

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**WEDNESDAY, 19 AUGUST 1931**

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the agreement, and that a public announcement will be made in the course of a few days."

ADMINISTRATION OF LAND COMMISSIONER,  
CHARLEVILLE.

Mr. BEDFORD (*Warrego*) asked the Secretary for Public Lands—

"As I have received many complaints of the conduct of land administration in the Charleville district, will he inquire whether or not the administration of the present local lands commissioner is satisfactory to the administration."

The SECRETARY FOR PUBLIC LANDS (Hon. W. A. Deacon, *Cunningham*), replied—

"If the hon. member will give me a list of the matters about which complaints have been made to him, they will be duly inquired into."

PRICE OF BREAD AT AUGATHELLA AND WAGES  
OF STATION HANDS.

Mr. BEDFORD (*Warrego*) asked the Secretary for Labour and Industry—

"1. As the Government claim is that reduction of wages has been accompanied by a reduced cost of living—such argument being founded on the statement that the reduced basic wage of £3 14s. is an effective wage as compared with the alleged lower cost of commodities—will he explain why the price of the 2-lb. loaf, being 8d. at Augathella, makes effective the local wage for station hands of £1 10s. a week to married men with families?

"2. Was not any attempt at reducing the price of breadstuffs aborted by the fixation of the flour price?"

The SECRETARY OF PUBLIC INSTRUCTION (Hon. R. M. King, *Logan*), for the SECRETARY FOR LABOUR AND INDUSTRY (Hon. H. E. Sizer, *Sandgate*) replied—

"1. The price of bread is not fixed at Augathella, and apparently the residents there are satisfied that local prices are adapted to local conditions.

"2. No. In numerous cases local prices for bread have been reviewed by the Price Fixing Commissioner, with satisfactory results to the public."

WEDNESDAY, 19 AUGUST, 1931.

Mr. SPEAKER (Hon. C. Taylor, *Windsor*) took the chair at 2.30 p.m.

QUESTIONS.

REDUCTION BY BANKS OF INTEREST ON  
SELECTORS' OVERDRAFTS.

Mr. BEDFORD (*Warrego*) asked the Premier—

"Seeing that selectors are still being charged 8 per cent. by banking concerns that insist on their interest rate on overdrafts being reduced at their pleasure, if at all, and in consideration of the fact that men on the land and industry generally in South Australia and Victoria are under better interest conditions because of the reduction of interest being statutory in those States, will the Government introduce legislation to compel a reduction of overdraft interest, and so make interest conditions in Queensland equal to those of South Australia and Victoria?"

The PREMIER (Hon. A. E. Moore, *Aubigny*) replied—

"The question appears to be founded on incorrect premises. I am advised that the Queensland banks are carrying out

[*Mr. O'Keefe.*

APPRENTICESHIP REGULATIONS.

Mr. HANSON (*Buranda*) asked the Secretary for Labour and Industry—

"1. What was the number of youths registered as desirous of becoming apprentices to the skilled trades as at (a) 30th June, 1923, and (b) as at 30th June, 1931?

"2. How many of the applicants were placed as apprentices during each of the years ended 30th June, 1923, and 30th June, 1931, respectively?"

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. R. M. King, *Logan*), for the SECRETARY OF LABOUR AND INDUSTRY (Hon. H. E. Sizer, *Sandgate*), replied—

"1. (a) 567; (b) 233.

"2. (a) 717; (b) 232."

# LITHOGRAPHIC PRINTING FOR TOURIST BUREAU.

Mr. HANSON (*Buranda*) asked the Secretary for Railways—

"With reference to the lithographic poster in the window at the Tourist Bureau, George street, Brisbane, inscribed 'Seek the Winter Sunlight, North Queensland,' and showing at foot thereof the name of 'Moore Young Lithographic Company, Melbourne,' as the printers—

1. Will he make inquiries to ascertain if this class of printing work can be executed in Queensland?

2. If this lithographic work can be carried out in this State, will he give future orders to a Queensland printing-firm or firms?

3. Cannot such poster work be executed at the Government Printing Office?"

The SECRETARY FOR RAILWAYS (Hon. Godfrey Morgan, *Murilla*) replied—

"1 to 3. These posters were printed by the Australian National Travel Asso-

ciation for use overseas, and the Tourist Bureau, Queensland, was supplied with its requirements free of charge."

# APPLICATIONS UNDER "STATE HOUSING RELIEF ACT OF 1930."

Mr. HANLON (*Ithaca*) asked the Secretary for Public Works—

"1. How many applications were lodged by borrowers, purchasers, and others for a measure of relief under the provisions of 'The State Housing Relief Act of 1930' during the financial year just closed?

"2. How were such applications dealt with, allocated as between (a) approvals, (b) rejections?

"3. What is the total estimated amount of relief that has been afforded to the applicants in question?"

The SECRETARY FOR PUBLIC WORKS (Hon. R. M. King, *Logan*) replied—

"1. Applications for relief under 'The State Housing Relief Act of 1930,' lodged and dealt with up to the 30th June last, are as follows:—

	Lodged.	Approved.	Refused.	Under Consideration.
Workers' Dwellings .. .. .	420	387	6	17
Workers' Homes .. .. .	510	496	5	9
Discharged Soldiers' Settlement Act .. .. .	12	10	1	1
Flood and Cyclone Restoration .. .. .	1	1	..	..
	943	904	12	27

"2. See answer to 1.

"3. Arrears of instalments amounting to £8,378 (workers' dwellings £2,280, workers' homes £5,938, Discharged Soldiers' Settlement Act £145, and flood and cyclone restoration £15) were funded; in cases where the reduction of income appeared to be permanent, the term of repayment was extended in most cases to thirty-five years. In cases where the reduction in income appeared to be of a temporary nature, or the applicant was rationed or on short time, the monthly instalment was reduced to a fair and reasonable sum, but not less than the equivalent of the interest on the sum owing, until the applicant resumed full time, or for twelve months, the position then to be reviewed. In cases where the applicant was unemployed, penalty on the arrears was waived, and the applicant requested to pay what he is able, and to keep the Corporation informed from time to time of his position and prospects, so that when he obtained work of a reasonably permanent nature his monthly instalment could be adjusted to suit his position and prospects.

"Quite a number of cases in the same class as last mentioned in the preceding paragraph have been noted for an application for relief to be lodged when the client secured reasonably permanent work and became able to pay punctually and regularly an amended instalment of a suitable amount—in these cases the

penalty on the arrears has been waived, and the client requested to pay what he is able meanwhile, and keep the Corporation acquainted from time to time of his position and prospects.

"In most workers' homes cases as a measure of relief the applicant is exempted either wholly or partially from life insurance; each case is carefully considered on its merits, and the wishes of the applicant in this regard respected as far as possible; the principle, however, is adopted of preserving the life insurance provisions of the Act as far as possible."

# APPLICATIONS UNDER "PURCHASERS OF HOMES RELIEF ACT OF 1930."

Mr. BRASSINGTON (*Balonne*) asked the Premier—

"1. How many applications were lodged for a measure of relief under the provisions of 'The Purchasers of Homes Relief Act of 1930' during the financial year ended June last?

"2. Is it the Government's intention to extend the operation of this Act for a further period after the end of December next?"

The PREMIER (Hon. A. E. Moore, *Aubigny*) replied—

"1. Fifty-four applications to date in Brisbane. The information for the rest of Queensland is not available.

"2. Yes."

# MOTOR CARS AND LORRIES PURCHASED BY WORKERS UNDER HIRE PURCHASE AGREEMENTS.

Mr. BRASSINGTON (*Balonne*) asked the Premier—

"In connection with articles purchased under the hire purchase agreement system—

'1. Is he aware that a number of workers, who, after securing motor cars and lorries and paying in a considerable sum of money under this system, are now, owing to economic circumstances, forced to relinquish possession of those vehicles?

'2. Is he aware that, even after losing the money paid in, demands are being made for payment of the full purchase price?

'3. Does the Relief to Mortgagors Act give relief to these cases?

'4. If not, will the Government consider introducing legislation to give this much needed protection?"

The PREMIER (Hon. A. E. Moore, *Aubigny*) replied—

"1 and 2. I have not received any complaints of such nature.

"3. I refer the hon. member to the definition of 'mortgage' in the Mortgagors' Relief Bill.

"4. See answer to No. 3."

# RAILWAY EXPENDITURE IN CENTRAL DISTRICT, 1927-1931.

Mr. FOLEY (*Leichhardt*) asked the Secretary for Railways—

"1. What was the railway expenditure from Loan Fund in the Central district for the years 1927-28, 1928-29, 1929-30, and 1930-31, respectively?

"2. What was the railway expenditure from Consolidated Revenue Fund in the Central district for the years 1927-28, 1928-29, 1929-30, and 1930-31, respectively?"

The SECRETARY FOR RAILWAYS (Hon. Godfrey Morgan, *Murilla*) replied—

" 1.—	£
1927-1928 ... ..	288,241
1928-1929 ... ..	260,242
1929-1930 ... ..	161,186
1930-1931 ... ..	106,532

## *Ex Relief Fund.*

1929-1930 ... ..	6,296
1930-1931 ... ..	7,104

" 2.—

1927-1928 ... ..	1,183,115
1928-1929 ... ..	1,235,031
1929-1930 ... ..	1,173,312
1930-1931 ... ..	974,073

## *Summary.*

" 3.—

1927-1928 ... ..	1,471,356
1928-1929 ... ..	1,495,273
1929-1930 ... ..	1,340,794
1930-1931 ... ..	1,087,709

£5,395,132 "

# REDUCTION OF ROYALTY CHARGES TO OPOSSUM TRAPPERS.

Mr. FOLEY (*Leichhardt*) asked the Secretary for Agriculture—

"In view of the favourable position of the Animals and Birds Trust Account,

and the probability of the fur market being unfavourable to opossum trappers this season, will he give consideration to a reduction of royalty charges for the present season?"

The SECRETARY FOR AGRICULTURE (Hon. H. F. Walker, *Cooroora*) replied—

"The rate of royalty prescribed for opossum skins under 'The Animals and Birds Act, 1921 to 1924,' is considered reasonable, and as a decline in the fur market would result in a corresponding decline in royalty collections, favourable consideration cannot be given to a reduction of the present rates."

## RECIPIENTS OF RELIEF RATIONS.

Mr. A. JONES (*Burke*) asked the Secretary for Labour and Industry—

"How many persons were receiving relief rations in the following areas:—

'1. Greater Brisbane?

'2. Remainder of State, during the month of June in the following years, respectively:—(a) 1929; (b) 1930; and (c) 1931?"

The SECRETARY FOR LABOUR AND INDUSTRY (Hon. H. E. Sizer, *Sandgate*) replied—

"1. and 2. The information is being obtained."

# EXPENDITURE ON PUBLIC BUILDINGS, BRISBANE AND ROCKHAMPTON.

Mr. DUNLOP (*Rockhampton*) asked the Secretary for Public Works—

"What was the amount of money spent on public works buildings in Brisbane during the last fifteen years, likewise in Rockhampton for a similar period?"

The SECRETARY FOR PUBLIC WORKS (Hon. R. M. King, *Logan*) replied—

"The time and expense which would be entailed in extracting these statistics would not be warranted by the information to be derived. The hon. member may obtain sufficient particulars for his purpose from the Annual Reports of the Department of Public Works."

## MINISTERS' EXPENSES, 1919-1931.

Mr. DUNLOP (*Rockhampton*) asked the Premier—

"What was the total amount of expenses paid to each Cabinet Minister during the last ten years as far as the last Government was concerned, and what amount of expenses was paid to each Minister of the present Government up to the 30th June last?"

The PREMIER (Hon. A. E. Moore, *Aubigny*) replied—

"The information is being obtained."

## BURGLARY AT YARWUN POST OFFICE.

Mr. DUNLOP (*Rockhampton*) asked the Home Secretary—

"With reference to the questions asked on the 6th August, 1931, re the burglary of the post office at Yarwun about 10th December last, and the answers furnished to same, will he make inquiries if any reports were made on this matter by the

Police Department at Rockhampton: and, if so, will he secure same and oblige me with answers to the four questions I asked on the abovementioned date?"

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) replied—

"Inquiries will be made."

BROTHEL IN GLADSTONE ROAD, ROCKHAMPTON.

Mr. DUNLOP (*Rockhampton*) asked the Home Secretary—

"1. Is he aware that there are supposed to be some uncalled-for carryings on at a brothel at Gladstone road, Rockhampton, where a young girl's mother does work periodically, and this girl is seen frequently in this undesirable place?"

"2. Is this particular brothel registered; how many undesirable girls are there in this place; and do they come up for the usual periodical medical examination?"

"3. Will the Consorting Act he proposes to introduce this session deal in any way towards greatly minimising prostitution?"

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) replied—

"1. No; but if he will give the name of the girl inquiry will be made.

"2. Brothels are not registered.

"3. Yes, and I am hopeful that the administration of it will have the effect desired by the hon. member."

CAR FARE FOR DETECTIVE-SERGEANT CAHILL, ROCKHAMPTON.

Mr. DUNLOP (*Rockhampton*) asked the Home Secretary—

"Seeing the following entry appears in a voucher furnished to Mr. H. Black, on 20th December, 1930 (who was running the 'Liberty Fair' in Rockhampton) by one Mr. F. Mellick, viz. :—

'10th December, 1930.—Taking Mr. Cahill round to see Mr. Black, then round to Gresham Hotel to look for Mr. Boswood, then down to bus stand, then to Police Station, then back to Gresham Hotel, then over to Mr. Boswood's house, then to bus stand, then round to Gresham Hotel and back to Police Station, at a cost of 12s.'—

will he call upon this then Detective-Sergeant Cahill for a report as to why he was going about by car with the manager of this gambling show, and make known the reason to this House?"

The HOME SECRETARY (Mr. J. C. Peterson, *Normanby*) replied—

"The matter will be inquired into."

EXAMINATION FOR RAILWAY DEPARTMENT APPRENTICES.

Mr. HYNES (*Townsville*) asked the Secretary for Railways—

"1. On what date was the last qualifying examination held for admission of apprentices to the Railway Department?"

"2. How many apprentices entered for the examination throughout the State, and how many passed the qualification test?"

"3. How many apprentices have been placed in the department since the last examination?"

The SECRETARY FOR RAILWAYS (Hon. Godfrey Morgan, *Murilla*) replied—

"1. Between May and July, 1929, at various depôts.

"2. 569 candidates sat for the examination: 139 qualified.

"3. Nil. To employ additional trade apprentices would have meant paying off a number of employees, probably some married, equivalent to the number of trade apprentices engaged."

NUMBER OF GOVERNMENT EMPLOYEES, 1929 AND 1931.

Mr. HYNES (*Townsville*) asked the Premier—

"What was the number of Government employees, including Loan Vote employees and other casual employees, but not including relief scheme employees, (a) as on the 30th June, 1929; and (b) as on the 30th June, 1931?"

The PREMIER (Hon. A. E. Moore, *Aubigny*) replied—

"(a) This information was given on 4th September, 1929. (b) This question has already been asked, and the required information is being compiled."

WORKING HOURS AND ALLOWANCES OF RAILWAY BUFFET CAR EMPLOYEES.

Mr. HYNES (*Townsville*) asked the Secretary for Railways—

"1. What are the average hours worked per week by the various classes of employees on the railway buffet cars?"

"2. What allowances, if any, are paid to such employees in compensation for their comparatively longer working week in relation to the hours worked by employees on similar classes of work in other refreshment-rooms?"

The SECRETARY FOR RAILWAYS (Hon. Godfrey Morgan, *Murilla*) replied—

"1. Not in excess of forty-eight hours, including incidental duties.

"2. 7s. 6d., less 15 per cent., per week in addition to weekly wage. This amount was determined by the Arbitration Court."

SHIPMENTS OF COKE FROM NEW SOUTH WALES FOR MOUNT ISA MINES COMPANY.

Mr. KIRWAN (*Brisbane*), for Mr. COLLINS (*Bowen*), asked the Secretary for Mines—

"1. Has his attention been drawn to the frequent shipments of coke being landed at Bowen from New South Wales for use by the Mount Isa Mines Company?"

"2. In view of the fact that the coal from the Bowen coalfield is eminently suitable for the manufacture of coke, were any representations or negotiations made or conducted by the Mines Department to encourage the production of the coke required locally for the use of Mount Isa?"

"3. In view of it being the declared policy of the Government to encourage the establishment of new industries, and thereby assist to relieve unemployment, will he take action to encourage, assist, and promote the production of coke locally for use at the Mount Isa mines?"

The SECRETARY FOR MINES (Hon. E. A. Atherton, *Chillagoe*) replied—

"1. Yes. Coke is being bought from the South Coast of New South Wales for use at Mount Isa owing to the fact that at present no coke is being manufactured in the North.

"2. Yes. Samples of coal from the Bowen and the Garrick seams, also mixtures of Bowen and Styx in various proportions, were submitted for coking test. Results were found satisfactory on analysis. A further bulk sample of approximately 45 tons of coke from the Bowen seam has recently been manufactured, and will arrive at Mount Isa within a few days. This is to be tried out in the furnaces under actual working conditions.

"3. The estimated cost of the erection of coke ovens at Bowen has been prepared in conjunction with the preliminary testing of the coal."

#### NON-BRITISH ELECTRICAL MACHINERY AT IPSWICH RAILWAY WORKSHOPS.

Mr. COOPER (*Bremer*) asked the Secretary for Railways—

"1. Is there a provision in the contract for the supply of electricity to the Ipswich railway workshops to the effect that the machinery, material, etc., which is to be erected within the workshops for such supply, is to be of British manufacture?"

"2. If no such provision is in the contract, was it excluded at the special request of the company supplying the electricity?"

"3. If no such request was made, who is responsible for the omission of a condition of such vital importance to manufacturers within the British Empire?"

The SECRETARY FOR RAILWAYS (Hon. Godfrey Morgan, *Murrumbidgee*) replied—

"1 to 3. The contract is for the supply of electric energy only."

#### PAPERS.

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

Report by the Land Administration Board under "The Closer Settlement Acts, 1905 to 1930."

The following paper was laid on the table:—

Orders in Council issued under the provisions of "The Grazing Districts Improvement Act of 1930"—

- (1) Order in Council constituting improvement board districts (dated 31st July, 1931).
- (2) Order in Council fixing dates of elections and appointing returning officers (dated 13th August, 1931).

#### PRIVILEGE.

Mr. BEDFORD (*Warrego*) [2.47]: I desire, Mr. Speaker, to raise a question of privilege. I wish to object to the flippant way adopted by Ministers in answering questions which are offered in good faith, and further to object to the fact that certain of my questions appearing in to-day's business sheet were truncated and two cut out—I do not know at whose behest. If you are the editor, Mr. Speaker, I am very sorry for the fact.

Mr. SPEAKER: Order!

Mr. BEDFORD: I object to questions which are asked in good faith being given flippant answers by the Secretary for Public Instruction on behalf of the Secretary for Labour and Industry.

Mr. SPEAKER: I would like to inform the hon. member that I take the full responsibility for editing any question which I do not think is in order and which should not be put before the House. I struck some words out of the questions of which notice was given by the hon. member yesterday, because two of them were offensive and conveyed a certain innuendo, which is not allowed.

Mr. BEDFORD: Certain questions must be offensive to somebody.

Mr. SPEAKER: Order! So long as I am in the chair I shall not allow it. If I am doing the wrong thing, then, of course, it will be another matter.

Mr. BEDFORD: You should not allow the Minister—

Mr. SPEAKER: Order! So long as I have control of this House as Speaker, I shall certainly see that questions that are put, whether to Ministers or otherwise, are in order and not at all offensive. Asking questions is a great privilege, and one which hon. members should not abuse. I would not like to curtail that privilege in any shape or form, but I require questions to be in order before I permit them to be placed on the business paper.

Mr. POLLOCK: What about cutting out offensive answers, Mr. Speaker?

#### ADDRESS IN REPLY.

##### RESUMPTION OF DEBATE—FIFTH ALLOTTED DAY.

Mr. SWAYNE (*Mirani*) [2.49]: In addressing myself to this question I should, first of all, like to join with other speakers in expressing my regret at the approaching departure of His Excellency Sir John Goodwin. We have been fortunate in the Governors we have had in Queensland, and Sir John Goodwin has particularly interested himself in the industries of the State and in all matters that make for our prosperity. All I can say is that I trust that his successor will be as good as he is. If he is, Queensland will be fortunate.

I would also like to pay a compliment to the mover and seconder of the motion. Both speeches were full of interest to us all, bearing on the important question of how at the present time we may extricate Queensland from the difficult position in which we find her.

As to the Speech itself, I would point out that it was full of matter connected with our primary producing industries. They

are the industries upon which we depend in our business life, and we all know that, just as any private concern depends upon successful business transactions for its prosperity, so also does the State. Glancing down the list of Bills which are foreshadowed, hon. members will notice a group of measures connected with land settlement. Legislation is to come before us with a view to making most effective use of the advantage that has been given to us by reason of the fact that the prickly-pear lands of the State have been so providentially freed from the pest by the introduction of the cactoblastis. In fact, all through the Speech it will be noticed that the land question bulks very largely in the policy of the Government. I think it is generally admitted that in that direction lie Queensland's greatest hopes, and it must be apparent to everyone that the fullest consideration has been given to various phases of land settlement and primary production.

Amongst the minor matters mentioned as subjects for legislation is the relief of mortgagors. That is an indication of the times. We know that many persons have entered into definite engagements which circumstances over which they have no control prevent them from meeting. This is so in the cane-growing industry, in common with other industries. In the purchasing of farms buyers entered into agreements under conditions very different from those which now prevail, and I trust that, when we come to go fully into that Bill, it will be found to meet their case as well as that of other sections of the community.

Reference is also made in the Speech to improvements in our herds of beef cattle. In the electorate which I represent are to be found large numbers of stations and grazing selections carrying cattle. There is no getting away from the fact that the quality of our herds has deteriorated of late years, and the necessity for a return to a better quality of beast is a national question, because we know that in the export trade only the best quality of meat is favoured in the markets of the world. Although the amount set aside for that purpose is not very large, I am nevertheless glad to see that the matter is receiving consideration.

We are also to have a Gold Buyers Bill. Hon. members must have noticed what an impetus has already been given to prospecting. Already there are indications of successful results, leading us to hope that in the near future we shall have large developments. Nothing could happen that would bring us more speedily to prosperity than a lucky gold strike. I have lived long enough in this world to have seen some of the old rushes. I know what happened then, and I look forward to seeing something similar taking place in Queensland again.

