavour to keep us following it up.

The Leader of the Opposition stated that I had written a pamphlet in which I advocated and declared the Government policy to be a fixed and guaranteed price for maize. I challenged them to produce that document. They were unable to do so. I had written no such article. Then they said someone else had done it, and it was just the same. They cannot get away with it in that fashion. The pamphlet they referred to was No. 14, prepared by a very capable committee—men who understand the needs of the State, men who understand the importance of development. Amongst other things in that policy was this statement: "The Government is collaborating with this organisation"—that is the Council of Agriculture—"in carrying out the following important proposals—

"water supply for settlers, fodder conservation, a Queensland maize pool, a guaranteed price for maize."

(Opposition laughter.) I can hear the cacklings of the hon. member for Carnarvon in this connection. He always reminds me of an elementary lesson I received years ago on horticulture, that a plant or vegetable which puts forth a long stalk has very seldom

much head. (Laughter.) I always think of that when the hon. member for Carnarvon interjects in this Chamber. Another valuable statement in connection with those proposals is this—

“A pool for the maize industry for Southern Queensland, with a three years' guaranteed price for maize, conditionally upon the Commonwealth Government placing an embargo against the importation of black-grown maize into Australia: maize storage facilities to be provided subject to the same provisions.”

It would be quite proper and effective under these conditions to give a guaranteed price for maize, just as we gave a guaranteed price for sugar. Hon. members opposite have nothing against the Government in regard to the quotation from the pamphlets I have alluded to.

I wish also to draw attention to the attitude of hon. members opposite, some of them claiming that they are the friends of the farmers and support co-operative organisation. What did they do during the recent maize pool negotiations? I make the definite statement that, if a State-wide maize pool existed at the present time, there would be 1s. a bushel at least extra gain to the maize growers. Circulars were sent out which I read out in this House on a previous occasion to storekeepers asking them to exert economic pressure against the farmer. Only one paper in Brisbane published that circular. I have statutory declarations made by farmers about the propaganda that went on in rural districts, and the hon. member for Nanango, who was interjecting a few minutes ago that the Government did not deserve any credit at all for their support of the peanut industry, was carpeted in his own electorate over the milk-and-water attitude of the Opposition with regard to these pools. He was told very definitely by representatives of the farmers that they were beginning to be alive to this method of the Opposition of giving lip service to co-operative organisations but standing idly by when the full and undivided forces of the exploiters in the community were turned against the farmers' endeavours to organise their industry in their own way. Members of the Opposition generally represent the vested interests in this community. Their actual and truthful mouthpiece in this House is the hon. member for Oxley. Their desire in this Chamber is to control the Government and the country in such a way as to undermine and do away with all the advantages that Labour has given to people as the result of years of organisation; to reduce taxation in the interests of the wealthy section of the community and impose it on the lower-paid section of the people, as their colleagues in South Australia have done; to relieve the difficulties by increasing the hours of labour, doing away with overtime conditions, and going back to what they call the conditions of prosperity that existed in 1914, when they were able to make surpluses at the expense of the men engaged in these enterprises. The Government will continue their policy. We spread our loan expenditure over the whole of the financial year, and we are not going to be rushed into any ill-advised policy simply because of the agitation of hon. members opposite.

GOVERNMENT MEMBERS: Hear, hear!

At 8 p.m.,

The CHAIRMAN: Under the provisions of the Sessional Order agreed to by the

House on 26th July, I shall now put the question on the clause under consideration and on the remaining clauses and the preamble of the Bill.

Clause 1 agreed to.

Clauses 2, 3, and 4 and preamble agreed to.

The House resumed.

The CHAIRMAN reported the Bill without amendment.

THIRD READING.

The TREASURER (Hon. W. McCormack, Cairns): I beg to move—

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

Question put and passed.

The House adjourned at 8.3 p.m.