Coming to new industries or the revival of old industries dealt with in the Speech, special reference is made to tobacco-growing. When we consider the fact that something like £3,000,000 goes out of Australia every year for tobacco, it is obvious that, if by local production we could retain only two-thirds of that amount in Australia, it would mean a substantial addition to our income. After all, a penny saved is a penny made. Everything that can be done by the State is being done, and I am particularly pleased to learn upon inquiry at the Department

of Public Lands that special attention is being paid to the electorate that I represent. I hope that the efforts now being made in this connection will be productive of the greatest amount of good.

It was to be expected that during such a crisis as obtains in Australia to-day all political parties would work harmoniously together with a view to restoring the country to a sound financial position. That is being done in some of the Parliaments, and I have with me a newspaper report of a cablegram dated 15th August relating to the Budget position in Great Britain. I learned from that report that the Prime Minister of Great Britain, Mr. Ramsay MacDonald, stresses the importance of dealing with the difficult situation that obtains in that country. I also notice that the leaders of the political parties in opposition are in consultation with him. I read that Sir Herbert Samuel, of the Liberal Party, was in consultation with him, and that Mr. Stanley Baldwin and Mr. Neville Chamberlain, of the Conservative Party, were the principal spokesmen. The political parties in Great Britain are prepared to sink their party feelings for the time being with a view to taking counsel together in an endeavour to improve the position in that country in the interests of the people as a whole. In Australia, in the Federal Parliament Mr. Lyons and Mr. Latham are conferring with Mr. Scullin with a similar object in view; but there has been no intimation from hon. members on the other side of this Chamber that they are prepared to adopt such a laudable course. I have read their speeches during this debate, and I am prompted to say that they are full of querulousness. The Leader of the Opposition has definitely stated that he is not in accord with the plan adopted by the Prime Minister and his Cabinet as being the best solution of the problem. Whether the hon. member proposes to join forces with Mr. Lang or to conduct a party of his own I do not know. He has stated very clearly that he is not committed to the plan evolved at the Premiers' Conference presided over by a Prime Minister representing the same political party as himself—a plan approved by the Premier of South Australia and the Premier of Victoria, both representing the Labour Party, together with the Premiers of the other States. It would be rather interesting to know exactly what proposals the Leader of the Opposition has to make to meet the present difficult situation. I have extracted various remarks from the speeches delivered by the hon. member in this Chamber.

For instance, I find that the Leader of the Opposition, when speaking on the Financial Emergency Bill in this House, said—

"I am not satisfied that a complete conversion loan is the best plan that could have been evolved. Taxation of interest would accomplish the desired objective."

He goes further and says—

"I propose that what is done in regard to the reduction in the interest bill should also be done in relation to general income."

His plan would be a general all-round increase of taxation. We have been told by our Treasurer that we are pretty well up to the hilt in respect of taxation. We have also been told by others in charge of the finances in different States in Australia that

*Mr. Swaneyne.]*

taxation has reached high-water mark. We all know that in the field of taxation the Commonwealth stands pre-eminent. The Commonwealth has attempted during the last year or so to retrieve the financial situation by increased taxation, yet, notwithstanding that increase, the revenue has decreased. It has on three occasions since November, 1929, increased income taxation. It has superimposed a special levy of 10 per cent. on income from property. It has heavily increased customs and excise duties. It has increased postal charges. It has imposed a sales tax of 6 per cent. and, lastly, a primago duty of 10 per cent. on the bulk of the goods imported into Australia. Yet they have apparently failed in their objective, because the desired result was not obtained. That desired result was additional revenue. The figures I have of the Commonwealth revenue up to 31st July last show that, although the budget for 1929 estimated the revenue from new taxation at £5,000,000 odd and the revenue from new taxation imposed in 1931 at £12,000,000 odd, the estimates were not fulfilled, and there was a falling off in revenue of £7,000,000. Could we have any clearer indication of the impossibility of restoring prosperity by the method advocated by the Leader of the Opposition? Yet hon. members opposite acclaim this method! Now we have the Deputy Leader of the party coming into the arena with some very interesting remarks. We all know that he made statements which were repudiated by the other members of his party; yet, as he holds the official position of Deputy Leader, we must judge him on his utterances, which have not been officially repudiated. I have his utterances, but I will not quote them fully. Speaking during the emergency session on the question of interest, he is reported in "Hansard" as saying—

"If we could, we would increase the reduction to 50 per cent., and even more, but we realise that the amount now stated is the greatest extent to which the money power will go."

Again, he says that he would do away with interest altogether, and in reply to an interjection from a member on the Government benches he said, referring to the Treasurer—

"I venture to say that our worthy Treasurer squirmed occasionally when Mr. Lang 'towelled' into him and told him what he should do."

Let us see what happened then. According to the press of the 5th August, we were told that there was no pay for the public servants of New South Wales. Yet we have the Deputy Leader of the Opposition speaking in such a commendatory manner of Mr. Lang and referring so disparagingly to our Treasurer, who, according to him, squirmed in the presence of Mr. Lang. But it took only a few weeks to prove that this idol of the Deputy Leader of the Opposition was unable to pay his public servants. Surely we can draw the inference that, if Queensland had followed the course suggested by the other side, we should have arrived at the same position as New South Wales.

We find the Deputy Leader of the Opposition on another occasion telling the Government, "Your Government ruined Queensland"; but, when we come to consider the figures dealing with unemployment, we find that, whilst the average percentage of unemployed in Australia is 28 per cent., Queensland only shows 14 per cent. I think it can

be fairly claimed that, had the advice of the Opposition been followed in endeavouring to find a solution of our difficulties, we should have been heading for disaster instead of success.

A very interesting press paragraph tells us that a considerable amount of New South Wales capital is anxious to invest in Queensland. Mr. Stack, who is managing director of Hudson and Company, general importers, of Sydney, and an executive head of other industrial and commercial concerns in New South Wales, said he believed that he was only one of a number of Southern business men who were visiting Queensland to discover what possibilities exist here for new avenues in the placing of capital. They wanted a greater degree of assurance of a safe return on capital than was obtainable in New South Wales. We can understand that attitude of mind when we recall the closing down of the New South Wales Government Savings Bank, a considerable percentage of whose depositors were not members of the wealthy classes, but were people who, by thrift, had saved a small sum of money. Their savings are now in jeopardy.

In spite of the remarks of hon. members opposite, we have concrete proof of the desire of outsiders to invest capital in Queensland, which is one of the best fields for investment in Australia to-day. That happy state of affairs is due to the attitude of the present Government; and no greater step towards prosperity can be achieved than by the introduction of capital. We have large resources in Queensland, and all that is wanted is capital to develop them. Mount Isa is one instance, and we have many other fields awaiting development. What we do want is capital.

If we have a Government in power which is prepared to tax capitalists higher and higher, and if those who lend money to the State have a chance of losing it, the amount of capital that will come to Queensland will be nil; but the fact that we have not a Government with such a policy and which has given proof that it does not support such a policy is the very best thing that could happen to Queensland at the present time.

The last speaker on the other side was the hon. member for Cairns, who had a very long complaint to make about shipping charges. The Premier delivered a very interesting and informative speech, and most of us on this side expected that the speaker on the Opposition side who followed the Premier would have replied to that speech, but the hon. member for Cairns left it severely alone. He dealt at considerable length with the shipping difficulties at Cairns, and he wanted legislation passed to give harbour boards power to handle cargo. I would point out that the Labour Party were in power for fourteen years and similar conditions existed during those fourteen years, while we have only been in power for two years. If the action suggested by the hon. member is requisite, it seems to indicate a certain lack of discernment on his part that he should blame us for not doing in two years what the Labour Party did not do in fourteen years. Do hon. members opposite really think that, although we have capable men in the present Government, they are able to work miracles, and are able to undo in two years the mischief

[Mr. Swayne.]



resulting from bad management and maladministration by the Labour Party during the fourteen years they were in office? There is no getting away from the fact that they did get Queensland into a terrible mess.

We hear a good deal about the difficulty of the exchange position and we all know that for every £100 interest due overseas we have to send £130. That interest was more than doubled during the time the Labour Party were in office, and they wasted something like £5,000,000 on State enterprises. There was over £1,000,000 wasted on the State stations. That is some of the money on which we have to pay £130 for every £100 of interest. If it were not for that, Queensland would almost have balanced the budget last year. Of the deficit of over £800,000, £500,000 was due to the adverse exchange. What we could have saved in interest upon money borrowed overseas since 1915, and that was wasted on various enterprises, would have gone a long way towards rectifying our position. However, we have got into that position, and we shall have to do the best we can. Every individual must admit that the present party in power in Queensland has done more than any other party in Australia to get back to normal conditions. We are held up as an example in the other States. I do not know what happened at their meetings, but I feel quite sure that our Premier and our Treasurer have had a very beneficial influence on the conferences that have been held in the South.

One of the charges made against the Government is that they have broken their election promises because they have not been able to do all that they promised during the short time they have been in office. I feel sure that every promise the Government made will be carried out. Anyone who has taken an interest in public affairs will recognise that it was impossible for the Government to carry them out the moment they came into office. However, I feel sure that we shall have an extension of our tenure of office, because what we have already done shows conclusively to the electors what a misfortune it would be if they lost a man like our present Premier, who is thoroughly capable, honest, and straightforward, and is doing his duty without fear or favour. It would be a public calamity. I feel sure that our Premier will receive their votes and be again returned to office, and, as time goes on, all the promises which have been made by the party on this side will be fulfilled.

I have a book here called "Socialism at Work," which was given to me "With the compliments of the Hon. T. J. Ryan, Premier of Queensland." It describes the State enterprises as an already accomplished fact and working well. I think people on the other side of the world were deceived by this book. There was an election in Western Australia about that time, and the Labour Party won it. If I am not very much mistaken, it was through the belief that the good things described in this book were already successfully at work in Queensland. Furthermore, there was an election in Great Britain about that time, at which the Labour Party was returned. We are told that this volume was even circulated there and that it helped Socialists to win seats as an instance of the success of socialism at work. In this book the State iron and steel works are described as a thing, not of the

future but as a thing of the present. There is this paragraph, for instance—

"The importance to the State of the development of coal can hardly be exaggerated. These commodities form a foundation to any extensive manufacturing interests, and it has been their prolific supply on which the commercial and industrial greatness of the Midland and Northern counties of England has rested. The Queensland State Government requires considerable quantities of iron and steel for use in railway workshops and for other purposes. The Government, enabling the money spent on these classes of material to be kept within the State, and whatever profit accrues from producing them to find its way to the public Treasury, will confer a benefit of far-reaching consequences upon the whole community. The subsequent substantial development of many important national industries must follow as a natural consequence."

People in other places would think we had successful iron and steel works already in operation, but all that happened was that the Labour Government got an option over an island on which there was iron ore on the Western Australian coast at a cost of £30,000 or £40,000; but that option was quietly surrendered, and we lost the money, and have not got any iron and steel works. I was in Bowen about that time, and town allotments were largely boomed because of the proposed establishment of the iron and steel works in that centre.

I notice, moreover, that the hon. member for Cairns talked about the extortion of the shipping companies. Strangely enough, I find in this book some reference to the shipping fleet of hon. members opposite. This volume speaks as if the fleet was already successfully in operation. If such was the case, why in the name of goodness did they not continue it? We are told—

"The Government was forced to enter the coastal carrying trade by exigencies of the mining industry caused by abnormal conditions rising indirectly from the war."

And on page 54 I find a picture of one of their ships. That vessel was quietly abandoned, and became a derelict long before they went out of office. They cannot say that our Government had anything to do with scrapping it.

All these promises they made but did not carry out. We have been in office but a short two years, during one of the most difficult periods that have ever occurred in Australian history. Yet they now have the impudence to talk about our not carrying out our promises! We all remember that one of their Ministers, the hon. member for Paddington, when contesting that electorate on one occasion, said that, if he was returned to power, there would be no unemployed in Queensland in four months. The four months went by, but, if I am not mistaken, unemployment actually increased during that time. At any rate, there were unemployed in North Queensland, although we were assured that, as a result of his success at that election, that great problem would be solved.

By means of their State stations they promised that the people would get cheap

*Mr. Stwayne.]*

meat. They were to control the whole process, from the rearing of the cattle on the State stations to the consumption of the meat by the people. They were to produce not only store cattle from their breeding properties, but their cattle were to go on to their fattening properties; thence they were to go to the State slaughter-houses, and then to the State butcher shops. The people were to get meat at a price never before heard of. Such was another of their promises! They actually described it as an accomplished fact. However, the thing came quietly to a standstill, and all we know is that £1,030,000 of this loan money, the interest on which is such a heavy burden at the present time, has been lost in that undertaking. On their State stations they did not give an additional day's work to any man; they did not employ one additional hand, nor did they add to the national wealth. Yet the people of Queensland were gulled, to their misfortune, for something like fourteen years. For so long did they hold office and break their promises, and now at such a time as this they have the impudence to talk about our not carrying out our promises! I would remind hon. members opposite that they had the best opportunities ever enjoyed by any Government in Queensland. The State was prosperous when they became the Government. The interest bill was only £1,900,000; it is now in the neighbourhood of £6,000,000. When they took office the revenue was paying all expenses; Queensland was paying her way. The railways were paying. In spite of all that, in spite of a rising revenue until they went out of office, there was, with one or two exceptions, an uninterrupted sequence of deficits as described by the Premier when speaking last night, so that, when we succeeded them, we were faced for that year besides an accumulated debit on past transactions of £760,000 and also with heavy liabilities in respect of their precious State enterprises. These represented their share towards the general disaster which makes our present difficulties so great, which were due largely also to the fact that Queensland missed her opportunities, that her export markets were neglected, and her producers were discouraged thereby.

It is essential that steps should be taken to restore this country to a sound financial and economic position. We may talk about paper money, about repudiation, and about other financial nostrums, but there is only one way to place the State upon a solvent basis. We must adopt the same procedure as would be adopted in the conduct of a farm or any industrial undertaking; that is, we must produce sufficient to enable the country to pay its way. Those products must be marketed at such a figure as will enable them to compete with the products of the world. I do not claim for one moment that we should be able to compete with a country like Russia and its working conditions; but we should be able to compete with ordinary civilised nations conducting their operations upon ordinary business lines. If we can restore this country to such an advantageous position, then and only then shall we be able to return to prosperity, and to provide work for all and general comfort all round. The situation is fraught with very grave difficulties; but I look forward with confidence to the people of Queensland to give the Government an opportunity to carry all their proposals into effect.

[Mr. Swayne.

Mr. CONROY (*Muramba*) [3.27]: Hon. members in this Chamber are at least agreed upon one point. We all deeply regret the impending departure of His Excellency Sir John Goodwin from this State. I heartily endorse the remarks already expressed concerning His Excellency. Queensland has been fortunate in recent years in the appointment of Governors to this State. We had very excellent Governors in the late Sir William MacGregor, Sir Matthew Nathan, and now Sir John Goodwin. I can only hope that the next appointment to the high office of Governor in this State will result in the selection of a man who will fully emulate the example of the esteemed gentleman to whom I have referred.

The annual Exhibition held last week was a very important event in the life history of this State. The financial results were not quite equal to those of the previous year; but the Exhibition would have been a disastrous advertisement to Queensland if it had been a failure. It is a gathering that attracts industrious and ambitious men from all parts of the State anxious to exhibit their ability in the industrial and agricultural fields. The worthy actions on the part of these gentlemen assisted considerably towards the success of the Exhibition, and demonstrated the productivity of the Queensland soils. I do not think the exhibits were in any way inferior to those of previous years; and I was particularly impressed with the buoyant spirit of the people who attended the function. It is an easy matter to hold an exhibition and to make it a success in good times; but there is always an air of uncertainty as to whether it will be a success or not during times like the present. I extend my congratulations to the officials who organised the displays of Queensland's wealth, and I congratulate the exhibitors upon their worthy efforts.

It is the exhibitors who make a successful exhibition. They bring along their stock and produce, which make the display and enhance the interest. This year the quality of the exhibits was equal to that of any previous occasion. While some may talk of depression, to me the fact that the Exhibition this year was such a good one reveals a great expression of loyalty on the part of the farmers, the graziers, the cattlemen, and other persons who assisted to make it a success.

In listening to the Premier last night, I gathered from his remarks that there would probably be a still further reduction in wages. I hope that it will not take place. At the present time the people in this State are suffering from previous reductions in wages; and, if a further reduction takes place, it will be almost impossible for most of them to live. Knowing the people as I do, I often wonder how on earth a man can keep a wife and family and live respectably on the wages he receives.

Mr. BRAND: What are the Federal Government doing about it?

Mr. CONROY: The Federal Government have nothing at all to do with it. The hon. member and myself represent Queensland interests. I am talking about Queensland—not about the other States.

Last night the hon. member for Cook castigated the Premier of New South Wales, Mr. Lang, and I would be within my rights in dealing with the Premier in a similar

manner; but we as Queenslanders should, if we are capable of doing so, look after ourselves. It is the duty of this Government to look after the people of Queensland; therefore, I do not think much of interjection by the hon. member. I am a Queensland, and, like many hon. members in this House, I have lived all my life in this State. Let us look after the interests of Queensland first, and the interests of Australia will follow.

Although the whole community is at the present time suffering from a reduced purchasing power, owing to a reduction in wages, the persons who are suffering most are the employees of the Railway Department. Not only have they suffered the reduction that has been made in wages, but they have been rationed, and many hundreds have been dismissed. Men who have given many years of faithful service to the department have, on reaching old age, been dismissed in order to make room for younger men. I notice in the Governor's Speech the following remark:—

"By careful management the working expenses of the Railway Department were reduced by £950,000."

That reduction was brought about by a reduction in wages and dismissals in an endeavour to balance the Budget, and to make the railways pay interest on the cost of construction. Let us look at the working expenses of the department for last year.

For the year ending 30th June last the total receipts of the Railway Department were £6,426,955, whilst the expenditure totalled £4,992,149, which shows that the receipts were considerably greater than the expenditure. The unfortunate position is that the railway men are asked to meet the interest payment on the railway indebtedness. Without the interest bill the railways are paying. Why should the railway employees be asked to make a sacrifice in order that interest may be met, for that is what the present position amounts to? Almost every person in Queensland uses the railways. Why should they not pay a certain amount towards the interest burden? Further, the Government have reduced fares and freights, and have compelled the railway employees to make good the difference consequent upon that reduction. If the Government insist on making the railways pay, why do so at the expense of the railway men? Why not make the people who use them share in the sacrifice? By reducing fares and freights and making good the loss of revenue by the dismissal of employees the Government are merely sacrificing numbers of men and women who have every right to live.

Speaking at Monto recently the Secretary for Railways promised the Burnett settlers an extension of the Rannes line from Thangool to Dawes. The Rannes railway does not pay; as a matter of fact, the loss to date is £19,094. Yet the Government are prepared to expend £38,000 on the extension of a non-paying line.

Mr. MAXWELL: Your Government started it and left it in an incomplete state.

Mr. CONROY: I am speaking of the extension of the railway. If the Government are prepared to spend another £38,000 on a non-paying line, where does the argument of the Secretary for Railways come in?

Such an expenditure would add another £38,000 to the railway indebtedness, and the railway employees would have to pay for it.

The present Government have been in power for two years. When they were sitting on this side of the House, hon. members said, "Wait until we get into power; we will show you what we can do." They are now in power. In their first year the Moore Government showed a deficit of £723,134. In the second year they had a deficit of £642,044.

Mr. BUTLER: What was Lang's deficit last year?

Mr. CONROY: I am not concerned about Lang, but I am concerned about what hon. members said when they were sitting over here. When the Labour Government had a deficit, it was due to bad seasons, and when we pointed that out, hon. members now on the Government side laughed. Now they are faced with a deficit of nearly £1,500,000 in two years, and all kinds of excuses are made. The newspapers are full of apologies for what has happened.

In spite of all the promises that were made during the election, the workers are in a worse position to-day than they were previously. They were told that, if they changed the Government, their conditions would be greatly improved. They returned the present Government to power, and how are the workers faring to-day? They are realising that the promises made by the present Government are not being fulfilled and that they will not be fulfilled. The workers, like everybody else, are very hard to satisfy. The Labour Government during their term of office endeavoured to do the best they could for the workers. They gave them the right to live. The present Government have only given them the right to exist, and a very poor existence at that.

I desire to say a few words in connection with the tobacco industry. This matter was dealt with by the hon. member for Warwick and other hon. members. The tobacco industry at the present time promises to be a good one, but, like everything else, there is a danger behind it. In August last Senator Daly and Mr. H. A. Mullett issued a warning in regard to the tobacco industry, and this is what the "Daily Mail" of 16th August last had to say on the matter—

"The high prices which have been ruling for Australian-grown tobacco have attracted the attention of company promoters and others to the possibilities of companies formed to grow tobacco, and there are now several such companies which are seeking to raise money from the public by way of bonds or shares. Estimates of handsome profits are put forward as an inducement to investors, the realisation of which to the full is open to serious doubt."

"For one thing, the production of marketable tobacco requires expert knowledge and continuous supervision and care, particularly in regard to curing, and not everyone who takes it up can reasonably expect to succeed without some failures. In any case, it appears probable that a large proportion of leaf produced will be low grade, and growers will be disappointed to find that the prices realised will be much less than they expect. Moreover, owing to the

*Mr. Conroy.]*

present boom, over-production is likely to result, in which case prices must fall.

"In this connection the attention of investors favouring the purchase of bonds or shares in tobacco-growing companies is directed to the recent remarks in the press of Senator Daly, Minister in charge of development. There are definite indications, he considers, that the acreage under tobacco this year will be about ten times that of last season. Last year the area planted was something over 2,000 acres, while it is expected that probably 25,000 acres will be planted this season. It is estimated that at 600 lb. of tobacco per acre, a rather low yield, approximately 32,000 acres should be sufficient to provide for the total Australian consumption.

"At present," added the Senator, "there is a boom about which I desire to issue a warning, for many are rushing in to plant who will fail as tobacco-growers. A man can handle properly about 5 or 6 acres, and then he must work hard and long. Good prices will prevail only for the best leaf, and growers must realise that present prices are not normal, and at the apparent rate of expansion of the industry it will not be long before low-grade leaf will be unmarketable.

"The superintendent of agriculture in Victoria, Mr. H. A. Mullett, has also issued a warning regarding tobacco-production. In a statement published in the Melbourne 'Age,' Mr. Mullett said that many farmers were proposing to indulge in tobacco-growing in the belief that it might assist them out of their difficulties. It was evident, however, from letters received by the Victorian Department of Agriculture that many farmers were in complete ignorance of the industry, and did not realise that technical skill was needed to produce marketable leaf, and that the crop was normally subject to risks of failure.

"Mr. Mullett pointed out that the industry was not one in which inexperienced persons could hope to succeed. One man, he said, could not handle successfully more than 5 acres, and perhaps owing to the smallness of area involved, there seemed to be a widespread belief that tobacco-growing presented a golden opportunity for persons with a minimum of capital. Still, to a person with no experience and very little capital, tobacco culture was a bad risk.

"It is evident from the foregoing that purchasers of shares or bonds in tobacco-growing companies should realise that the industry is essentially speculative, and, in particular, that over-production is likely to ensue with a consequent fall in prices."

We have seen the revival of tobacco-growing which has recently taken place in Queensland, but, if the Government permit company promoters to take advantage of the position, there will be a rush of speculators to promote companies for tobacco-growing purposes. The result will be that the tobacco which will be grown will not be up to the proper standard. This important industry has fortunately been revived, and it would be a great pity if it is allowed to

[Mr. Conroy.

be controlled by company promoters. Let us by all means grow a good quality of tobacco-leaf and supply our home market, but we should not allow the industry to be exploited by speculators, which would result in an inferior quality of tobacco being produced, and the industry being put back into the position it was in many years ago.

Many years ago tobacco was grown in Queensland to a considerable extent; but nothing came of it eventually because the quality of the leaf produced generally proved to be not that which was required by the market. What we ought to do, and what I would ask the Government to do without delay, is to provide as far as possible that the tobacco industry shall be established on right lines, so that, at any rate, it will not get into the hands of company promoters or others who have not a permanent industry in view. Let us grow a good quality tobacco, and then those who grow it will reap their reward.

The SECRETARY FOR MINES (Hon. E. A. Atherton, *Chillagoe*) [3.51]: I take this opportunity of congratulating the hon. member for Gympie on the very sound speech he made when moving the Address in Reply, and also the hon. member for Toowoomba on the very able manner in which he seconded it.

I join with the rest of hon. members in expressing my high appreciation of the services of Sir John Goodwin as Governor of Queensland. I think that everyone will agree that during His Excellency's term of office he has done his very utmost in the interests of the State as a whole, and that he has not spared himself in any way. He has travelled to the most remote corners of Queensland in order that he might get first-hand information and become personally acquainted with local conditions. I am quite sure that we all regret the early anticipated departure of both His Excellency and Lady Goodwin, because both have endeared themselves to the people of Queensland. (Hear, hear!)

After listening to the speeches on the Address in Reply by hon. members opposite, I am confident that the people must feel pleased that they are no longer controlled by a Labour Government of the calibre of hon. members sitting on the Opposition benches. Everyone must be quite satisfied after hearing their speeches that many of them should not be in Queensland at all. They should be down in New South Wales on the benches with Mr. Lang. It is no use their denying the fact that they are behind Mr. Lang, because I definitely say that they are.

Mr. BEDFORD: That settles it.

The SECRETARY FOR MINES: The hon. member was settled as soon as Carrington got into that tent. (Government laughter.) What prompts me to make that assertion is that I understand that at the last New South Wales election the members of the Queensland Opposition were so much in sympathy with Mr. Lang's policy that they could not get over the border quickly enough to help him. I understand that the Deputy Leader of the Opposition was one of the members who went over the border to assist, I understand that the hon. member for Balonne was another, and that the hon. member for Cairns also put his weight behind Mr. Lang. So Queensland can rest quite satisfied that the majority of the Labour Party on the Opposition benches are right behind Mr. Lang. I think hon. members will all agree that Lang's policy in New South Wales has

not only brought ruination to New South Wales but has also brought disaster to the whole of Australia. New South Wales to-day is in a most deplorable condition; and I say that, if the present Opposition were in power in Queensland, we would find this State in an exactly similar position.

The percentage of unemployment in New South Wales is very considerably in excess of that in Queensland and altogether the position in the mother State is in a deplorable and chaotic condition. No one has any opportunity of securing employment, and many people legally entitled to their savings are unable to utilise them. All their lives they have striven to save a small sum to help them in a time of difficulty; but these sums, which were deposited from time to time in the State Savings Bank, cannot now be made available for them. The Lang Government enacted legislation of such a revolutionary character that confidence waned, and the bank closed its doors. The money held in trust by that institution represented the savings of the honest, hard-working people who had struggled for a lifetime to make provision for a rainy day. Unfortunately, the rainy day has arrived, and difficulties are pouring down upon the people in that unfortunate State. Disaster has overwhelmed the people, and the depositors are unable to resort to their savings for relief. The Lang Government passed such legislation that there was no alternative but to close the doors of the bank. Apparently, the Labour Party in Queensland stand for that policy, because they were prepared to assist to return Mr. Lang to power so that he might introduce his wrecking legislation.

MR. BEDFORD: Lang is a curse; but he is only the result of a worse curse, named Bavin.

THE SECRETARY FOR MINES: The hon. member for Warrego knows full well that the New South Wales Government are unable to redeem thousands and thousands of pounds worth of coupons that have had to be dishonoured because funds are not available. What a terrible financial position! The little storekeepers in the Sydney suburbs and the storekeepers in country centres are unable to obtain cash for their dole tickets, or coupons, as they are called. When they approached the Treasury with a view to redeeming these documents, they were told that no money was available. Can any State hope to continue along such lines? Certainly not! The State of New South Wales constitutes a unit of the Commonwealth; and the detrimental legislation passed by the Lang Government has had a bad effect upon people overseas. They are unwilling to come to Australia and to Queensland while those conditions prevail. I need only amplify my statement that New South Wales is in a worse position than Queensland by stating that, whilst the deficit for Queensland last year was £842,000, the deficit in the neighbouring State was between £3,000,000 and £9,000,000. What a vast difference! Had Queensland been governed by a Labour Government, the deficit in this State would have approached the figure achieved by the New South Wales Government.

MR. POLLOCK: The deficit on Chillagoe will be just as big before you are finished.

THE SECRETARY FOR MINES: I will tell the hon. member for Gregory something about Chillagoe before I conclude my speech.

During his speech, the hon. member for Leichhardt advocated the socialisation of industry. I do not think he could have been sincere, because he knows, as well as every one of us knows, the disaster and ruination brought about in Russia by the socialisation of industry. We thank God that we are not in the position Russia is in to-day. It is an undeniable fact that the adoption of the policy of socialisation of industry in Russia has meant the death of thousands and thousands of people from starvation and exposure. We hope that that will never occur in Queensland.

The members of the Opposition are continually taking the Government to task for, as they allege, continually reducing wages in order that this State may be brought out of the economic mire it is in. There is no basis for their accusation, nor can there be any argument on the question. They have only to compare the basic wage in Queensland with the basic wage in the Commonwealth and the other States of Australia. That comparison will reveal no ground whatsoever for their argument. I noticed a telegraphic message in to-day's press stating that the basic wage in South Australia has been reduced by the Board of Industry from 12s. 6d. to 10s. 6d. per day, or £3 3s. per week. It is well that I should remind hon. members opposite that the Government in South Australia is controlled by Labour, under the Premiership of Mr. Hill.

Let us go further afield, and take the basic wage in Victoria, where the Government is also composed of Labour.

MR. POLLOCK: What is the use of boasting of a high basic wage in Queensland when only 40 per cent. of the workers enjoy it?

THE SECRETARY FOR MINES: The unemployed in Queensland numbers only one-half of the workers unemployed in South Australia, where the basic wage is £3 3s. per week. The basic wage of the Federal Arbitration Court—and a Labour Government is in control in the Commonwealth Parliament—is £3 0s. 9d. per week. What is the basic wage in Queensland, controlled by a Tory Government, as hon. members opposite term us? It is £3 14s. per week.

Western Australia—which is also controlled by an anti-Labour Government—has a basic wage of £3 17s. per week in the metropolitan area and £3 18s. on the goldfields. The facts are that in the three States in Australia controlled by Labour Governments, the basic wage is much lower than it is in two States controlled by anti-Labour Governments. Hon. members opposite can gain nothing by always decrying the Government because the basic wage has been reduced in this State. There is no member of the Government Party who is anxious to reduce the basic wage. Every hon. member on this side realises the serious position of the States, and he realises also that he has a duty by this State, in which he has the honour and privilege of residing. That is more than many hon. members of the Opposition realise. They fail to realise that duty and responsibility of looking after the welfare and integrity of this State.

MR. FOLEY: At whose expense? The workers!

THE SECRETARY FOR MINES: Not at the expense of the workers, as I have proved

*Hon. E. A. Atherton.]*

to hon. members opposite. We are paying a higher basic wage here than is paid in either South Australia or Victoria.

Mr. FOLEY: To those who are getting it.

The SECRETARY FOR MINES: A higher percentage of the people are getting it in Queensland than in any other State of the Commonwealth. No one knows that better than the hon. member for Leichhardt, who has only to study the official statistics to learn that Queensland has 50 per cent. less unemployed than the next best State in Australia.

Mr. BEDFORD: It was always so.

The SECRETARY FOR MINES: In a comparatively short period the national income of the Commonwealth has dropped from £650,000,000 to £450,000,000. Our position, in a nutshell, is that we have to live on £200,000,000 less per year than formerly. The unfortunate position is that, if they do realise it, hon. members opposite are not prepared to grapple with the position, but merely adopt their present attitude in order to court popularity.

The present Government have made an honest endeavour to meet the situation. It is all very well for hon. members opposite to say, "What about the man on the land?" Surely it must be apparent to those hon. members that a drop in national income to the extent I have indicated must, of necessity, reduce the return to the man on the land. Whereas formerly he may have received, say, £1,000, with a drop of 30 per cent. he will only receive £700. Hon. members opposite talk glibly of imposing more taxation on that man. Both the Leader and the Deputy Leader of the Opposition stated that they would make up the difference by increased taxation. The Federal Labour Government thought all they had to do was to impose extra taxation. If I understand them aright, it is contended by hon. members opposite that the deficit of £41,000,000 in the Commonwealth could be wiped out by further taxation of 20 per cent. on the interest derived from Government securities and on incomes exceeding £250 per annum. The Federal Government have realised very forcibly that that will not meet the position. For the year 1929-30 the Commonwealth revenue from taxation was £58,200,000. Although further taxation to the extent of £30,000,000 has been imposed, it is estimated that for the year 1931-32 the total revenue will be only £50,000,000, which is £8,000,000 less than the amount received last year even with the further taxation since imposed. The very same thing would happen in Queensland; but, as I said before, the Labour Party has not a broad enough vision to realise that, with this reduction in production, naturally the income of the producer comes down; and, if the income of the producer comes down, he has not got the money to pay the tax. Anybody can impose as heavy a tax as he likes; but it is quite a different matter to collect that tax.

Mr. FOLEY: He is not liable if he does not earn the money.

The SECRETARY FOR MINES: He has not earned the money, so what is the use of imposing the tax? The people of Queensland realise that they are in a fortunate position in not having a Labour Government controlling Queensland at the present time. We do not deny that the position in Queensland is bad. The position

[Hon. E. A. Atherton.

in every State in Australia is bad; and we are quite prepared to accept the responsibility of what has been done during the past two years. I venture to say that the people of Queensland recognise that what has been done has been done in the interests of the majority of the people of the State. We on this side do not cater for one section, and one section alone. Apparently we can see further ahead than members of the Opposition. We must all admit that we are kept here by the producer on the land; and, if we throw the producer off the land, we shall all have to walk out of this House. Queensland is living on the wealth she can produce.

Mr. FOLEY: Every country is doing that.

The SECRETARY FOR MINES: Yes; every country is doing that. We do occasionally hear a sensible remark from the hon. member.

Mr. W. FORGAN SMITH: We all have to do that.

The SECRETARY FOR MINES: The hon. member must have a fearful job with those people of his. (Laughter.)

Several complaints have been made about the assistance that was granted to prospectors. The hon. member for Queenton said there had not been enough money advanced for prospecting. The hon. member for Charters Towers had a similar complaint, and the hon. member for Paddington—well, his remarks astounded me, because he said we are not prospecting in the right place. I venture to say that, if we all knew the right place in which to prospect, the hon. member for Paddington would not remain sitting here two seconds. (Laughter.) He would be out right on the spot. No one knows the proper place to go prospecting because if they did it would not be prospecting. Apparently the hon. member was not aware of the definition of prospecting. When you go out prospecting, you only go out in the anticipation that you will find something or locate something.

Mr. HANLON: You prospect for gold in auriferous country.

The SECRETARY FOR MINES: If you leave out the western plains, 90 per cent. of what is left of Queensland is auriferous country. After what we have done for prospecting, I was astounded at the remarks of hon. members opposite. When the Labour Government were in power, we were told that they were very sympathetic towards the prospector. They were very anxious to uplift the State a little further through prospecting and through State stations—which apparently were a huge success for someone, but not for the State. In 1927-1928 they expended a sum of \$6,585 in aid of prospecting, and in 1928-1929 the expenditure was £9,005.

In 1930-31, although the Opposition complain that we were not liberal enough with our assistance towards prospecting, no less than £24,216 was advanced in that direction, as against £15,590 which they advanced during the last two years they were in power.

Mr. POLLOCK: From what funds?

The SECRETARY FOR MINES: We expended £12,123 from the prospecting fund, and £12,000 odd from the unemployment

relief fund. The Labour Government only expended £6,538 from the prospecting fund in the period I have mentioned. I do not think there is any force in the complaint of hon. members opposite.

Let us compare those figures with what has been done in the other States. In Victoria they have camps formed, and men out working. They have got hostels for them, and guide them in the right direction.

Mr. A. J. JONES: Victoria pays 8s. per week.

The SECRETARY FOR MINES: Victoria pays the exorbitant sum of 8s. per week. The hon. member for Paddington knows that for a long time Victoria has not been paying more than about 8s. per week, whether a man is single or married, whether he has twenty-one children like O'Sullivan or has not got any—all he gets is 8s. per week. In New South Wales—the model State, according to hon. members opposite—

Mr. BEDFORD: This was a model State for fifteen years.

The SECRETARY FOR MINES: Does not give any monetary allowance whatever. All they give in that State are rations to the extent of 5s. 10d. per week per man, irrespective of whether a man is married or single. Queensland, under the very stringent circumstances which obtain, is giving to married men no less than £2 per week, and to the single man £1 per week, as against Victoria's 8s., and New South Wales 5s. 10d., for rations.

Mr. POLLOCK: What amount of gold has been found?

The SECRETARY FOR MINES: The production of gold for the last six months was 4,170 oz., and for the previous six months 3,175 oz.—an increase for the latter period of over 1,000 oz. The gold production of Queensland for the twelve months increased approximately by £5,000. I think all hon. members are quite pleased at that increase.

Mr. POLLOCK: If it is true, we are.

The SECRETARY FOR MINES: I venture to say that the hon. member will never say that I have made a statement on the floor of the House that I could not substantiate. If he likes to go to the Mines Department, he will find that my statement is quite correct. I would impress upon every hon. member of the House not to judge other men by themselves.

Mr. POLLOCK: If you apply that to me, you will be all right.

The SECRETARY FOR MINES: The hon. member for Gregory said previously, "Tell us about the loss on Chillagoe!" The loss on Chillagoe at 30th June, 1931, was £18,322 3s. 10d.

Mr. POLLOCK: That is a big price to pay for losing your seat.

The SECRETARY FOR MINES: Yes; but in a minute I will tell the hon. member what it cost to hold Mr. Theodore's seat. The loss for the year ended 30th June, 1931, was £18,322 3s. 10d.

Mr. STOPFORD: How much mineral was produced?

The SECRETARY FOR MINES: I do not know; but I say definitely that we produced more copper than was ever produced in one year under Labour Government.

Mr. STOPFORD: You cannot say that, because you tell us that you do not know the figures.

The SECRETARY FOR MINES: I do not know them accurately: I have them in the office, but I have not got them in my head. The position is that, of that total loss of £18,322 3s. 10d., the operating loss—that is, the loss incurred on the working of the smelters—was £1,813 4s. 3d.; and the loss which is attributable to the buying of metals when copper was at £60 per ton and having to sell at £40 per ton, was £16,508 19s. 7d.

Mr. POLLOCK: You have not dragged in the railways yet.

The SECRETARY FOR MINES: Leave the speech to me, and the hon. member will wish he had never been born. (Laughter.) He says that I have not dragged in the railways yet. The first thing I was responsible for doing when we started at Chillagoe two years ago was to increase the freight on ore to Chillagoe by approximately 40 per cent. What has the hon. member to say to that? Previously we were carting ore from Cloncurry to Chillagoe at 14s. 7d. per ton, and I immediately increased it to 20s. per ton. The reason our loss has been so small is that we have made an honest endeavour to make Chillagoe pay. We are working it on an economic basis. We have not worked Chillagoe just for the sake of a few people, but in the interests of the State. When I quote the figures for the last years under Labour Government and compare them with the figures for the year under this Government, the difference will astound them; and I am quite definite in saying that we produced more copper during that period than was ever produced in a year under Labour management. For the year 1925-26 the loss was no less than £155,893 8s. 5d.

Mr. STOPFORD: How much ore was treated?

The SECRETARY FOR MINES: It does not matter how much ore was treated. What concerns me is what amount of bullion was produced. Then, for the seven months ended 2nd February, 1927, the loss under Labour Government was astounding—£156,126 2s. 11d.—or £22,399 a month. Our loss for a whole year has been only £18,000; and, as I have already pointed out, £16,000 of that was caused through the fall in the price of metals. Hon. members will realise that it was not through bad management. On 28th March, 1930, the American price for electrolytic copper was £83 per ton, and we were buying on the basis of that price, but within twenty-four hours the price fell £25 per ton.

Mr. POLLOCK: We had the same difficulty.

The SECRETARY FOR MINES: Hon. members did not have the same difficulty. I have all the prices here. (Opposition interruption.) During 1924-25 silver realised 2s. 7d. per ounce, but we had to sell at 1s. 1d. per ounce. Copper realised £68 per ton in 1924-25, and we had to sell as low as £36 per ton. Copper was never so low before in the markets of the world. The lowest price previously, I think, was in 1898, when American electrolytic copper was quoted at £41 9s. 4d., but last week the price was £36 17s. 8d. per ton. During 1924-25 lead realised £35 per ton, and during 1925-26

Hon. E. A. Atherton.]

copper realised £67 per ton, or a drop of only £1 per ton. In that year lead realised £35 per ton, or a drop of only £2 per ton. During that year silver increased by 1d. per ounce, the price being 2s. 8d. per ounce. During the period of seven months when the Labour Government made that gigantic loss of £156,000, the price for silver was 2s. 4d. per ounce, copper £65 per ton, and lead £27 10s. per ton. During the period of three years that the Labour Government were operating the Chillagoe smelters the fluctuation in the price of copper was only 37s. 6d. per ton. It is no use the hon. member for Paddington saying that the Labour Government had to contend with the difficulties confronting this Government. They had not.

Mr. A. J. JONES: The price of lead fell by £9 per ton.

The SECRETARY FOR MINES: During the three years referred to the prices of lead were £35, £33, and £27 10s. per ton, respectively. The average price for copper was £70 per ton. It is no use hon. members opposite trying to put anything over this Government.

Mr. STOPFORD: Are you paying interest and redemption on the capital value?

The SECRETARY FOR MINES: We are paying the same amount of interest and redemption as was paid by the Labour Government, and that is nothing. The Labour Government did not pay anything in that direction, and we have not paid anything. We are conducting the smelters on the same lines as the Labour Government in that respect. The Labour Government did not pay interest or redemption, nor did we, and our loss per month over the past twelve months was £1,500, but in the case of the Labour Government it was £22,000 per month. I wish to repeat that the present Government are making an honest endeavour to grapple with the position with a view to placing Chillagoe on the map.

Mr. A. J. JONES: You enjoy the benefits of the present rate of exchange.

The SECRETARY FOR MINES: Certainly, but a lot of the metal was sold before we were able to obtain the benefit of the exchange.

Mr. FOLEY: How many furnaces are operating now?

The SECRETARY FOR MINES: One furnace is operating. We are running Chillagoe upon a sound economic basis, but the Labour Government conducted the smelters disastrously so far as the State was concerned. Mark you, I emphasise, "so far as the State was concerned."

Mr. FOLEY: How many furnaces are operating now, and how many were operated by the Labour Government?

The SECRETARY FOR MINES: The Labour Government sometimes conducted two furnaces, but very seldom. They had no occasion to run two furnaces. That was the result of mismanagement.

Mr. BEDFORD: You are not smelting lead.

The SECRETARY FOR MINES: Irrespective of what hon. members opposite may say, I definitely state that we have made a better attempt to conduct the affairs of Chillagoe, and that is borne out by the

[Hon. E. A. Atherton.

figures. The Labour Government made a loss of £156,000 against our loss of £18,000.

Mr. FOLEY: You are working on a different scale.

The SECRETARY FOR MINES: We are working smelters on a different scale. I hope that I shall never be connected with an institution conducted on a scale similar to that adopted by the Labour Government. That is my most sincere wish. I do not want to have anything to do with such a thing on that basis.

Mr. A. J. JONES: What about the scale that I recommended in 1926?

The SECRETARY FOR MINES: I know all about the scale recommended by the hon. member. His scale was down in the Townsville Harbour—a scale off a great big fish. That was his scale—a scale off a shark—and some of the sharks were never in the water. I am sorry that I have devoted so much time to the discussion of Chillagoe, but I was prompted to do so by the remark by the hon. member for Gregory.

The Government are sincere in doing what they believe is best in the interests of the State, and are not out, as the Labour Party always are, to court popularity with a view to winning the following election. We realise that the position of this State is such that the time has arrived when we must live on the wealth that the State can produce. The position of the State is just the same as the position of a family.

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

Question—"That the Address in Reply be adopted"—put and passed.

## SUPPLY.

### CONSTITUTION OF COMMITTEE.

The PREMIER (Hon. A. E. Moore, *Aubigny*): I beg to move—

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider the Supply to be granted to His Majesty."

Question put and passed.

## WAYS AND MEANS.

### CONSTITUTION OF COMMITTEE.

The PREMIER (Hon. A. E. Moore, *Aubigny*): I beg to move—

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of Ways and Means for raising the Supply to be granted to His Majesty."

Question put and passed.

## REGULATION OF SUGAR CANE PRICES ACTS AMENDMENT BILL.

### SECOND READING.

The SECRETARY FOR AGRICULTURE (Hon. H. F. Walker, *Cooroora*) [4.33]: When this Bill was initiated in Committee, I gave hon. members quite a few facts dealing with the sugar industry and its progress and growth, with a view to assisting them on the second reading stage. Since then a great deal has happened. We find that those persons who were growing and dealing with cane on unassigned lands had swung into line, with



the result that all parties are now 100 per cent. behind the Central Sugar Cane Prices Board in this matter. The very fact that Parliament was practically unanimous in assisting the Government in their objective has had the desired effect of bringing the recalcitrant growers into line.

The whole object of this Bill is to secure the enforcement of the agreement which was made between the Commonwealth Government and this State. The importance of that object need not be stressed, because we all know that it is not only the right and proper thing to do, but in a time like the present, when production all over the world is so great, that it is a fair thing that we should legislate to enforce the agreement and prevent any action being taken to interfere with our happy relations in the matter with the Commonwealth Government. It was unfortunate that there should have been any difference of opinion on the subject; but it was fortunate that Parliament happened to be sitting at the time and that we were able to get to work immediately, and both sides of the House being in unity on the matter, the desired effect was achieved without any trouble. I am particularly pleased with the position at the present time.

At this stage it may be advisable for me to make some reference to several amendments which in the interval it has been found necessary to bring down. After my explanation of the reasons for these amendments I believe they will be accepted by hon. members. I did not have an opportunity of seeing the amendments myself until a few moments ago; but that was due to the fact that they have only just been made. I made arrangements for the Leader of the Opposition to be supplied with them.

MR. W. FORGAN SMITH: I have not seen them yet.

THE SECRETARY FOR AGRICULTURE: I gave instructions that the hon. gentleman was to be supplied with a copy. I can assure the hon. gentleman that he has no cause for alarm. They are really consequential amendments on the amendment which I brought forward originally. It was necessary for me to have them redrafted in accordance with the advice of the draftsman. I will explain those matters later.

Following on the finalisation of its assignment policy, the Central Sugar Cane Prices Board came further up against the matter of controlling production owing to the fact that the assigned land of the canegrower as described in the "Government Gazette" may, and generally does, contain a greater area than the assigned area. For example, a portion may contain 200 acres, while the assignment granted is for 80 acres. A grower can, therefore, say he is within his rights so long as he only cultivates 80 acres of cane on any part of the portion of 200 acres. This means that, as soon as the production declines on the first 80 acres, he can let that go and replant on 80 acres of virgin country within the portion. This naturally means an increased supply of cane to the mill. This again defeats the board's policy that there shall be no planting on land that has hitherto not grown cane.

It is unfortunate that this should have taken place; but hon. members will realise that many growers are very casual in their methods of management; and it has been found that the information which the secretary of the board got when he went North

was not sufficiently definite to allow the board to move on sound grounds. That resulted in certain misunderstandings; and, although the board has been operating for a few years, it has not yet obtained the desired information. Of course, it may be possible for accurate information to be obtained where, say, a mining company employs a surveyor to mark out a particular working; but hon. members will understand the difficulty of farmers giving absolute accurate information in respect of 60 acres under cane in a holding of 400 acres. As I say, a great deal of unnecessary work and misunderstanding has been caused by the lack of information to which I have referred.

The amendment is to prevent a grower from substituting virgin country for his cane acreage, even though the virgin country is on the same portion as the area which has been assigned to him. Unless that were done, it is possible there would be further over-production. Our object is to prevent over-production to a greater extent than is provided for under the original scheme.

MR. W. A. RUSSELL: A grower could increase his output by extensive manuring of the land.

THE SECRETARY FOR AGRICULTURE: That is so. In the South Johnstone and Tully districts, although it is mostly new land and is wonderfully productive, a certain amount of manuring has taken place. As a matter of fact, growing operations are being carried out in a most scientific manner. In the Mackay, Bundaberg, and Isis districts extensive manuring of land has also taken place, but that has been taken into consideration by the board; and naturally there will be no increase under ordinary conditions because due regard has been paid to that matter. Hon. members will realise that, if we allowed growers to transfer their cane acreage to new land and probably put a kick into that land by extensive manuring, it would upset all the calculations which have been made.

MR. W. FORGAN SMITH: Another point is that the man with a large area, if he is allowed to substitute another portion for canegrowing, will be at a distinct advantage as compared with the small man.

THE SECRETARY FOR AGRICULTURE: Yes; that is a point. The man with a small area of land will be compelled to cultivate that area alone, while the man with a large area, as the occasion arose, would be able to cultivate a separate area, consequently he would have a big advantage. Legal advice has been obtained by certain mills that a mill is bound to accept as cane grown on assigned land all cane of a certain quality grown on the gross area assigned, and that the said gross area is not restricted to any particular part of the land covered by the description of a farm appearing in the "Gazette" notice, but may be taken from any part of an area covered by such description.

We have all the organisations representing the growers and the millers behind us in this amendment, which is going to beat that legal opinion, because, if we allowed that opinion to be put into effect, it would spoil the agreement between the Commonwealth and the State. When assignments were gazetted the Central Sugar Cane Prices Board intended, broadly, that the area

*Hon. H. F. Walker.]*

covered by the gross assignment would be the area in use for the cultivation of cane at the date when the material information was obtained in the district concerned by the board's officer. As I pointed out a little while ago, all that information was obtained by Mr. Henry, the secretary to the board. He went North and interviewed various people in the sugar districts, and came back with a volume of information of quite a valuable character, but, unfortunately, it was weak in regard to where the land was situated. It was not possible for the Central Sugar Cane Prices Board to define accurately the particular gross area assigned in the "Gazette" of 10th April, 1930, and subsequent "Gazettes," for the reason that plans of the actual farms of cane-growers were not in their possession. Hon. members representing the sugar industry will remember the "Gazette" notice which was sent out in 1930. I was surprised when that went out, because the answer came back that the farms were 100 per cent. efficient. It is most difficult for the Minister to find out exactly whether the assignments are on sound lines or not. To be quite candid, up to the present time the board does not seem to have had any definite basis for assigning land. This was due to the many difficulties which occurred at the time the work was taken over by the Central Sugar Cane Prices Board. The position is most difficult to remedy on account of Queensland being restricted to a certain production.

At 4.43 p.m.,

The CHAIRMAN OF COMMITTEES (Mr. Roberts, *East Toowoomba*) relieved Mr. Speaker in the chair.

The SECRETARY FOR AGRICULTURE: If we could only produce another 100,000 tons of sugar per annum, it would give the Central Sugar Cane Prices Board an opportunity to rectify matters. As no plans of the farms were in existence, it was not possible to prevent questions arising as to the particular area assigned by the board. The fact that the organisations of the farmers are right behind the Government in this matter proves conclusively that it is the only way to grapple with the question at all quickly. The Bill will give the Central Board power to define accurately the gross area that is assigned in each instance. This will be in accordance with the Central Board's intentions, and will also give the board power to declare the percentage of the gross area which shall be harvested in any year. These are two very important points. It is not intended that the area covered by the percentage allowed for harvesting shall be definitely specified. That is to say, the percentage may be harvested from any part of the gross area assigned. The gross area will not include any new areas that have been substituted in lieu of old areas, the substitution of which has not been approved by the Central Board. I understand that in one particular district this has taken place. We are giving the board absolutely a free hand, and, if it does not carry out its duty, it will be well known to the cane-growers of Queensland, who will have the right of removing their nominee.

The Central Sugar Cane Prices Board will have the power to grant an application for substitution of one area for another as previously, and will no doubt do so provided

[*Hon. H. F. Walker.*]

it is satisfied with the reasons submitted with such application. That is giving it the opportunity of showing its ability, integrity, and administrative powers in carrying out the Act. In fact, there is no reason to suppose the Central Board will alter any practice hitherto adopted by it, as its powers have not been in any way diminished. It will have the same power, but there will be no power of appeal.

The trouble at present in connection with substituted areas is mainly confined to one centre. If not checked, however, it would certainly grow and cause further over-production. I intend to have a good deal more to say about that particular area, and to show what they are getting in comparison with other districts in Queensland. I saw some of the representatives of that district a couple of nights ago, when they indicated that they would swing into line with the others.

In connection with the need for restricting production, I will quote paragraph 240 of the majority report of the Federal Sugar Inquiry Committee to show how matters stand as between the Commonwealth and the State—

"We are strongly of opinion that there is no justification for any further increase in the Australian production for many years, and we consider that every effort should be made by the authorities to keep production within the present limits."

Not only in Australia, but in every sugar-producing country in the world the need for curtailing output is being felt. This is evidenced by the fact that Cuba, Java, Germany, Czechoslovakia, Poland, Hungary, and Belgium are all parties to the Chadbourne plan, and have all made very definite sacrifices in the interests of the agreement by limiting production. Java had a carry-over of 610,027 tons from 1930. By the end of the current season that may be increased to more than 1,000,000 tons. What they are going to do with it is hard to say. There is only one way—that is to restrict production, which they are doing. We are not restricting production in Queensland, but are merely marking time. Argentina is limiting its output to 368,000 tons. Europe is reducing her beet crop area. In countries supporting the Chadbourne plan, the area reduction equals 19 per cent. The United States is also reducing her beet crop area by 13.5 per cent. All other countries are compelled to adopt some form of limitation of output, and are active in crop regulation.

Let me give some idea of the world's production of raw sugar and consumption. I shall not give the details, but simply say that in Europe, Asia, Africa (including Mauritius), South African Union, North America, South America, Australia, Fiji, and other islands, the world production works out at 29,600,000 tons, and the consumption at 27,020,000 tons. In other words, there are 2,500,000 tons more produced than can be consumed in the world. That is the unfortunate thing.

Mr. W. FORGAN SMITH: More than you can sell—not more than you can consume.

The SECRETARY FOR AGRICULTURE: I am subject to correction, because I recognise that the sugar problem is a particularly difficult one.

Mr. PEASE: People have no money to buy it.

The SECRETARY FOR AGRICULTURE: I admit that there is a lot of truth in what the hon. member says—people who are out of

work have not the spending power. We have only to look at what we are spending here; but I do not think that is affecting the sugar industry so far as Australia is concerned; I know that we have to take that factor into consideration.

As to the value of the sugar industry to Queensland, especially from the viewpoint of close settlement, we have to remember that there are about 9,000 growers and 30,000 workers depending on the industry. The wages paid are something like £6,000,000 annually, and the value of the sugar output to the State is approximately £10,000,000. Hon. members will see from those figures that it is one of the finest agricultural industries we have in Australia. There is only one better that I know of—the dairying industry. In view of the importance of the sugar industry to this State, therefore, we must all agree that friction amongst the organisations which are concerned in it is undesirable. We do not want to have any competition, industrial or political, amongst ourselves with regard to it, because it would do us harm from an Australian point of view. If we had little injustices ranking in the minds of people interested in the industry, they would be magnified by visitors to Queensland or by persons reading about them, with the result that there would be chaos.

The value of our sugar export is about £2,000,000 per annum, and I think that figure is due to some extent to what we know as the British preference. Hon. members all know that the principal coastal towns of Queensland are mainly supported by the industry, and that, if we took the sugar industry out of the coastal belt of Queensland, we would practically kill those towns. Townsville and Rockhampton may, perhaps, be excluded from that category because of the pastoral and other industries behind them, but towns like Mackay, Innisfail, and Cairns are almost wholly supported by the sugar industry, and, if anything were done to injure the industry, all those towns would suffer tremendously.

As to the efficiency of the sugar industry in Queensland, it is only necessary to mention, so far as the growing side is concerned, that the tonnage of raw sugar produced per acre under cane increased as follows:—

					Tons.
1900	...	...	...	...	1.19
1920	...	...	...	...	1.83
1929	...	...	...	...	2.41

So that the yield of raw sugar per acre doubled in thirty years.

On the milling side there is a similar story, and the efficiency of the industry in this respect is demonstrated by the following figures giving the tonnage of cane required to make 1 ton of sugar in the countries mentioned:—

					Tons.
Queensland, 1929	...	...	...	...	6.91
Natal, 1929	...	...	...	...	10.06
Hawaii, 1929	...	...	...	...	8.50
Java, 1928	...	...	...	...	8.72

These figures will give hon. members an idea of how progressive we have been, and how successful have been the efforts made by those engaged in the industry.

The policy of restricting production by means of the peak-year scheme is the only

one to pursue. I wish to emphasise that point, because it is one on which I am particularly keen. Sugar being a controlled industry, we must keep our legislative machinery in order, and, as weaknesses become apparent, it is necessary to amend our legislation accordingly. From time to time, of course, amendment of the regulations has to be considered, but on this occasion an alteration of the Act itself is required, and once a decision is arrived at—it does not matter whether it is in regard to the sugar industry or anything else—we have to get to work and do what is required quickly.

I am particularly pleased with the progress and the unanimity that have been achieved on this occasion. Speaking on the initiation of the Bill, other hon. members and myself said that the sugar industry itself was right behind this amendment. In support of this statement, I wish to quote the published comments of the two sugar organisations—the Australian Sugar Producers' Association and the Queensland Cane Growers' Council—as they appeared in the "Daily Mail" of the 8th instant. The secretary of the Australian Sugar Producers' Association, who was one of the Queensland representatives on the recent Federal Sugar Inquiry Committee, said, *inter alia*—

"The proposed amendment gave definite authority to the Central Sugar Cane Prices Board that it should have had many years ago. From the point of view of defining the area and boundaries of the assigned land, it should be welcomed by canegrowers and millers who have the interests of the industry at heart. . . . When the Central Board had carried out its work of certifying to boundaries and areas, there was no doubt that the restriction of sugar to the requirements set down under the present policy of the Commonwealth Government would be much more easily attained. Really, the amendment will clarify the position."

The secretary of the Queensland Cane Growers' Council stated—

"It is a Bill that the sugar industry is right behind, and it is in accordance with the wishes of the industry."

These statements can leave no doubt in the minds of hon. members as to the desirability of the Bill. They have been made by the representatives of the official organisations intimately associated with the sugar industry. A deputation from the industry waited upon me the other night. I anticipated that I would have some difficulty, because I felt that there had been some misunderstanding. However, common sense prevailed, and, after I had given an explanation of the Bill, the deputations expressed the unanimous wish that it should become law. The deputation comprised—

Messrs. W. D. Davies, A. H. Nuttall, W. H. Decherty, and R. Muir, representing the Queensland Cane Growers' Council;

Mr. A. Innes, chairman, Mackay Manufacturers' Association;

Mr. S. H. Warner, Babinda and Mulgrave mills;

Mr. F. C. Curlewis, Australian Sugar Producers' Association;

Mr. F. Gilmore, South Johnstone mill and Mourilyan growers;

*Hon. H. F. Walker.]*

Mr. J. T. McNamee, South Johnstone growers and the Tully mill;

Mr. S. Theodore, Tully growers; and

Messrs. E. S. Smith, T. A. Powell, and A. R. Henry, members of the Central Sugar Cane Prices Board.

These gentlemen represented the great sugar industry, and they all agreed with the proposed legislation. Naturally, I have been guided by the advice and views of those engaged in the sugar industry in preparing this legislation, which I confidently recommend to hon. members. Before concluding, I would like to explain to the Leader of the Opposition that I found it necessary to have the draft Bill amended in a number of minor particulars; and, in view of the number of amendments necessary, it was considered advisable to redraft the whole of clause 2. I have much pleasure in moving—

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

Mr. W. FORGAN SMITH (*Mackay*) [4.59]: I do not propose to offer any objection to the Bill at this stage, but I should like to reaffirm what I said at the introductory stage—that the time has arrived when Parliament should review the whole of this legislation with a view to bringing it into line with modern requirements. In saying that, I speak with a full knowledge of the existing law and of the history of the law itself.

When the Regulation of Sugar Cane Prices Act was first introduced by the Government of which I was a supporter, it laid down a new principle of control in the industry. It was the culmination of long efforts to grant a measure of freedom to those engaged in the industry. It laid down a system of orderly control among all sections engaged in the production of this commodity.

The Central Sugar Cane Prices Board established under the Act was given certain authority. Amongst other authorities that were given was the power to assign land. The object of that was not to restrict the areas of land under production, but to provide for the orderly marketing of the cane, and to ensure that a canegrower whose land was assigned to a particular mill should have cane crushed that was of good quality and of a variety not banned by the Act. The mill was then bound to accept and crush that cane, while the conditions of harvesting and payment therefor were to be subject to an award made under the scope of the Act. That was done for the purpose of giving protection to those engaged in the industry; and it was also designed to prevent any victimisation that might take place between miller and grower. In other words, it provided that coercion should not be exercised against farmers to force them to accept conditions less favourable than they could obtain from the board.

In the early stages of this measure a good deal of litigation resulted. Certain proprietary mills objected to provisions of the Act and awards made by the Central Sugar Cane Prices Board on the ground that they interfered with their business. Happily, in almost all cases the Government won those lawsuits. Thus the Act was vindicated, and this method of administering the law given effect to. It received general support among those chiefly concerned.

With reference to the question of assignments, which is the main purpose of this

Bill, under the 1917 Act land that was then supplying certain mills was automatically assigned to the mills that they were then supplying. Later on, there were in some cases, no doubt, variations by agreement, and in other cases by application. With the improvements in the capacity of the various mills, and improved methods of cultivation, a new problem arose for the Government and the Central Sugar Cane Prices Board to deal with. More cane was converted into sugar than could be sold in Australia at a payable price. The problem of exporting the surplus sugar arose, and that part of the production is known as “the exportable surplus.” For some years past Queensland has been producing more sugar than is required for the Australian market, and, as a consequence, we have to sell that sugar in the best markets available. Happily, up to the present we have been able to secure rebates in duties in Great Britain, which has assisted the industry to some extent. In other words, these rebates represent to a certain degree a form of preferential tariff on Dominion-produced sugar. Nevertheless, that preference is not sufficient in itself to justify a continuance of the production of any large exportable surplus. The greater the surplus exported, obviously the lower the average price becomes for those engaged in the industry.

Taking the sugar consumed locally with the surplus sold abroad, the net price realised by the industry last year was a little over £19 per ton, which is approaching the price which was available for raw sugar in 1915-1916.

The Minister pointed out that quite obviously the Government have to carry out their agreement with the Commonwealth Government in good faith. That is so; and it is a matter for congratulation that the Commonwealth Government have seen fit to renew the embargo for a further period of five years. The system of orderly control in the industry is one that appeals to me, and one that could with advantage—with certain variations, of course—be applied to certain other Australian industries. Under the system of control by the Commonwealth and the State Governments, there is rationalised or orderly control from the point of production right through to the point at which the consumer purchases sugar over the counter of a grocer's shop. Due regard is had to all economic factors, and all interests are conserved under these agreements. Certainly, as conditions change from time to time, variations in detail may be essential; but the general principle of a continuation of that policy is one that must appeal to all who have the best interests of Australian industry at heart.

Under the Regulation of Sugar Cane Prices Acts we provide for the canegrower getting an award for his cane; and we stipulate that the mill shall accept that cane and pay for it under award conditions. Under the Sugar Acquisition Act we provide for the acquirement of that sugar by the State and its sale and distribution to the various refineries, which, in turn, give their services for certain fixed considerations. Further, the workers engaged in the industry have the protection of the Industrial Court awards so far as wages and conditions of labour are concerned. It will be seen, therefore, that the system has received

[Hon. H. F. Walker.

general support in the community, and is one which is firmly established in the minds of most Queensland people. We are not considering to-day any departure in principle from what I have enunciated, but merely the extension, to some extent, of that principle. I reiterate that the Central Sugar Cane Prices Board has in recent years been forced to assume functions that were not anticipated in the early stages of the development of that board. The Commonwealth Government, in their agreement with the State, definitely and deliberately called upon the Government of Queensland not to increase the exportable surplus and thereby reduce the average return to those engaged in the industry. As a consequence, the problem of assignment of land naturally bulks largely in the minds of the cane-grower.

The matter of assignments is one that requires reviewing in order that it may be placed on a basis that cannot seriously be challenged. It will be found that, under the operations of the various enactments, the extent of the gross and net area assigned in various districts not only varies as between mills in a district, but also as between farmers in a district. It will be found that in some areas 100 acres may be assigned in some cases, and quite a small acreage in other cases.

At 5.10 p.m.,

MR. SPEAKER resumed the chair.

MR. W. FORGAN SMITH: That is due to the fact that these lands were assigned in the early days, when the problem of surplus production had not obtruded itself, and anyone desirous of engaging in the industry and having suitable land could obtain a suitable assignment by arrangement either with the board or through the mill in the area. But that raises the question that the board will have to formulate and lay down definite principles upon which, in the future, assignments shall be granted.

The Minister referred in the course of his speech to the question of substitution. Under this Bill, in order to carry out the arrangement to prevent any undue increase in the surplus production, the Minister said that it was the intention of the Government to prevent the substitution of areas. That may be necessary for an obvious reason. If a man has, say, 100 acres of suitable cane land and he can transfer a 30-acre assignment to any portion of that land, it is obvious that he has a great advantage over another man with an equal assignment on a smaller area, and to the extent that he is allowed to get that advantage he is receiving the return to himself, but is also at the same time upsetting to some extent the scheme which has been adopted for the regulation and control of the industry. I am not offering any objection to the control under the method adopted, but it will be found in actual administration that the board will have power to grant variations of assignments when the circumstances justify such variation. It will be a matter that can be subjected to a question of fact. Where a good case can be put forward for the substitution of an area the board will have the right to grant that substitution.

I take it also that the board will have power from time to time to vary any existing assignments that may be set out in the proclamation. I mention these things because

the Minister will realise that it is necessary that they should be brought out in the debate, so that no alarm will arise in the mind of the bona fide grower that he may be subjected to unfair treatment as against any other individual engaged in the industry. The point to emphasise is that the board will still function, and will still have power to grant assignments and vary assignments on cause shown by the parties concerned. The board will continue to function in an equitable and just manner. Each case can be heard and determined on its merits. If a case for an alteration can be established, the board can grant such alteration where the facts of the case warrant such a departure or such variation. That is the exact position, but I am emphasising this, and making it clear because of the fact that many growers throughout the State may be perturbed about the position, and be led to assume certain wrong things by the passage of this measure. Already I have seen letters in the newspapers dealing with the question, and, if assurance is given to the growers that where a case exists for the variation of an assignment, the board has still power to grant that variation, then you will satisfy those engaged in the industry that the system of control on a just basis will continue, just as it has been established in the past.

An interesting feature about this Bill which requires to be emphasised is that the Central Sugar Cane Prices Board is the sole authority which will fix assignments, and will be able to establish what area on a given farm shall be the assigned area. In other words, its certificate will be sufficient evidence that the instructions of the board have been carried out, and there will be no appeal from the decision of the board in that respect. That is done with the definite purpose, I have no doubt, of policing the area so as to prevent any undue inflation thereof either by accident or connivance.

A further point to emphasise is this—the Minister did not mention this in his speech, but it is just as well to make it clear—the Central Board is given what might be termed extra-judicial functions under this Bill. It is given greater authority than was the case in the past. In other words, the Central Board will, on the passage of this measure, be given largely the same powers legally as the Industrial Court, and that, within the ambit of the jurisdiction of the Central Board, no appeal will lie to any other authority. That is clear, and that is the intention of the Government.

THE SECRETARY FOR AGRICULTURE: Yes.

MR. W. FORGAN SMITH: It needs to be emphasised that the status of the board is being increased and that it is being given what might be described as extra-judicial authority. In other words, its decision in matters coming within the scope of the law which it administers shall not be subject to any form of appeal. That is in accordance with the position of the Full Bench of the Industrial Court in exercising its jurisdiction. It is necessary that that form of authority should exist. Obviously, if expensive litigation were permitted, many difficulties might arise from time to time. For example, if appeals lay against the decision of the board, its operations for the orderly control of the crop in any one year might be seriously hampered. In addition to that, men who could ill afford

*Mr. Smith.]*

it might be involved in litigation of an extensive character, so I do not offer any serious objection to this departure in the law; but it is worthy of emphasis, because it is a definite and important departure. It is worthy of note that under the existing Act the Chairman of the Central Sugar Cane Prices Board is a Supreme Court judge, and, as such, exercises the power and authority of that position. But if at any time an alteration is made in the law relating to the Regulation of Sugar Cane Prices Act, that extra-judicial authority to which I have referred in this Bill will have to be given due weight in the consideration of any amendment that may be proposed.

Another feature of the measure which is worthy of note is that it validates a number of Orders in Council and regulations. I have no doubt that that is done because the Minister desires to make sure that anything he has done in the past shall not be challenged. It is an interesting example of government by regulation referred to so well by Lord Hewart in a standard work that has had a wide vogue recently. In that direction I would advise the Minister to be very careful about the powers that he exercises under the regulations to issue Orders in Council. However, the purpose of validating those Orders in Council is to carry out a policy already agreed upon by all those concerned, and, therefore, is not likely to be subject to any legal difficulty on the part of those who are interested.

The Bill is one that is desired by the Government majority. It is, I understand, supported by the sugar associations concerned, the people who have been empowered under statute passed by this Chamber to speak on behalf of those engaged in the industry. The Cane Growers' Council was established by Parliament while I was Secretary for Agriculture, and is given certain statutory power, and every member of the Cane Growers' Association established under that Act is a member. In other words, the Minister, by means of this and other Acts, is perpetuating a system of preference to unionists that might have interesting implications in other directions. The Minister is not interfering with that. However, I venture to suggest that, inasmuch as all the canegrowers are members of this association, under the statute passed while I was a Minister, it has the right to speak as the competent authority in expressing the views of the people interested. It is proper that that system of organisation should continue. Where an industry is well organised on the producing or any other side, the organisation so formed can be very helpful to a Minister in the administration of any Act of Parliament; but that, of course, does not abolish Ministerial and parliamentary responsibility. For any Act passed by this Parliament, Parliament itself is responsible. Hon. members have to scrutinise it for themselves, and be satisfied as to its equity and justice. If it is a recommendation of an association and embodies its views, its passage is, nevertheless, the responsibility of Parliament. Parliament must approve or reject the principle.

I repeat that the problem is becoming more complex every year. The Minister referred to the fact that more sugar is being produced in the world than can be sold. He made the mistake of saying that more was being produced than could be

consumed. The position really is that more sugar is being produced than can find a suitable market. Many people cannot afford to buy sugar. Some of the sugar-producing countries, particularly in Central Europe, are exporting sugar because they have no other currency—because their peoples have no other means of purchasing the things that they require. So that in countless different directions the difficulty has been accentuated. In Cuba they have the same problem, and in various other countries also.

The point I want to make is that the policy adopted by the Government in Queensland in regard to the production of sugar and embodied in this Bill is an amplification of, or is designed to some extent to give effect to, what is known as the peak-year scheme. I find that, with the best intentions in the world, in the desire to control one phase of an industry or solve one problem, new problems are constantly being created. No one can say definitely that the peak-year scheme or the scheme amplified in this Bill is the last word that can be said on this problem. At the best, it is a rough and ready method of dealing with a recognised difficulty. It may give a rough approximation to justice, but the essential problem remains. In relation to the cultivation of cane, the growers who have assignments have acquired them either by long usage or by means of permits. To some extent a vested interest is being built up around those assignments. That raises the problem of the man who comes into the industry later, and the problem of Crown lands and other lands taken up for sugar-growing in recent years. I am quite satisfied that, as time goes on, these difficulties may become more acute. Having regard to these facts, I am quite satisfied that the time is coming for a full review of this method of control of the industry. I have already pointed out how entirely different has been the operation of the Central Sugar Cane Prices Board from what was expected when it was called into being. The board had to do the best it could with the data available. I am satisfied that it is the duty of the board, of the Government, or of Parliament to lay down a formula for the equitable assignment of cane lands throughout Queensland, to provide for a transfer of land, and to stipulate the conditions under which assignments can be transferred.

The Minister would be well advised to consider carefully what I said at the introductory stage of the Bill, when I recommended the appointment of a parliamentary select committee to review the question. The individuals whom I recommended are quite capable of undertaking the task. I am not altogether wedded to the appointment of a parliamentary committee to undertake this investigation; but it is essential, in the interests of the Queensland sugar industry, that the whole matter be reviewed with a view to establishing a form of orderly control on a sounder basis than exists at the present time, thereby providing standards of equity amongst all the interests concerned.

THE SECRETARY FOR AGRICULTURE: Quite sound.

MR. W. FORGAN SMITH: It will be found that, as time goes on, and as these vested interests centre round assignments of cane land, new and greater problems will be created each year, and that the system of

[Mr. Smith.]

transfer of assignments as well as substituted areas will become problems that the board will, no doubt, have to deal with later on. I am not offering any objection to the passage of this Bill; but I recommend to the Minister that he establish a sound form of investigation to consider the whole problem with a view to removing existing difficulties, with a view to simplifying procedure, and with a view, perhaps, of providing a better basis than now exists. Parliament, the department, and the board obtain additional knowledge as a result of the experience in administering a measure of this kind. There is a gradual and general evolution proceeding all the time. With improved varieties of cane, and with improved methods of cultivation, the problem presents many phases. The accumulated knowledge and experience of those engaged in the industry and of those who understand the economics of the industry should be mobilised with a view to arriving at conclusions, so that the Act may be brought up to date and many things that are now complex simplified. This would result in benefit to the industry, and, through the industry, to the people of the State.

THE HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) [5.28]: There is a certain amount of cane land in my electorate.

MR. BRUCE: Where?

THE HOME SECRETARY: At Flaggy Rock and at Carmilla.

MR. W. FORGAN SMITH: You may have more cane land in your electorate after the redistribution of the electorates.

THE HOME SECRETARY: I would not mind if all the cane land in Queensland came into my electorate. We now propose to vest certain powers in the Central Sugar Cane Prices Board.

MR. W. FORGAN SMITH: Extra-judicial powers.

THE HOME SECRETARY: The board will be called upon to give a decision after hearing the representations on behalf of the growers, and its decision will be final and without the right of appeal. The board has not given the satisfaction that the growers expected.

MR. PEASE: Hear, hear!

THE HOME SECRETARY: I realise that it is not possible to give satisfaction to everybody; but I believe that, when the Bill is passed, greater satisfaction will be enjoyed and greater latitude will be extended to the growers than has hitherto prevailed. I have had evidence in my electorate—whether it is true or not I cannot say—that the Central Sugar Cane Prices Board has granted assignments of up to 60 acres to some men and assignments as low as 10 acres to others. That surpasses my comprehension. I hope that, with the assistance of the additional power that is being granted to it, the board will extend a meed of justice to the growers who have not received satisfaction in the past.

I have repeatedly brought complaints under the notice of the Central Sugar Cane Prices Board. I have always received a stereotyped reply that nothing could be done. From my point of view, the board has definitely overlooked certain responsibilities in that regard. The Minister has assured me—and we know it—that under the powers vested

in the board it can rectify the matters complained of; but, if it feels it cannot do so, then this Bill will confer greater powers upon it on the lines suggested by the Minister. If the difficulty cannot be overcome with the passage of this Bill, then we can overcome it by increasing the representation of the growers on the board. I am not sure that we have enough growers' representatives on the board. If we had a growers' representative for the North and a growers' representative for the Southern division, perhaps the infusion of new blood on the board might stimulate it in giving greater satisfaction in the direction I have indicated.

The President of the board is a judge. That gentleman may have a very shrewd knowledge of the industry; but up to the present time I have come to the conclusion that the best persons to adjudicate in cases like this are people who have a very deep interest in their own industry. I hope that, when this Bill is passed, the board will give particular attention to the many grievances now existing. The Leader of the Opposition pointed out that the time is ripe, and the Secretary for Agriculture acquiesced, for a thorough overhaul of our sugar legislation, and so bring about a condition of affairs which will mean not only better conditions for the growers but greater stability with respect to assignments. These factors will make for the betterment of the sugar industry. I merely rose on behalf of my constituents in the northern portion of my electorate to voice my protest against the apathy shown to their interests, and to express the hope that, when the Bill is passed, the board will give greater consideration to their wishes than it has done in the past.

MR. BRAND (*Burrum*) [5.32]: I am quite peeved that the hon. member for Herbert, who represents a large sugar-growing constituency, has not risen before me. I hope that he will rise after me.

This Bill surrounds the whole question of restricting sugar production, therefore, it is one which might be open to some criticism.

MR. DASH: Didn't the Minister put the case for the Bill before you?

MR. BRAND: He did. The Minister gave a very full history of the Bill. He convinced the Opposition that the Bill is one which should be passed in the interests of the industry. Whilst there may be some criticism of it in some quarters, I am pleased to know that at least the divergent political opinions represented in this State are at one on the Bill.

Since the war the sugar industry, like many other primary industries, has made wonderful progress. That is due to the clamor call made during the war that all producers were to produce more. There was one great cry at the time, and that was "Produce! Produce! Produce!" That appeal was made by the Prime Minister of the Commonwealth, and the sugar industry was encouraged to extend the area under cultivation. So much so that in after years succeeding Commonwealth Governments offered special and peculiar protection to safeguard the industry. In 1916 Australia produced only 192,831 tons of sugar. During the same year no less than 125,047 tons of sugar were imported. Last year Australia produced 535,164 tons of sugar, and of that quantity 209,856 tons were exported overseas.

*Mr. Brand.]*

There would be no necessity for restriction of this commodity if its price on the world's market was such as to enable the sugar producers here to export at a profit. Unfortunately, however, sugar is one of those commodities in respect of which we have to compete, at least so far as the overseas market is concerned, with a product grown under black-labour conditions.

Mr. W. FORGAN SMITH: Even under those circumstances we find Jamaica claiming that the world price is too low to enable it to carry on successfully.

Mr. BRAND: That is so. We have to compete with countries like Java, Cuba, and the British West Indies, where the wages range from 1s. to 3s. per day, and where even under those conditions it is impossible for sugar to be exported at a profit. Many of those countries are exporting at a tremendous loss. How much more difficult, therefore, is the position in Queensland, where we grow our sugar under white-labour conditions! Last year the sugar exported abroad totalled 209,000 tons, which was a greater quantity than was produced in Australia in 1916. After receiving the benefit of a favourable exchange and of a British preference to the extent of £4 per ton, the net return to the industry was only £8 5s. per ton in respect of the sugar exported. That is the reason why it has been necessary to call a halt to the production of sugar, and why it has been found necessary to introduce a Bill such as this to restrict the areas of cane cultivation in Queensland. In this respect we are only following in the footsteps of many large sugar producing countries, where in such cases a five-year plan has been adopted in order to restrict the output of sugar in an effort to stabilise that industry. So serious was the position in the British West Indies that the British Government sent a Commission of Inquiry there, and that commission found that, without British preference, the sugar industry would collapse.

Irrespective of the decree of the Prime Minister that we have to restrict our sugar output, it is incumbent upon the State to take this step of its own volition, in order to preserve the industry as we have it to-day. It may be considered a backward step, but it must also be realised that the sugar industry is a most important one, not only from the production point of view but also from the standpoint of the white Australia policy, which is so firmly established in this country.

Under this Bill we are giving very far-reaching powers to the members of the Central Sugar Cane Prices Board. The millers and the growers have equal representation on the board. A Supreme Court judge presides over its deliberations, and he is assisted by two Government nominees. As the powers proposed to be conferred will mainly fall on the shoulders of the millers' and the growers' representatives, it is essential that these gentlemen should carry out their duties with justice to all sections of the industry. A great responsibility is placed upon the board under this Bill, and it must stand up to that responsibility. It will have much greater responsibilities than it has had in the past, and the members should be such as to give absolute satisfaction to the whole industry.

I listened a few moments ago to the Home Secretary; and, so far as the administration

[*Mr. Brand.*]

of the board is concerned, there is great dissatisfaction over the assignment question. That feeling exists in practically every sugar area in the State. There is the question of substitution and the question of transfers. Many farmers desire to substitute areas assigned for others on the farm, to make the working of the farm more convenient. In the matter of transfer and substitution the board will have to deal with equal justice to every mill in the State. The board will not be able to make fish of one and fowl of another. In my district the Gin Gin Central Mill has been applying since 1928 for an assignment of land and the transfer or substitution of land, and it has not been able to get satisfaction, while in another locality a mill of similar capacity is able to get that justice.

Mr. CLAYTON: I put my case very well.

Mr. BRAND: My experience of the sugar-growers is that they can always put their case very well, as they have an excellent organisation. I want to see every mill in the State given equal justice in the matter of transfers or substitutions. This matter will come before the board; and it is going to be brought before the Minister as time goes on; and I hope the board will do justice to the responsibilities that are now placed upon its shoulders.

In many areas various changes become necessary, particularly in the growing of cane. The attitude that the Central Sugar Cane Prices Board has adopted in regard to the growing of certain canes concerns me very much. We know that certain cane has been put on the "disapproval" list; and in the case of Uba cane it seems to me a certain penalty is placed on it by a certain mill, and in the case of another mill the penalty has a different value. I cannot understand the reason for that. Some of the millowners in the Bundaberg district recently desired to grow this cane, and gave the growers an option to grow it with a penalty, in the case of Bingera, of 2s. 6d. a ton; in the case of the Isis Central Mill, no penalty at all; while the Central Sugar Cane Prices Board has awarded a penalty of 3s. 9d. a ton in some cases and of £1 a ton in others. A penalty of £1 a ton on sugar produced from Uba cane in future years has been intimated by the Sugar Board, and, so far as I can see, it has made the announcement on a mere statement made to it and not on the facts of the case. It should be the duty of the Sugar Board to investigate this matter again.

I am given to understand that in connection with the Fairymead mill at Bundaberg last year approximately 70 per cent. of that variety of cane was grown, and the return from the mill disclosed that it could make a ton of sugar from about the same number of tons of cane as any other mill in the district growing other cane, or growing what are termed "noble" canes. If Uba cane discloses that, under Queensland conditions, it does not contain the refractory juices that it is known to contain in Africa, and if it is proved that it can give a greater quantity of sugar per acre than other cane, then, in my opinion, its growth should be permitted. I do not think that the Central Sugar Cane Prices Board, although it has had the matter before it every year in Bundaberg, has taken the trouble to get sufficient evidence to



enable it to determine the penalty that should be imposed with regard to that cane. If it has, it seems peculiar that some mills are prepared, of their own volition, to offer to the growers the right to grow that cane with a lesser penalty than the board is prepared to impose. In view of the extent to which Southern Queensland is suffering from the ravages of disease, I trust that the Central Sugar Cane Prices Board will give the matter attention; and, if these disabilities do not exist, will see that the penalties now provided are taken away and farmers are allowed to grow that cane, if not without some restriction, at least under approved conditions. I send my sugar to the Colonial Sugar Refining Company's mill at Childers. That company gives the right to growers to grow that cane under approved conditions, with a penalty of 5s. per ton. That penalty of 5s. takes into consideration the £1 penalty that the Sugar Board has intimated will prevail next year. Taking these things into consideration, we find that outside Fairymead those mills which have given the right to grow that cane have intimated that the penalty should not be as severe as that imposed by the Central Sugar Cane Prices Board.

I trust that the Minister will see that justice is done in this matter. He was asked certain questions this afternoon by the hon. member for Port Curtis relating to this cane and to the action of the Central Sugar Cane Prices Board. There are quite a number of other questions that could be asked on the matter. Growers should be able to grow a cane if it is considered a desirable and efficient cane to grow. I have gone into this matter very fully in the Bundaberg district from the growers' point of view, and have found that Uba cane is one of the highest quality canes we have. Experience has shown me that that cane over an average of eight years has given an average yield of 23 tons with an average c.c.s. of 14, and that is considered to be exceptionally good. A cane like that should not be condemned by any tribunal if the interests of the canegrowers of Queensland are considered. After all, it should not be forgotten that the Central Sugar Cane Prices Board was brought into being to assist the cane farmers of this State, and I hope it is going to continue to do so.

Mr. WIENHOLT (*Passifera*) [5.50]: I realise the many difficulties surrounding this question and indeed the whole of the industry. No man in his senses would be hostile to or under-value the enormous importance of the sugar industry to Queensland in particular and to Australia as a whole. The Minister very happily coupled the sugar industry with the dairying industry—and I might add the wheat industry—as examples of industries which have done so much to promote closer settlement throughout Australia. I want to make it quite plain that in giving any vote on this measure I do not give a vote which will enable it to be said that I approve of or become responsible for the principle of restricting the output of any highly valuable food, especially at a time of great and growing distress throughout Australia. I believe that pure cane sugar must rank very high in the list of standard foods—probably third—for children, at any rate. When we find ourselves in the position of actually proceeding to give licenses to grow such a com-

modity, then I say we are getting into very deep water indeed. We must remember that in restricting production we are also restricting employment; and that in itself gives cause for very serious thought. I believe that nothing can do more serious harm to the sugar industry in the estimation of the public of Australia than the fact that we are actually restricting the production of sugar by mandatory means. The question, of course, is wrapped up with and vitally concerned in the question of fixing the price; and I believe that, looking at the matter in the widest sense, at a time like this, it is also in the interests of the industry itself, that there should be some reduction in price in order to increase the consumption of this commodity by the Australian people.

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

#### COMMITTEE.

(Mr. Roberts, East Toowoomba, in the chair.)

Clause 1—"Short title and construction"—agreed to.

Clause 2—"New section 6A—Certificate of Central Board as to assignment of land"—

The SECRETARY FOR AGRICULTURE: (Hon. H. F. Walker, *Cooroora*) [5.54]: I beg to move the following amendment:—

"On page 1, lines 16 to 22, both inclusive, and page 2, lines 1 to 24, both inclusive, omit the proposed new section, and insert in lieu thereof the following new section:—

'[6A.] Notwithstanding anything contained in this Act or in any other Act or in any law or rule or process of law to the contrary—

'(1.) Where any question has arisen before the passing of "The Regulation of Sugar Cane Prices Acts Amendment Act of 1931," or shall arise, subsequent to the passing of such Act, as to what land has been or may be assigned to any mill, pursuant to any Order in Council or notice made or to be made pursuant to the provisions of this Act, in the case of any particular grower or growers, a certificate of the Central Board under the hand of the secretary, as to the area and boundaries of any land, being the subject of any such question which has already arisen or which may hereafter arise as aforesaid shall be final and conclusive, and shall be binding on all courts, boards, or persons, and shall not be appealed against, reviewed, quashed, or in any way called in question in any court on any account whatever.

'(2.) The Central Board may declare the percentage of any assigned area from which cane shall in the year one thousand nine hundred and thirty-one or in any subsequent year be taken delivery of by the millowner if tendered, and notwithstanding anything to the contrary in any Act contained the millowner's obligations shall be limited accordingly.

'(3.) The Central Board shall have exclusive jurisdiction to construe or interpret the meaning of any such

Hon. H. F. Walker.]

certificate or any amendment thereof which the Central Board may see fit to make, and any such construction or interpretation may be given on the application of any person interested or by the Central Board of its own motion."

Mr. W. FORGAN SMITH (*Mackay*) [5.55]: I would like the Minister to give an explanation of the effect of the amendment. It is true that the Minister has made certain alterations in clause 2 as drafted, apparently for convenience. In the first line on page 2, the words "or notice" are inserted after the words "Order in Council," and the clause reads—

"Notwithstanding anything contained in this Act . . . Where any question has arisen before the passing of 'The Regulation of Sugar Cane Prices Acts Amendment Act of 1931,' or shall arise, subsequent to the passing of such Act, as to what land has been or may be assigned to any mill, pursuant to any Order in Council or notice made or to be made pursuant to the provisions of this Act . . . shall be final and conclusive and shall be binding on all courts . . ."

The clause provides that any Order in Council made pursuant to this Act and accompanied by a certificate of the Central Board under the hand of the secretary shall not be appealed against, reviewed, quashed, or in any way called in question in any court or on any account whatever.

This clause gives very far-reaching power—power that confers the extra-judicial authority to which I referred in my second reading speech. It is an important departure in the administration of law, and one that should not be treated lightly by this Parliament. The Minister may be able to satisfy Parliament that there is a good and adequate reason why the board should be given this extra-judicial authority—power that is vested only in a court like the Privy Council. The Orders in Council are not to be appealed against in any court. That is to say, an Order in Council issued by the Government of the day upon the recommendation of the Minister concerned shall not be capable of being reviewed in any court. To the extent that such power becomes law the rights of the appellant are circumscribed. There are certain legal rights inherent in any free community, and which should not be held lightly or varied lightly. It is necessary that Parliament should be thoroughly satisfied that it is doing the fair and equitable thing, and is not impinging on any of the principles of liberty in a free community which we should cherish. It is clear that in the Bill as it stands the Orders in Council will not be capable of being reviewed in any court on any account whatever. That is a very wide power.

I can understand a tribunal being given full authority within its own jurisdiction to prevent vexatious litigation and delay. I can instance the industrial jurisdiction as an example. In all industrial codes rapidity of operation is important in the administration of the law, and for that reason, amongst others, the court is given supreme jurisdiction. Again, it prevents people desirous of evading the provisions of an award from being able to delay proceedings by a number of appeals to various courts, thereby preventing other people from obtaining that need of justice that the court was established to provide. These extraordinary

powers of the board can only be justified by very grave reasons. The Minister should give those reasons to the Committee. Further on the clause provides that the Central Sugar Cane Prices Board shall be a court of review with respect to its own proceedings. That is an extraordinary provision. The court is to be the court and the only court that shall have the right to interpret the decisions of the board.

THE SECRETARY FOR AGRICULTURE: The same as the Industrial Court.

Mr. W. FORGAN SMITH: There are appeals from the Industrial Court on questions of law. This goes a good deal further than that. This deals with Orders in Council. An Order in Council issued under this Act is not to be subject to any test in the Supreme Court as to its validity. I notice that the amendment is in the same category. It provides later on that any person interested in the Central Board may move the board for an interpretation. It is like an appeal from Caesar to Caesar. I call attention to this matter not in any carping spirit, but merely to point out to the Committee the extraordinary provisions contained in this Bill, and the tendency of modern legislation in given directions. You and I know, Mr. Roberts, that the Government have done some of the most extraordinary things by Order in Council. We do not want that system perpetuated unduly, without proper warning, or without due regard to all interests concerned.

Mr. MAXWELL: You ought to know all about that.

Mr. W. FORGAN SMITH: The hon. member for Toowong has a very childish mind.

Mr. MAXWELL: Nevertheless, I can discern political hypocrisy.

Mr. W. FORGAN SMITH: The hon. member reminds me of the boy who, after doing a wrong, calls attention to the boy across the fence as having done something much more heinous. That is no justification in ethics or morals. It is for the Government to justify their own actions, and it is the duty of the Government to justify the creation of a tribunal which is to be the interpreter of its own law, and from which there is to be no right of appeal. The Minister interjected that this power was on all fours with the power conferred on the Industrial Court. In the making of awards the Industrial Court is the supreme authority, but on questions of law and the jurisdiction of the court the right of action does lie to a superior court. In this case there is no such provision. Even a notice signed by the secretary acting on behalf of the board is to be final and conclusive. I have raised the matter to call attention to the tendency of this Government to adopt legislative measures of this kind. In doing so they are laying down some rather remarkable precedents, which, although they may be suitable to the sugar industry to-day, may be most unsuitable later. The freedom of the individual should be protected in all ways. The principles of our jurisprudence are the result of the accumulated experience of our people over many centuries, and should not be regarded lightly or subverted for apparent immediate advantages. The Minister should show that his purpose cannot be accomplished in any other way.

[Hon. H. F. Walker.

The SECRETARY FOR AGRICULTURE (Hon. H. F. Walker, *Cooroora*) [7.6]: The reason why I did not elaborate on the other amendments is that the whole of the debate has been confined to one clause. I really thought that the Leader of the Opposition was as conversant with the position as any other hon. member.

In my opinion, the question of appeal is not necessary at present, nor has it ever been. The history of the Central Sugar Cane Prices Board shows that there has never been any appeal from its decision.

Mr. W. FORGAN SMITH: There have been actions which have gone to the High Court of Australia.

The SECRETARY FOR AGRICULTURE: But there has never been any notice of appeal against the decisions of the board.

The board has been in existence for some years, and we are doing no more now than what has been proved by actual experience to be necessary. We are certainly taking away the right of appeal; but we are doing so on account of special circumstances which have arisen, and which make it necessary to safeguard against the danger of over-production in this industry. Had we not taken action, it would have meant chaos, and it is difficult to say where we would have landed. That is the reason why we have taken away the right of appeal. I am satisfied that, even if the board is remodelled, there will never be any necessity for an appeal, because, generally speaking, the farmers are satisfied with the work of the board. I do not suppose that out of 8,000 farmers concerned even 1 per cent. are dissatisfied with the decisions which the board has given up to the present time.

Clause 2 practically lays down that the certificate of the board shall be conclusive as to the area and boundaries of any land which has been granted an assignment to grow cane. In other words, there will be no question as to the actual land that is assigned to anyone who may grow cane.

The second paragraph provides that, from and including the present crushing, the board may declare the percentage of the assigned area which may be harvested in any year. Putting it in another way, the board may lay down the percentage of land in an assigned block from which the landowner may deliver cane to the mill, and it shall not be obligatory for the millowner to take any cane from any land in excess of the definite percentage specified by the board.

The third paragraph provides that it shall be the exclusive province of the Central Board to interpret the meaning of any certificates setting forth particulars of the land which can grow cane. This will prevent any disputes as to what the board intended when it issued a particular certificate. That goes to the crux of the question. The Central Sugar Cane Prices Board is to be supreme, and there is no right of appeal. Generally, the whole object of clause 2 is to restrict the canegrower to harvest only 75 per cent. of his assigned area annually, and the board is given supreme control in deciding what additional percentage a grower is to get, if any. That gives the board authority to say where the assignment is and the actual nature of the assignment. The reason why the interpretation is left solely

to the board is that, if the matter were left to a Supreme Court action, the decision would necessarily have to be left to a jury; and it is considered that the Central Board is more competent to decide on such a question than any jury, which may be composed of people who do not really understand the industry or the assignment question. It is hard to say where we would get if it were left to a jury. It is purely a one-clause Bill, and that clause has been framed in such a way that we give the Central Sugar Cane Prices Board supreme authority in all matters appertaining to assignments.

Amendment (Mr. H. F. Walker) agreed to.

Clause 2, as amended, agreed to.

Clause 3—"Validation of Orders in Council, etc."—

The SECRETARY FOR AGRICULTURE (Hon. H. F. Walker, *Cooroora*) [7.12]: I beg to move the following amendment:—

"On page 2, line 26, after the word—  
'notices,'

insert the words—  
'or orders.'"

Mr. W. FORGAN SMITH (*Mackay*) [7.13]: The amendment is intended to amplify the powers of the Governor in Council. It is necessary to place beyond any shadow of doubt the validity of the regulations and Orders in Council issued from time to time under the Act for the purpose of carrying out the general sugar policy. To some extent in the clause and in the Bill generally the Minister endeavours to provide a method of carrying out certain proposals in regard to the sugar industry which are the subject of agreement amongst those concerned, such as the peak-period scheme, and so forth. The Bill may do all that is intended, and certainly, with effective and full administration, the Central Board will have complete power. I am still of opinion, as I indicated previously to the Minister, that the Bill of itself does not finally and completely do that. What is required is an amendment of the Sugar Acquisition Act, embodying all the Orders in Council issued thereunder. The Minister would be well advised to look into that phase of the question at a later date. However, I do not propose to labour that question at the present time. I have no objection to this amendment.

In connection with Orders in Council and regulations under Acts generally, I have had some correspondence from Hambleton regarding the dismissal of an application to the Central Sugar Cane Prices Board for an award there. I am not acquainted with the details of the matter; but it has given rise to a good deal of feeling in certain quarters. I know that a percentage of growers at Hambleton have for many years desired an award, but the Colonial Sugar Refining Company has endeavoured to prevent an award being made. The company has induced—I use the term advisedly—the growers to sign a certain agreement without applying to the Central Board for an award. When I was Minister, they asked me to do away with the necessity for a number of growers making application to the board for an award. The view of the growers was that an award should be granted by the Central Board where a local board did not function. I did not agree to that proposition. I took the view that, if farmers supplying a central mill wanted an award, they ought to be willing

Mr. Smith.]

to exercise their rights under the law in the ordinary way. I would like some assurance from the Minister that no influence or effort will be countenanced which will in any way prevent growers being deprived of their rights under this law. I know that in the early administration of this law certain companies opposed it severely. We had the Foster agreement and a number of things operated at the time. In one or two cases the Government had to fight a case through the whole of the courts of Australia to protect the growers' rights under the Act; and growers should cherish carefully the benefits given under this law. This law is of as much importance to a canegrower as the Industrial Court is to a wage worker; and nothing should be allowed to creep in which would in any way affect the right of individual canegrowers to get the protection of this Act.

Amendment (*Mr. H. F. Walker*) agreed to.

Clause 3, as amended, agreed to.

The House resumed.

The CHAIRMAN reported the Bill with amendments.

Third reading of the Bill made an Order of the Day for to-morrow.

#### MORTGAGORS RELIEF BILL.

##### SECOND READING.

The PREMIER (Hon. A. E. Moore, *Aubigny*) [7.19]: This Bill is designed to relieve any necessitous cases without frightening investors, which would render the securing of advances for ordinary business enterprises more difficult. It is only in extreme circumstances such as are operating to-day that there would be any justification for a Bill such as this. As a rule, to interfere in contracts between individuals would cause a great deal more harm than good. I am not quite sure that the effect of a Bill such as this is going to be all that is anticipated, or whether it is not going to cause additional trouble. It goes a good deal further than the last Bill we had dealing with the same subject, and is intended to assist in preventing foreclosure, where the circumstances warrant, and also to allow a mortgagor to go to the court and secure either a reduction in interest or an extension of the term for repayment, or a suspension for a period during which only interest is to be paid. All that is interfering to a great extent with ordinary private contracts. There are many difficulties in connection with the question; and I do not think it would be necessary to introduce a Bill if we were dealing with reputable financial institutions, whose business it is to manage their affairs on the basis of good faith and fair dealing, and who have to live to a certain extent on their popularity for the way in which they have conducted their business. But there are other cases—I do not want to particularise individuals, because there is no occasion for it—in which people have taken advantage of the difficult position that exists to enrich themselves at the expense of the unfortunate, and to impose harder conditions on those who have to meet their obligations than were ever contemplated when they first made their contracts. It is in an endeavour to mitigate the difficulties under which these people have to suffer that this Bill is introduced.

Unfortunately, owing to the happenings of the last ten or twelve years, when large sums of loan money were spent, people went in

for all sorts of extravagances. I am not going to say that they looked for those avenues of extravagances themselves. In many cases the opportunity was thrust upon them by agents, who went through the country and offered them machinery and other things under conditions which seemed attractive. At a time when prices were high, such people went in for propositions at prices which were altogether too high. In some cases, for instance, people bought sugar farms at prices which were inordinately high, at a time when prices were good and there was a very small exportable surplus. Then you had agents going round the country offering expensive machines to the primary producers, who purchased such machines and thus put loads around their necks. I do not want to shelter them unduly; but the fact remains that they did put loads around their necks by accepting the obligation of making weekly or monthly payments for years afterwards. They have really got no one to blame but themselves; but I think that in the difficult position in which we now find ourselves we ought to protect them so far as we can from the results of their folly.

MR. W. FORGAN SMITH: Does the Bill cover the purchase of machinery on time-payment?

The PREMIER: It covers time-payment machinery or anything in which the thing purchased is the security for payment, but it does not cover overdrafts or money payable on demand. It covers all the rest. That is the legal opinion. The definition of "mortgage" which largely governs the scope of the Bill is very wide—

"Any deed, memorandum of mortgage, instrument, or agreement whereby security for payment of money is granted over real or personal property or any interest therein, and includes an agreement for sale and purchase of real and personal property where payment of the unpaid purchase money and interest thereon is secured on such property."

That covers a pretty wide area; and I think hon. members will find that it covers exactly what I have stated. At any rate, the whole object of the Bill is to endeavour as far as possible to meet necessitous cases. It is quite easy, of course, to bring in a Bill to alleviate individual cases of hardship; but we must be careful that in alleviating those individual cases we do not do injustice to a large section of the community who are vendors or lenders.

We have to try to hold the scales of justice evenly between both sections of the community. One meets with considerable difficulty in dealing with these cases of hardship, when people have purchased properties or have entered into agreements for leases with the option of purchase at a price far in excess of the value to-day. Nobody anticipates that the value to-day will be the value for all time. At the present time we are passing through an economic blizzard in Australia, and nobody expects it will last indefinitely or even for a long period of years. We want to give the people an opportunity of bringing about a readjustment of the position in which they find themselves. This Bill is introduced for the purpose of enabling both sides to put their case to the court.

Before the mortgagee can take action for foreclosure or with the object of selling up the individual who is indebted to him, he

[*Mr. Smith.*]

must give one month's notice of his contemplated action to the mortgagor, and the mortgagor, upon receipt of notice, has the right to make application to the court for relief. The Bill lays down the matters that must be taken into consideration by the court. It does not mean that an individual can sit down on a property and allow it to go to rack and ruin, to become overgrown with noxious weeds, or anything like that. The mortgagee will have power to prevent that being done. Conditions are laid down for both sides. If the mortgagor is to get relief, then he must carry out his part of the bargain.

Mr. W. FORGAN SMITH: The Bill, in the main, is to give relief to the individual who, through no fault of his own, is in financial difficulties because of the low price of his products.

The PREMIER: That is exactly the position. We want to give these people an opportunity to recover, and the court is empowered to take all factors into consideration, including the question of whether the individual has an opportunity of getting out of the position that he is in, or whether he is in a perfectly hopeless position, and it would be advisable for the mortgagee to take possession rather than allow the mortgagor to continue in possession and thereby jeopardise the rights of the mortgagee. The Bill is based upon fairness, equity, and good conscience. It is not intended to be availed of to enable one individual to reap a benefit at the expense of another. The mortgagor will be at liberty to apply to the court to have the amount of his periodical payments reduced or postponed for a time, or for the right of repayment over a longer period in order to cope with the new situation resulting from the fall in the prices of his products. No power is given in the Bill for the court to grant a reduction of the purchasing price, but there is power to extend the period of repayment. That is a matter that may be taken into consideration by the court, which may say, "You need pay only interest over a certain period."

A similar Bill was introduced on a previous occasion allowing for a reduction in the rate of interest in certain cases, but this Bill has to do with the principal, and not with interest at all. One Bill is a corollary of the other. It is an endeavour to assist people who are in very difficult circumstances at the present time. If we were looking for popularity, or were unmindful of the future, we could go a great deal further with this legislation, but the individuals concerned would find themselves in difficult circumstances. In introducing a Bill to deal with private contracting parties, it is quite easy to go so far as to render business very difficult. When the Moratorium Bill was introduced in Victoria to cover a wider area, it practically had the effect of shutting out credit altogether, and, instead of rendering easier the position of the people whom it was endeavouring to assist, it made it considerably worse. It absolutely closed down on them altogether, and any benefit that they afterwards got was obtained with extreme difficulty. Naturally the storekeepers or the people who were supplying the goods or machinery were not going to be put in the position of supplying their goods and have no chance whatever of getting payment for them unless the purchaser liked to pay in the future. Consequently, we deemed it

wise not to grant a general moratorium in this Bill, but to allow the court to adjudicate between the parties and decide what was fair and reasonable. The Bill provides that the magistrates court can deal with applications for relief up to £2,500, and that the Supreme Court shall determine cases where the amounts involved are in excess of that sum.

Mr. W. FORGAN SMITH: You have followed the New Zealand Act very closely.

The PREMIER: That is so; and, from what I can gather, the New Zealand Act is working quite well. It has worked quite well, just as our Financial Emergency Bill has done lately. Very few cases under that measure have reached the court.

Mr. W. FORGAN SMITH: How many cases have come before the court?

The PREMIER: There are only two who want to go before the court. In the great majority of cases an agreement has been arrived at privately by the parties sitting around a table.

Mr. BEDFORD: In the New Zealand Act provision is made in respect of bank advances and overdrafts.

The PREMIER: We do not propose that.

Mr. BEDFORD: Then the sooner you get into line with South Australia and Victoria the better.

The PREMIER: I do not agree with the hon. member. He seems to have a tremendous down on banks. At the present moment the banks are carrying tremendous loans, not only for individuals, but for Governments as well. At a conference the Premiers and Treasurers attended recently we got down to a very definite basis on the question, and it was perfectly clear, as a result, that legislation was not intended. The economists and Under-Treasurers, in their report to the sub-committee of the Loan Council, when suggesting a conversion of the public debt to a lower rate of interest, remarked—

"As private debts would not be included in the reduction of the rate of interest, the conversion operation should be accompanied by a simultaneous reduction of bank interest rates and mortgage rates."

The sub-committee, in its recommendations to the Loan Council, expressed its attitude to the problem of bank interest in the following terms:—

"It is important and possible to bring about an immediate progressive reduction of private interest by arrangement between the associated banks, Government Savings Banks, and other institutions."

Mr. BEDFORD: That is done by statute in Victoria.

The PREMIER: Some of the associated banks and other institutions reduced their rate of interest on deposits from 1st July. Some of them have reduced their rate of interest on mortgages by  $\frac{1}{2}$  per cent. as from 1st July, and a further  $\frac{1}{2}$  per cent. as from the 1st January next.

Mr. BEDFORD: Don't you know that the graziers are still paying 8 per cent. to the banks?

The PREMIER: I do not know that; and I do not anticipate that the banks or anyone

*Hon. A. E. Moore.]*

else expect that the banks will be forced to reduce their interest rates to 5 per cent.

Mr. BEDFORD: They have in other States under a different Government.

The PREMIER: They are not doing anything of the sort.

Mr. BEDFORD: Victoria has reduced the rate.

The PREMIER: Victoria has put a clause in a Bill declaring that banks shall reduce their rate of interest by 1 per cent. Their clients pay 8 per cent., so the rate is reduced to 7 per cent. There is no occasion to do that here. The banks have done it without legislative interference.

Mr. BEDFORD: Not until 1st October.

The PREMIER: The hon. member does not know what he is talking about. I have been conferring with the banks on the subject for some considerable time. As a matter of fact, some of the banks agreed straight off to make a general statement; but we want to get them all into line before they do so. The banks can be trusted to do what was agreed to at that conference.

Mr. BEDFORD: We trusted them in 1893.

The PREMIER: The position was very different in 1893 from what it is now.

Mr. BEDFORD: It was rotten then; it is only frozen now.

The PREMIER: I do not know what the hon. member means by "frozen." I do not know that Australia has ever been so near insolvency as she is to-day. In 1893 the banks were insolvent; now it is the Governments. In 1893 we had an opportunity of securing loan money overseas, because Governments had been careful.

Mr. BEDFORD: It was the worst thing Governments did to get money overseas.

The PREMIER: What I want to get at is this part of the report—

"Concurrently with the reduction of bond interest must go a reduction in private interest. This is mainly a matter for the banks, who are co-operating to that end. . . . this reduction of interest will be supplemented by legislation giving relief to mortgagors. This legislation forms part of the plan."

This legislation forms part of the plan. It is perfectly clear from what I have said that it was not the intention of the Premiers' Conference to bring in legislation that would definitely bind the banks.

Mr. HYNES: We know what Mr. Scullin said about it.

The PREMIER: You never know what the Prime Minister is going to say from one day to another. At the conference it was definitely agreed that there would be a progressive reduction of interest rates. It is perfectly easy for hon. members opposite to try to create antagonism towards the banks and to put forward suggestions that the banks are unfair; but one thing which hon. members opposite fail to recognise is that the banks of Australia are carrying the Governments to-day, and that, if it were not for the banks, our position would be hopeless.

Mr. BEDFORD: It is the public's money that is carrying on the public.

[Hon. A. E. Moore.

The PREMIER: It is not; it is the public's credit. If it was the public's money, it would have been stopped long ago. Does the hon. member seriously think the public are going to put money into the banks in order that the banks may ladle it out to Governments in order to meet their deficits? It is because it is not the public's money—

Mr. BEDFORD: Whose money is it?

The PREMIER: It is credit.

Mr. BEDFORD: The public credit misused by the banks.

The PREMIER: No—misused by the Governments. It is all very well for the hon. member to think that he should be able to dictate terms. The position to-day is that the banks are carrying the Governments along.

Mr. BEDFORD: I cannot dictate to you because you are in the majority.

The PREMIER: I may not have been very specific; but what I was suggesting was that the hon. member should apply his directions somewhere else. So far as I can see, the only thing that hon. members opposite are endeavouring to do is to raise this cry of the banks versus the people purely as an election cry. They know perfectly well what the position is.

Mr. BEDFORD: We know the cry of "Change the Government," and "£2,000,000 for 10,000 jobs!"

The PREMIER: The hon. member did so well on this side of the Chamber that the public are not likely to change the Government and put him back again. They are not likely to do that after what he had done in fourteen years.

Mr. BEDFORD: I didn't do anything in fourteen years! (Laughter.)

The PREMIER: The hon. member is quite correct; he was a rubber stamp sitting behind the Government of the day, and he had to vote for whatever they told him to vote for. The hon. member went into the Upper House. Then, when that House was abolished, he was prepared to slink into this Chamber.

Mr. BEDFORD: Why, we are getting the poor soul annoyed. (Laughter.)

The PREMIER: I am not annoyed. I am only amused at the hon. member.

Mr. BEDFORD: Oh, no; you are not!

The PREMIER: Oh, yes, I am! (Laughter.)

At any rate, we are discussing this Bill, which is rendered necessary by the economic position now existing.

At the Committee stage I shall move an amendment in clause 2 dealing with the definition of "Mortgage." I propose to omit the words "such mortgage in every such case securing a fixed liability," and to insert the words "but not including a mortgage payable on demand." That amendment will make the position perfectly clear. That covers practically any sort of mortgage at all, no matter what the period may be. It may be paid off in one year or two years or in any period whatever; but it does not cover a mortgage that is absolutely payable on demand. The ordinary debt does not come under this Bill. There must be a mortgage for which certain security is given

The whole basis of the measure is that both sides will have an opportunity of going to the court and putting their case. Of course, the court will see that the mortgagee has protection to the extent that the property will be properly cared for. When the court is giving relief, it will state the terms and conditions upon which the relief shall be given. In exactly the same way, when the mortgagor applies for relief it will take into consideration all the factors, and will set out the terms and conditions upon which relief will be given to the mortgagor. In that way it is quite fair and quite reasonable.

Mr. POLLOCK: Does it apply to pawn-brokers?

The PREMIER: No. They come under the Money Lenders Act. We have so many Acts now coming in between individuals and private contracts that it is becoming a little confusing. One must recognise that many people have got themselves into a mess by purchasing things they would never have dreamed of buying if it had not been for the extraordinary amount of loan money available and the prosperous conditions.

Mr. BEDFORD: Because of the war.

The PREMIER: That may have had something to do with it, because a large amount of money was expended during that time, which caused a boom, and high prices were paid. It made the people extravagant, and they purchased things, not because they wanted them, and not to increase the productivity of their property, but to secure luxuries that they could not possibly afford. In that way they tied themselves up for years with payments round their necks, which made it impossible for them to carry on. Under ordinary circumstances no person who was foolish enough to tie himself up under conditions of that sort should be relieved by an Act of Parliament. Legislation should not be brought in for that sort of thing. It is only under abnormal circumstances such as obtain to-day that a Bill such as this is justified. It is quite possible that the passing of a Bill of this sort will restrict credit to individuals who are quite worthy of it, and who should get it. After all, the life-blood of industry is credit. If there is any fear that legislation will be brought in to interfere with contracts because the contracts have proved disadvantageous under a set of condition which arise later, it will restrict credit. If legislation is going to be brought in for that purpose, it is going to restrict the opportunity of getting that credit which is so necessary for the development of a State like Queensland. It is only in abnormal circumstances that a Bill like this should be brought in. Difficulties arise once we start interfering with contracts, as people who are lending money, both banks and private institutions, get the idea, "This may turn out in twelve months or two years different to what we anticipated, and we may have to accept the conditions prescribed by an Act of Parliament."

Mr. BEDFORD: We will bring that in.

The PREMIER: I do not think it would be wise for the hon. member to say he will bring it in, even if his party get into power. I am doing this in the interests of the community. The whole basis of trade is the assumption that, when a contract is made between individuals, it will be kept as far

as possible, apart from insolvency arising. It has never been anticipated that the Government would step in with respect to private contracts between individuals. Once we do that, and the court interferes because circumstances are bad, and Governments alter the terms of contracts by legislation, it is going to restrict the securing of the credit that is so essential.

The whole system of industry is built up on a man's word being his bond and contracts between individuals being inviolate. To my mind, this step is not a good thing, and should not be done except under extraordinary circumstances.

Mr. W. FORGAN SMITH: You are adopting the philosophy of Bernhardt that a contract may be varied under certain circumstances.

The PREMIER: I do not believe in that, and this party does not believe in it either. The hon. member knows that under the conditions operating to-day it is not a question altogether of choice when Governments have to go to their bondholders and ask them for relief by accepting a lower rate of interest.

Mr. BEDFORD: You said you would take the Upper House proposition to a referendum.

The PREMIER: What has that to do with this question? What I am trying to put forward is that this Bill is necessary under the extraordinary circumstances operating; and that even Governments find themselves compelled to do things which would be unthinkable under ordinary circumstances, such as going to their bondholders and saying, "We want to vary our contract." We are, as the Leader of the Opposition says, in the position of a debtor; we do not want to come to a composition with our creditors, but we are asking for relief. It would be ever so much better for all sections of the community to enter voluntarily into an agreement with regard to debts as between mortgagors and mortgagees; but there are some people who are prepared to take advantage of the position—there are black sheep in every community. To-day, a large number of people are desirous of varying the terms of their contracts.

Mr. POLLOCK: Principally because they cannot pay.

The PREMIER: I know that most individuals are prepared to meet necessitous cases; but there are other cases for which we have to bring in legislation of a more or less general application. In order to protect the individual and make the measure of general application, we say that the court is to be the adjudicator as to how the measure is to operate, and as to what relief is to be given.

There is really not very much in the Bill. There are only two principles. One deals with foreclosure on property without adequate consideration by the court; the other provides that mortgagors shall be able to get relief from the terms of their contract so far as capital payments go, and so far as fixing terms for the future are concerned. I think the Bill will go far enough. It seems to me that the New Zealand Act works quite well. There have been remarkably few cases before the courts—I think only three—and the rest have been arranged by the parties concerned by mutual agreement. To my

Hon. A. E. Moore.]

mind that is infinitely better, if it can be done, than fighting the matter out in court.

MR. W. FORGAN SMITH: Mortgage indebtedness has diminished to a greater extent over there than here.

THE PREMIER: Yes. Of course, on the whole, the security there is more certain, because there is a surer rainfall, and the conditions are rather different; and the land is more closely settled and cultivated. It is much better in the interests of the individuals concerned to come to an agreement outside the court than to fight the matter out in court, because the last thing I want to do is to create the idea in the minds of people who have money to lend—and, after all, it is only those individuals and institutions who lend money that enable the country to be developed and advancement to be achieved—that it is dangerous to make a contract because at some time or other the Government may step in and alter it.

MR. KIRWAN: People do not want their private affairs made public.

THE PREMIER: No; and the opportunity is given in the Bill to enable cases to be heard in chambers. Personally I do not think it matters much, but in odd cases the fact that a mortgagor or borrower can take the case to court may be a deterrent to a creditor who is particularly hard. In most cases under similar Acts in practically all cases there has been no publicity at all, and I do not see why there should be. The whole purpose is to give relief to the individual, not to have the particulars published, because possibly that would damage his credit to an extent even greater than if he defaulted.

MR. W. FORGAN SMITH: That idea would deter many people from taking advantage of the situation.

THE PREMIER: It might do that. The whole principle of the Bill is wrong. I quite admit, and under ordinary circumstances it should not be thought of.

MR. POLLOCK: But you are in favour of it?

THE PREMIER: I am in favour of it but only through compulsion. Only the circumstances that exist make me accept the principle. In ordinary circumstances such a Bill would not be brought into the House at all, because the one thing which one wants to do is to give confidence to people to make contracts and assure them that they are contracts between them and them alone, and that they are sacred. Ordinarily there should be no question of a Government coming in between private contracting parties and abrogating their agreements. Normally that is the last thing one would want to do. The most undesirable thing we could contemplate would be to engender the feeling that the Government might intervene, and it is only the extraordinary circumstances of the times that render this measure necessary. There is nothing more in the Bill than that. I beg to move—

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

MR. W. FORGAN SMITH (*Mackay*) [7.54]: I listened very carefully to the Premier's apology for introducing this Bill. He dealt with the scope of the Bill and the conditions which made it necessary. Then he went on to say as little as possible for

[*Hon. A. E. Moore.*

the Bill, and claimed that it was not desirable to interfere with the right of people to make contracts. In the commencement of his speech he referred at length to his view that during peak periods of prosperity many people had been led to enter into commitments higher than those a prudent person would enter upon. To some extent that does apply.

THE PREMIER: I think it is very true.

MR. W. FORGAN SMITH: I know that, when I was administering the Workers' Dwellings Act and the Workers' Homes Act, I had experience of cases of people who desired to assume a mortgage obligation of, say, £200, with incomes of scarcely £300 a year. If anything went wrong with the earning capacity of the man in such a case, or illness overtook the family, he would probably be faced with commitments too heavy for him to carry. Whilst I was in charge of the department, it was the practice to advise these people to undertake a liability more in keeping with their earning capacity so that they could expand later, if necessary. There has always been a tendency on the part of people to enter more lavishly into certain forms of activity than their circumstances may warrant; but, generally speaking, that is not the situation we are dealing with to-day. In all ages, even in the Treasurer's view, attention has been called to that tendency. However, it is not the general practice. I take it that the majority of the people make prudent arrangements according to their financial circumstances and according to their financial estimate of the future. Who could have foreseen a few years ago the present world-wide slump in prices and values? Men like Mr. J. M. Keynes and others pointed out that certain results would inevitably follow the Versailles Treaty, and that the ultimate effect would be the impoverishment of the whole world; but few people believed them. It is a fact that to-day many of these staple commodities are lower in price in the markets of the world than they have ever been in living memory. What hon. member can remember the world's parity in sugar being at its present low figure?

MR. EDWARDS: Or wheat.

MR. W. FORGAN SMITH: Yes, and a number of other things. There has been a general disturbance of economic conditions, and the people have not yet discovered a method of stabilising markets or of remedying the existing evil. The world's capacity to produce is enormous; but we have not devised a method of distribution to keep pace with the increasing capacity of the world to produce. In countless different directions the people are suffering through those difficulties, and they are giving rise to the introduction of Bills of this character. Who amongst the people engaged in the wool industry could a few years ago have foreseen the slump in the market price of wool, and who could have foreseen the slump in the market price of wheat? All those commodities have always been regarded in the past as having stable values, and as industries having a future for those who were reasonably industrious and reasonably efficient.

MR. WIENHOLT: I have known the values to be much lower.

MR. W. FORGAN SMITH: But not in conjunction with the existing costs. The whole system is out of focus. There is



a lack of equilibrium in existing conditions, which has given rise to the existing state of affairs. We are not dealing with the extravagant person who is often referred to in a measure of this kind, but we are dealing with the position of people who are good citizens who, through no fault of their own, are unable to meet their commitments. Every member of this House knows of some people who, through no fault of their own, have been compelled to compound with their creditors. I am not blaming those individuals. The changed conditions of industry have produced those results, and a Bill of this kind is symptomatic of the general conditions operating in Queensland.

What we are concerned about in dealing with a measure of this kind is: Does the Bill fulfil the purpose for which it has been drafted? Will it give the people the relief they so urgently require? In giving such a relief, will it be permanent and enable contracts to be stabilised at a later date? That is the real problem confronting the people of this State at the present time; and it is the problem with which the Premier is endeavouring to deal in the Bill. The hon. gentleman points out that the Bill provides a form of limited moratorium. A mortgagor can apply to the court for a review of the conditions of his mortgage. The court, taking all the factors into consideration, may order an extension of time; it may order a suspension of repayments of principal; or it may vary in any way the terms and conditions of the mortgage so long as they are kept within the provisions of this measure.

The Bill of itself does not bring down the interest rate. Without doubt, interest is the greatest burden on the people at the present time. Most of the commitments to be dealt with under this Bill were entered upon when the price level was much higher than it is to-day. At the time it seemed to the mortgagors good business to borrow at the rate of interest agreed upon; and they believed that they would not only be able to meet their liabilities but would make a profit on the transaction. That is the attitude of the average prudent mortgagor when he enters into such a transaction. We are now confronted with a situation that these people could not have foreseen. Through no fault on their own part, they are in a position that, if they are compelled to carry out the terms and conditions of the mortgage to the letter, they will have to become defaulters. We have to ask ourselves: What is the effect likely to be if that state of affairs is allowed to continue? Those of us who know the primary producers and those engaged in industry in Queensland realise that many very good people would be hurt under such conditions. Take, for example, a man who has gone upon the land, who has pioneered some new area, borrowed money to effect improvements, and which have been effective. He has extended his cultivation, and has carried out in a proper and exemplary manner all the duties attached to the position he is occupying. Through no fault of his own his earning capacity has been diminished; and, if his mortgagee is allowed to foreclose, what will be the effect? A good settler and a good Queenslanders will be driven off the land, and thrown upon the labour market, to become, possibly, one of the unemployed;

and whoever takes over the property at a later date cannot do any better than he has done. Therefore, it is good business for the State to see that the man who has a just right for consideration is retained on the land, and allowed to carry on for the benefit of the State and his wife and family.

Mr. NIMMO: It is also good business for the man who lends the money.

Mr. W. FORGAN SMITH: Quite so; but in some cases he has to be made to see it. There are other factors which enter into the matter, such as the point raised by the hon. member for Oxley. Under ordinary circumstances, as was pointed out by the Premier, a fair mortgagee would be prepared to take cognisance of the new conditions, and grant relief voluntarily by agreeing to a variation of the terms and conditions of the mortgage. It is not good business, according to the hon. member for Oxley, to foreclose upon that man because the person who forecloses may not do any better with the property. That position applies in many cases, and in numerous instances the position has been reviewed. But in many other cases in which the amount of money advanced is less than the normal value of the property, it may pay the mortgagee to foreclose in order to get possession of a property, possibly with the idea of making a profit on it at a later date. I know of quite a number of cases in Queensland in which men have made large sums of money by advancing money and taking the first opportunity to foreclose with the object of getting possession of a property worth, say, £5,000, in respect of which only half that amount has been advanced. For a number of years, under a system of speculative building, some people were carrying on operations in Brisbane under which a property valued at, say, £1,000, realised probably £2,000 before it was finally divested from the original builder, the additional money having been made by repeated foreclosures. Under these conditions some measure of relief is very properly required in a Bill of this kind.

In the case to which the hon. member for Oxley has referred, there is no necessity for this legislation, because such a mortgagee is prepared to do the right thing; but the hon. member doubtless realises that most of the law that is placed on the statute-book is introduced to meet the 10 per cent. or 20 per cent. of cases in which the person concerned will only do the right thing because he is compelled to do so. If all persons did the right thing, we should have a utopian existence, free from any coercive laws of any kind, and living under circumstances requiring the exercise of decent, humane, and civilised instincts, or what some people would call Christian principles. The position to-day, however, is that we have to face facts as they exist. Many persons engaged in industrial and primary production—triers in every sense of the word—have been confronted with a situation in which, if no relief is granted, they will be driven on the labour market with little or no future before them. In such cases it is the duty of the State to come to the assistance of these good citizens, either by means of a moratorium or any other arrangement which will secure to these

*Mr. Smith.]*

people the possession of the business in which they are engaged.

The question arises: Does the Bill adequately provide for this matter? The definition clause is the clause which governs the measure to a large extent. Apart from the amendment which the Premier has intimated he proposes to move in Committee, the definition of "mortgage" is the same as in the Financial Emergency Act, which, as has been pointed out on previous occasions, is a fairly wide definition, embracing as it does any advance made on fixed security of real or personal property, including chattels.

The Bill provides that in respect of foreclosure thirty days' notice must be given in the case of landed property, but only ten days' notice so far as chattels are concerned. However, we shall deal with that more fully at the Committee stage.

The Bill does not purport to reduce interest, nor does it affect money at call based on fixed security. I am satisfied that, while the Bill may be of advantage in some directions, it will not give the people of this State that relief which they so urgently require. A very large amount of money is advanced on fixed security in this State that will not come within the scope of this Bill. Financial institutions advance money on pastoral property, but for no fixed period. It is at call, and, therefore, can be regarded in the nature of an overdraft. The bank usually takes a fixed charge over all the borrowers' securities and a floating charge over his assets, which is liable to be called up at any time. I know the case of a firm who had a mortgage called up in Southern Queensland by a bank which had to make very hurried arrangements to find the amount—approximately £14,000. Fortunately for these people, the money was found. The security without doubt was there; but the bank did not want to continue to hold it for reasons of its own.

A very large amount of the financing in connection with pastoral properties, farming generally, and in the sugar industry is done in the direction I have indicated. An advance is made by a bank, by the storekeeper, or by a financial institution, under conditions that will not come within the scope of this measure. Those advances are not covered by this measure at all. The Premier says that under the Premiers' agreement the banks will voluntarily forgo certain interest claims. I take the view that the Victorian method was much more equitable, and would give relief much more quickly than the method adopted here.

It has been generally agreed that it is necessary to have a reduction in the interest payments of all fixed money claims. The Queensland Government, in common with other Governments, are endeavouring to persuade bondholders—no doubt successfully—to convert their holdings with the Government at a lower rate of interest, involving a 22½ per cent. cut. Why should the investments in other instruments not be subject to the same reduction? If it is in the interests of the State to reduce the indebtedness of Governments, it is equally of the same economic application in reference to industry generally. I use that term in its widest sense. Probably it is more necessary, because it deals with new wealth production. The Government, realising the urgency and necessity of the situation, consider that the conditions now obtaining justify extraordinary

steps being taken that would not be necessary in normal times. I take the view that fixed money claims of this kind should have been automatically reduced, and the mortgagee should be the individual who should appeal for any review of the case. At the present time, in order to take advantage of this measure, the mortgagor must make application to the court. In the case of any amount under £2,500 it is a magistrates' court; but in the case of any amount in excess of that it is the Supreme Court. I pointed out by interjection to the Premier while he was speaking that the necessity for an application to the court of itself was a deterrent. It may affect the individual's credit in other directions, and cause him to hesitate before making such an application.

The Minister recognises that fact by providing in the Bill that the reduction is to be left to the discretion of the court. I take the view that a case has already been established. It has been admitted generally throughout Australia that there should be a reduction in all fixed money claims, and that should apply on the same principle as is now being applied to fixed money claims against the Government of the Commonwealth. In other words, there should be a reduction on the basis of the conditions agreed upon. That is fair and equitable. One only needs to consider interest in terms of goods rather than in money value. As money appreciates, as it has done under the gold standard, it is obvious that the value of goods depreciates—the one is the natural corollary of the other—and those fixed money claims are made against goods which are the product of collective labour. It means that, whereas one bale of wool was sufficient before, it now requires two bales of wool to meet the claims of the mortgagee; and the same principle, probably to a greater degree, applies to wheat, sugar-cane, or any other staple commodity.

If we are going to pursue a policy of reducing costs, it is necessary to see that it is done quickly so that the fullest benefit will result promptly, and it should be applied generally to all fixed money claims of a similar character. I do not see why a man holding a mortgage over a property has any more right to consideration than a man who has invested a similar amount in Government security. The principle of the need for the reduction is entirely the same; to wit, that the burden of interest is more than the country can afford to bear, and reduction should be made accordingly. The principle of a reduction in the rate of interest that applies to the Government conversion loan should apply to all other fixed money claims based on fixed securities, such as are described in this Bill, provision, of course, being made similar to that in the Victorian Act whereby, where undue hardship would result, a mortgagee would have the right to apply to the court for a lesser reduction than is prescribed under the automatic provisions of the Act. The money held at call is probably the greatest amount that is covered.

It would be very difficult to get figures with regard to fixed money claims in Australia. According to the figures given in the Federal Parliament by the Treasurer, the amount of money or value held under fixed money claims amounts to £86,000,000. That, of course, can only be an estimate. Full and complete statistics have never been kept, but very probably that is not anything like

[Mr. Smith.]

an over-estimate. Inasmuch as those fixed money claims are a first charge on industry, and interest must be paid to the mortgagee before anything else is paid, the importance of the position cannot be over-estimated. Therefore, if fixed money claims on mortgage or similar security where money is held at call are excluded from the operation of this measure, then the full benefit cannot be achieved from it. In Western Queensland we have graziers and selectors who have carried on under difficult circumstances for many years, and who have spent any reserves they had in feeding their sheep. They pledged their credit to continue keeping them alive in many cases, and in consequence financial institutions have claims over their assets to an amount which in many cases under existing conditions, unless relief is granted, will exclude all possible hope of these men being able to carry on. That is recognised to some extent by the Premier by his efforts to provide for a reduction in the rate of interest by a very dubious method, particularly having regard to the fact that he proposes to give them an advantage from the public estate, for what is really only a proper act of consideration. I take the view, therefore, that the Bill should apply to money lent at call as well as to money lent under any other conditions.

I repeat that I hold the view that a reduction in interest charges on fixed money claims should be automatic and general. It is provided in the Premiers' Conference plan, as set out on page 171 of the report of the proceedings of the conference, that—

"The plan has been adopted by the conference as a whole, each part of which is accepted on the understanding that all the other parts are equally and simultaneously put into operation. It embraces the following measures:—

(a) Reduction of 20 per cent. in all adjustable Government expenditure, as compared with the year ending 30th June, 1930, including all emoluments, wages, salaries, and pensions paid by the Governments, whether fixed by statute or otherwise, such reductions to be equitably effected;

(b) Conversion of the internal debts of the Governments on the basis of a 22½ per cent. reduction of interest;

(c) The securing of additional revenue by taxation, both Commonwealth and State;

(d) A reduction of banks and Savings Bank rates of interest on deposits and advances;

(e) Relief in respect of private mortgages."

Paragraph (c) was to apply, according to the preamble, to the principles which I have just quoted simultaneously with other parts of the scheme. The Government have been very energetic in applying other parts of the scheme, but up to the present effect has not been given to that paragraph. As a matter of fact, some of the banking institutions tried to argue that they were under no obligation to reduce their rate of interest immediately; but it was pointed out by the Prime Minister and other Premiers who were parties to the decision that the banks were under such an obligation; and that has been recognised already by some of the banks. I take it that the obligation does rest on financial institu-

tions having fixed-money claims against mortgagors, including primary producers and others engaged in industry, and that they should be prepared to give such persons the reduction in interest which is embodied in the principle I have just enunciated—

"(e) Relief in respect of private mortgages."

Moreover, on page 173 of the report, it is also pointed out—

"The carrying out of one part is dependent upon the carrying out of all parts."

The Premier is dealing with paragraph (e) of the Premiers' plan to some extent in this Bill.

The PREMIER: We have already dealt with interest in the Financial Emergency Act.

Mr. W. FORGAN SMITH: Only to some extent. There is a limitation in that Act which applies equally in this Bill. The Premier knows that it will not give the relief which he recognises is necessary for industry. He knows as well as I do that, having regard to the diminished earning capacity of people engaged in production, they can no longer pay the proportion of their incomes that at present they have to pay in the form of interest. Take the wheatgrower, for instance.

The PREMIER: The other Bill dealt with interest.

Mr. W. FORGAN SMITH: The Premier may quibble if he wishes; but I am endeavouring to make the point here that the chief difficulty of settlers and producers, whether primary or secondary, is the interest burden, apart altogether from the other conditions of the mortgage, and the Financial Emergency Act which he quotes as dealing with interest contains the same limitation that is embodied in this Bill. The Premier must realise that a sugar farmer or other producer who has obtained an advance from a financial institution can obtain no advantage either under this Bill or the previous measure where the money is at call.

The PREMIER: That is not necessary, because the banks are doing it voluntarily.

Mr. W. FORGAN SMITH: They have not signified their intention to do that. If the banks undertook to reduce the interest charges by 1 per cent., and that intimation was general in its application, then it would certainly be an advantage.

The PREMIER: It is so.

Mr. W. FORGAN SMITH: It has not been given effect to up to the present; they have been very dilatory in connection with the matter. This Bill provides for voluntary arrangements being made and for those arrangements to be recognised by the court. If individuals having fixed money claims at call are prepared to grant a reduction in the conditions of the mortgages, if they are prepared to do the right thing voluntarily, there is no need to seek the aid of the court; but, if they are not prepared to do the right thing voluntarily, why should they not be given the same terms and conditions as other mortgagors?

The Premier has stated that the Bill to some extent closely follows the New Zealand Act. In many particulars it is word for word with the New Zealand Act. I have read the Bill in conjunction with that Act; but in New Zealand the law applies to the Crown as a mortgagee. Not so in this case. The Crown is mortgagee in many cases in

Mr. Smith.]

Queensland. No doubt the Premier will point out that in connection with the State housing scheme provision has already been made; but that does not apply to all cases in which the Crown has advanced money on fixed mortgages. A very large amount of money is held on fixed mortgage by the State Advances Corporation.

The PREMIER: The Crown will always treat the people fairly.

Mr. W. FORGAN SMITH: The Bill should apply to the Crown. Special legislation has been introduced to deal with the State housing scheme, and probably it will be adequate to deal with the situation provided it is sympathetically administered; but the same should apply to other mortgage securities held by the Crown. Large sums of money have been advanced by the State Advances Corporation, by the Public Curator, and by the State Government Insurance Office. Is the mortgagor under a mortgage agreement with the Public Curator to be deprived of any advantages under this or any other law? Why should the same conditions not apply to the mortgages held by the Public Curator as apply to mortgages held by similar institutions carrying on their operations apart from Government enterprise altogether? It may be urged that in the case of the State Advances Corporation the interest chargeable is smaller than that charged by private enterprise. That is true. The rate chargeable by the State Advances Corporation is only 5 per cent., and in some cases 6 per cent.; but the rate chargeable by the Public Curator is 7 per cent.,  $7\frac{1}{2}$  per cent., and 8 per cent. on first mortgage, in common with the Union Trustee Company or any private company engaged in a similar business. The borrower from the Public Curator is entitled to the same relief as is available to the borrower from any other financial institution. The Premier should have something to say on that point when the Bill is in Committee. Probably the Treasurer will agree that the person indebted to the Public Curator should have the same right to apply for a variation of the terms and conditions of his mortgage as if it were held by any other institution. Whether he agrees with me or not, that is my view. Where the Crown is the mortgagee and the conditions are similar, the same principles in law should apply.

Another provision in the Bill indicates the apologetic manner in which the Government have faced this question. They give power to the Governor in Council to exempt other classes of mortgage from the operations of the Act. In other words, Parliament may pass this Bill thinking that it may apply to certain money claims; yet, when Parliament goes into recess, the Governor in Council may withdraw any class of mortgage from the operation of this measure. That is a power that should not be required in this or any other similar measure. The Premier pointed out quite truly that wide discretionary power is given to the court. He also pointed out very truly that the mortgagee's rights are fully protected under any application that may be made to the court; yet, notwithstanding all those safeguards, we find that, after Parliament has passed a Bill purporting to grant relief to borrowers, who through no fault of their own are unable to continue their payments and apply for relief, the Government, by Order in Council, can exempt any

[Mr. Smith.

person or persons or mortgage from the operations of the measure. There is a safeguard in the court and the general provisions of the Bill without any necessity of giving the Governor in Council the authority I have mentioned.

So far as the Bill grants relief, and so far as it prevents foreclosure and gives power to the court to grant a variation over the terms and conditions of the mortgage, it is an advantage; but I am satisfied that it does not in any way cope earnestly with the real problem that confronts Queensland, and will not give that form of relief which a large and deserving class in the community deserves and expects from this Parliament.

Mr. BEDFORD (Warrego) [8.33]: The Premier, by interjection to-night, said exactly the opposite of his statement during the debate on the Financial Emergency Bill. I then asked him did the interpretation of mortgage include bank advances and overdrafts, and he said, "Yes."

The PREMIER: I did not.

Mr. BEDFORD: The Premier replied "Yes," and "Hansard," unless it has been edited since, will support my statement.

The PREMIER: If I did say so, I was wrong.

Mr. BEDFORD: I can assure the hon. gentleman he did say so in answer to my interjection; but he was wrong.

The PREMIER: I was wrong if I said that.

Mr. BEDFORD: To-day the Premier said that the present interpretation of "mortgage" does not cover bank overdrafts.

The PREMIER: I said, if it was a fixed mortgage to a bank, it did, but it would not apply to bank overdrafts.

Mr. BEDFORD: Similarly in the New Zealand Act we find that the Crown is not exempted from the purpose of the Bill. In this State the Crown is exempt. The interpretation given to-day by the Premier that the term "mortgage" does not include bank overdrafts makes this Bill at variance with the New Zealand Act, and it is also at variance in that respect with later legislation introduced both in Victoria and South Australia.

The PREMIER: Victoria has not introduced this at all.

Mr. BEDFORD: Victoria has not introduced this measure, but has introduced a Bill, which has been passed and has now become an Act, by which at any moment its provisions may be proclaimed against the banks.

The PREMIER: That is only in respect of interest. This Bill deals with principal.

Mr. BEDFORD: The Victorian Act may be proclaimed against those banks which do not agree to come to heel.

The PREMIER: That is only with respect to interest.

Mr. BEDFORD: Similarly with interest and similarly with a mortgage.

The PREMIER: No—the Victorian Act does not deal with the principal.

Mr. EDWARDS: He is wrong. Don't take any notice of him.

Mr. BEDFORD: The hon. member does not know anything about it. He simply says "You are wrong."

The PREMIER: I do.

Mr. BEDFORD: I admit the hon. gentleman has a good deal of knowledge on that subject. The position in regard to this Bill is the statement that the Governor in Council may apply the provisions of the Bill, with the necessary modifications to a lease containing an optional or compulsory purchasing clause. This means that pastoral leases are cut out of the Bill. What has happened in regard to the Premier's offer to pastoral and financial associations and other companies for the relief of selectors and others on whose properties they held mortgages? In most cases the extension has been given to large pastoral companies. Two of them in my own electorate have never been up against trouble, and should not have had any extension of lease. The extension of lease has not been in the direction of helping those people who deserve it, because there are still the Union Trustee Company and other companies who are successfully attempting to put people off the land altogether.

Whilst talking on this Bill I listened carefully to the Premier while I was not interjecting—which was most of the time—(laughter)—and I discovered finally that this Bill would not have been necessary had the Premier's Conference done the job as rightly as the Commonwealth Government wished it to do. It will be remembered that in the preliminary conference there was no attempt at the reduction of interest. There was to be no proposal for the relief of mortgagors or of any other people. When I asked a question in this House early this session as to whether there would be any moratorium granted in respect of mortgages, the Premier replied, "No." It was not contemplated.

The PREMIER: I told your leader on the first day of the emergency session.

Mr. BEDFORD: The hon. gentleman did not tell me. (Laughter.) At least he ought to have told him to tell me. (Renewed laughter.)

The PREMIER: I didn't want it to get about, because if people knew it was going to come on, they would have taken advantage of it.

Mr. BEDFORD: In any case, even when the two geniuses representing this State—the Premier and our honourable friend from the Band of Hope—went to Melbourne, there was no attempt made to talk about such a sacrosanct thing as interest, nor was there any attempt to talk about a moratorium. The Treasurer had only this to say: If they would only balance Budgets as the immigrant Niemeyer desired, it might be possible to borrow more money in Britain. Any Treasurer worth his socks in Australia to-day knows that the only great thing we have to shy off is foreign borrowed money. The greatest harm done to this country, except by war, was done by the Bruce-Page Government's six and a-half years of floating loans overseas in order to introduce nearly £100,000,000 of imports as against exports.

The PREMIER: Did not the present Federal Treasurer contemplate going overseas for money?

Mr. BEDFORD: Then he had better stay where he is and decide that Australia is finished with foreign borrowing "for keeps."

The TREASURER: Were you not behind a Government which borrowed more than any other Government in Queensland?

Mr. BEDFORD: I may have sat behind the Government, just as I might have sat behind the Treasurer in a tram without agreeing with him. The whole trouble has been this, and it must be faced.

This is a statement made by the Secretary for Labour and Industry in one of his rare lucid moments—

"There are some very mistaken ideas about how this problem of unemployment should be tackled. Some of them, even though actuated by the highest ideals, would bring calamity to the community if put into operation. We have not got to lose sight of the future. The nation is temporarily disorganised. We must be careful not to do anything that will tend to weaken the morale of the people in the future."

How has the morale of the people been weakened?

Just because there has been no attempt to deal with this tyranny of the banking system—which is affecting the Treasurer privately as much as anyone else; just as there is no attempt to deal with the tyranny of the banking system; just because there has been no attempt to make the reduction of interest statutory, as the reduction of wages has been made statutory, and was only made statutory in this case because the workers did not have enough money to get a voice to squeal loud enough to prevent the cut in the wages—they talk of preventing a loss in the morale of the people! What is happening? We have stupid people who argue that France, in framing its paper currency, almost came to ruin—neglecting the conditions that France was surrounded by, neglecting the fact that because they cut one king's head off they were immediately opposed by the coalesced kings of Europe, and there was fixed up in England as an act of war—as a proper precaution—as a proper attempt to fight the enemy—a forgery factory in which £600,000,000 worth of French francs were manufactured. No such possibility could happen here. In spite of that fact, that country, in 1870, after having been beaten in a war with Germany, was able to pay seventy milliards of francs in two-fifths of the time allotted to it. Just because France with its £600,000,000 sterling of forged notes, with a depreciated currency—just because that happened, they would say, "If you inflate the credit of this country by £20,000,000 the country will immediately be ruined." What is happening? Australia is now paying £12,000,000 a year in dolars. In two years the dolar will be up to £24,000,000; and, so long as it is borrowed money, your stupids, who believe in fidelity to the money-lender, believe that because you inflate the currency by £24,000,000 and do not owe it, the country will be ruined. Now what is happening? We have large numbers of unemployed, and they will still be unemployed at the end of two years. The young fellows growing up who left school a year ago will be on the dolar in a year, and by-and-by you will get into the rottenest position of any country in the world. There are 3,000,000 in England on the dolar—people who never work—people who were youngsters at the time of the war, and who have grown up on the dolar, married on the dolar, and bought

*Mr. Bedford.]*

radios on the dole to play jazz on the doles. Anyone who says the people of Australia will never revolt has lost sight of the fact that these people are being doped out of revolt with the dole. They are being doped into the belief that, after all, this is the best of all possible worlds, and it does not matter, things can go on as they are and that when the Government dole is ended they can cadge from somebody else.

That does not matter to people who do not count, to people who are naturally loafers, but to the good workers of this country—men who in two years will be good workers no more because they will have lost the habit of work—how can anybody say that the inflation they are afraid of is not better than the deflation of manhood, the deflation of the general moral character of the men, the deflation of the general habit of work? It is no use going overseas for any parallel, because this country is out on its own. It has only one parallel in the world, and that is America, where conditions are largely similar; but America has a population of 120,000,000, with about 400,000 square miles less than the Australian territory, and America's work is largely done. They are the greatest people on earth with regard to engineering, and have a tremendous conception of great works. They know how to cook, and they are the cleanest people on earth. Their only trouble is that they have sufficient "vowsters" in their community to put over them the curse of prohibition; otherwise the country is perfect. This country has not done one-fifth or one-tenth of its work; so why should it sit down and talk of dole? Why should this inflation of credit be wrong in new countries that only use the money for development? It may be wrong in countries which, with their work done, use the money for social services and in connection with services which will provide no work by reason of the expenditure. The Treasurer hopes that Australia will soon be in the happy position of being able to borrow money again in England. Damn such a day!

Mr. SPEAKER: Order!

Mr. BEDFORD: I say condemn such a day happening—also dash it all! (Laughter.) The scheme of borrowing overseas could only come out of the mouth of importers—men naturally opposed to the general progression of Australia.

We hear talk from the opposite benches about the man on the land. What is the value of his crops if the man in the city is not consuming them? We hear continual talk about the antagonism of the townspeople against the country people, as if the farmers were sacrosanct in the way of genius—because one man in the country prods the unwilling bullock to his death in the shambles and the other fellow in the town takes a pair of shoes out of its hide.

The sorry position of Australia is that Bills like this are necessary; but they are escapable. With a little more vision on the part of that heterogeneous collection of people called the Premiers' Conference—three of them Tories, two of them Labour, and one the "rogue elephant" from New South Wales—Mr. Lang—one would consider that Australia was down and out; that its position was such that it could never have been able to spend £900,000,000 on the war; although its position was such that the biggest figure passed the other day in the

Commonwealth Estimates was for war services. One would consider that Australia, too, was so far down and out that the values of its securities overseas were nil. But everybody knows that dear money has been the cause of reducing Australian 5 per Cents. to 50 per cent. of their value in order that they should earn 6 per cent., because investors could get 6 per cent. or 7 per cent. on the open market. It does not matter whether you call it an inflation of the currency, which is a deflation of interest—whether you call it borrowing, and borrowing is the worst kind of inflation—Australia will have to get down to the fact that there are £250,000,000 of reproductive works to be done in Australia.

Here are railways to be built; here are rivers to be locked; here are valleys to be dammed for power; but the idea is: "Let us spend £24,000,000 in two years on the dole!" The Premier's idea is that by cutting wages to coolie level we may be able to export so much more to pay our debts. The fact is that, thanks to the high protectionist policy of the Federal Government—which is the only thing which has saved this country—we have again a favourable trade balance. The State Treasurer's idea is that by-and-by we may be able to borrow again. Cannot any sensible man recognise the folly of such a thing? Why tie oneself to the idea of borrowing and of being thereby financially respectable when you can provide for your people with an extension of your own credit and your own currency and—without paying interest—redeem it in fifteen years by putting in a sinking fund of 6 per cent.?

THE SECRETARY FOR PUBLIC INSTRUCTION: Mr. Scullin evidently has not heard of you.

Mr. BEDFORD: And God never heard of the hon. gentleman, and I do not think he ever will. Mr. Scullin has heard of me, but he has never sent for me, because he has no need of me. Certainly the Government will never send for anybody with intelligence. It might put them out of court.

I take this Bill with some thankfulness, knowing that it is necessary, but knowing also that it is escapable, and hoping that the next Premiers' Conference, or at least the Federal Government, will soon get sufficient power from the people to put their own scheme of currency—inflation if you like—into operation.

Mr. COOPER (*Brewer*) [8.53]: One must accept this Bill on the principle that half a loaf is better than no bread, although in fairness it may be said that perhaps there is more than half a loaf in this particular measure. What one is afraid of, however, is that eventually a good deal less even than the heel of the loaf may be left, because the Bill contains the very pernicious provision that, when it becomes an Act after the House has approved of it, the Governor in Council may cut out everything contained in it.

THE PREMIER: What would be the good of passing such a Bill?

Mr. COOPER: What is the good of enacting a provision that the Governor in Council, at his own sweet will, may at any time cut out from the provisions of the measure any kind of mortgage provided for in the Bill? That seems an extraordinary provision; and, although the Bill

[Mr. Bedford.]

otherwise may give something like a little more than half a loaf, it may be that finally practically only the heel of the loaf that will be left for the people of this State. When one considers what has been done in other States in this direction, one is astonished that something of a far greater benefit has not been suggested in this Parliament.

The PREMIER: We have already dealt with interest.

Mr. COOPER: Interest, of course, is a big thing; but the Government have not already dealt with interest. They are allowing the greatest number of mortgages to remain outside the Bill. They are allowing the greatest number of mortgagees to go scot free—the mortgagees of money at call. The Premier ought to be aware, as other members of the Premiers' Conference were aware, that money at call was to be included in Bills of this nature, and that there was to be a provision whereby interest generally might be reduced as part and parcel of the Premiers' plan.

The TREASURER: That is not so.

Mr. COOPER: I want to tell the Treasurer that I have read the report of the conference most carefully, and other gentlemen who were present and who took a greater part in its proceedings than the Treasurer are convinced that this was so; and, as the preponderance of evidence is against the Treasurer, and as I as an Australian am one of the jury, I am prepared to accept the weight of the evidence as being against the Treasurer of this State. That being the case, the Treasurer's emphatic denial that it is not so makes one wonder whether it is not true that the Premier and the Treasurer have bowed to their masters, the banks.

The PREMIER: Propaganda!

Mr. COOPER: The moment one begins to touch the truth there comes the parrot cry from the Government benches—"propaganda." They seem to think that there will be in that word as much saving grace as there was for the famous old lady of old in the word "Mesopotamia." They think that by the precious word "propaganda" all their sins may be excused; but nothing will excuse the grave sin committed by the Government of this State in bowing to their masters, the banks. The Premier, of course, laughs; but apparently the hon. gentleman's memory is very short. He forgets the Premiers' Conference held in February of this year. He then showed, as the report indicates, that he was entirely at the disposal of the banks. Whatever the banks said was his law; and whatever the banks said he was prepared to abide by in any shape or form. On that occasion the Prime Minister and the Treasurer of the Commonwealth suggested that they might be given the opportunity of approaching the banks with a view to placing the Commonwealth scheme before them. The Premiers assembled at that conference knew very well what that proposal was. I think the Treasurer of this State moved the resolution that they approach the banks. Of course that was a very harmless resolution. The Premier has said, "What would be the good of introducing this Bill if we were going to cut it to pieces?" But what was the good of the Treasurer of this State moving a resolution that the Federal Treasurer approach the banks with his scheme if the

Treasurer of this State knew that the scheme was to fall to the ground? If he pretends now that he knew that the Federal Treasurer's scheme was not to be accepted, then one of two things is the truth. Either he moved the resolution with his tongue in his cheek—which was a wrong thing for a Treasurer of an important State like Queensland to do—or he was ready to obey the behest of his masters, the banks. After the Premiers and the Treasurers assembled at that conference had heard this statement by the Prime Minister and the Federal Treasurer, everyone decided that they should know the opinion of the banks. Only one man in the whole gathering at that conference stood to his guns in opposition to the scheme, and that was Sir James Mitchell, Premier of Western Australia. His last words were, "I object to the scheme." There was no objection by the Premier of this State, and there was no objection by the Treasurer of this State. They could not object because they had not heard from their masters, the banks; and it depended on their say—o whether they would be thick and thin supporters of the fiduciary issue by the Commonwealth Government or not. Their masters the banks, having spoken, they said, "Yes, indeed; we are against this proposal"; but had the banks said, "Very good—not a bad idea: go ahead with it, and issue your £28,000,000 of fiduciary notes," the Treasurer of this State and the Premier of this State would have said, "Yes, sirs, we support it."

The PREMIER: We took two days allocating the amounts among the States before we went there.

Mr. COOPER: Showing the wonderful faith that they then had in this scheme, and showing that their future attitude depended upon what the banks had to say. It was at that conference that the Federal Treasurer twitted the Treasurer of Queensland. He said that the Treasurer of Queensland would be the first man to hold out his hand for his quota if the scheme were adopted.

The PREMIER: He said that to Sir James Mitchell, and Sir James Mitchell said, "You try me."

Mr. COOPER: I have not the slightest doubt that the Federal Treasurer would have known far too much to try it.

The SECRETARY FOR RAILWAYS: Have you any more funny stories to tell?

Mr. COOPER: I shall be able to tell the hon. gentleman a funny story at the proper time. He had his fiduciary issue on the railway workers of Queensland some two years ago. We want to see how, when the time comes, he will honour his fiduciary issue. The funny story will have a tragic ending when the time comes.

The two great blots on this Bill are, firstly, that money at call is not covered by the provisions of the Bill, and, secondly, the provision which allows the Governor in Council to wipe out the very necessary things which it seeks to enact. Such a position cannot be allowed to pass without protest. Years ago it was quite common for the daily press to object to anything in the nature of giving power to do anything in connection with an Act of Parliament under an Order in Council. It was called government by regulation. There is now no measure which comes before this House that does not give wider powers

*Mr. Cooper.]*

to the Governor in Council than are actually taken by Parliament itself. On a very important matter of this kind one cannot allow a Bill which is of far-reaching importance to the majority of the people, particularly to the trading community, to pass without making a violent protest against that particular provision.

The PREMIER: Do you know that that very provision is in the New Zealand Act?

Mr. COOPER: I have no knowledge of it, but I fail to see that hon. members should bow down and pass any Act simply because it is based on an Act that has been passed in New Zealand.

The PREMIER: Your leader said that the provisions of this Bill largely followed the New Zealand Act.

Mr. COOPER: If the Premier did copy the New Zealand Act in this respect, then he copied a principle which is entirely wrong.

The PREMIER: It is an experiment, and it is something which may be found unworkable.

Mr. COOPER: It is a wonderful experiment which gives power to the Governor in Council to repeal this Bill although it is passed by Parliament. Surely that should not be permissible in any measure passed by this House!

The PREMIER: The Governor in Council can repeal an Order in Council at any time by proclamation.

Mr. COOPER: That is an entirely different thing. That gives Parliament power to know what is being done; but, when power is provided, as it is in this Bill, to give the Governor in Council power to take out this particular class of mortgage, that particular class of mortgage, and some other particular class of mortgage, then the Government are giving the Governor in Council a power which this House in the main does not intend to give; and, if this House spoke as it should, it would ask that this particular clause be excised. This particular clause is clause 3 (b). Sufficient power is conferred on the Governor in Council under that clause to nullify the whole intention of Parliament. If the Premier is prepared to take that clause out of the Bill, we will, at the proper moment, see how far he is prepared to keep faith in that particular direction.

The matter of the compulsory protection of these people is, as the Premier says, something in the nature of an experiment. I would have been much better pleased if the hon. gentleman had attended to this Bill earlier in the session, because it is a matter of great importance to many people. In more than one centre in Queensland estate agents and other people who hold mortgages are pressing for all they are worth to get their mortgages through or taken up before this Bill becomes law. The Bill is not yet through; and, if these people can foreclose and get everything finalised before this Bill becomes law, then the retrospective provision will not count for much.

Mr. MAXWELL: It dates from the 1st August.

Mr. COOPER: So long as they can conclude their business before this Bill becomes law, they have been assured by legal people that the foreclosure will be in every way legal. The Premier knows that. He must have known that representations have been

made to him in that direction, and that dating this provision back to the 1st August is not sufficient to protect people whose foreclosures will be absolutely completed before the passing of this measure. The Premier must have had representations made to him on the subject.

The PREMIER: No.

Mr. COOPER: Protests have been made at more than one meeting on this very subject; and the Premier must know that the provision in this Bill is not sufficiently strong to protect the people who are being foreclosed.

The PREMIER: Do you know of one case?

Mr. COOPER: I can give the hon. gentleman more than one.

The SECRETARY FOR PUBLIC INSTRUCTION: You cannot get an order for foreclosure now.

Mr. COOPER: Since the 1st July these people have been doing their best to get matters finalised because they knew of the approach of this measure. Many people who have paid more than half the purchase money payable on homes and who are in arrears to the extent of a few weeks only are in imminent peril of losing their homes because this Bill was not attended to earlier in the session.

Mr. MAXWELL interjected.

Mr. COOPER: After all, opinions are merely individual opinions, and the man who has no opinion of his own—and I suggest that the hon. member who interjects has no opinion, and always takes somebody else's opinion for his own—has not the weight of the individual who has an opinion of his own.

The TREASURER: You know you got logged just a little while ago. (Laughter.)

Mr. COOPER: If I were bogged, I would not appeal to the Treasurer to pull me out, because, so far as financial matters of the State are concerned—and indeed so far as financial matters generally go—no person has floundered more often than has the Treasurer of this State. As the hon. member for Gregory said, his railboard has never been out of the muck. His figures have been nothing but a bog since the first time he ever dealt with them, and nobody is able yet to understand the byroads into which he attempts to lead this House in an explanation of his figures. However, I must not dilate on that matter, and, so that I may not be accused of causing any undue delay in the passage of this measure which is so urgently needed, I will urge its passage so that the half loaf which is being given to the people of Queensland may become law. May I point out to the Premier that it is not yet too late to make this a full and satisfactory Bill, by making it apply to all classes of mortgage. If the hon. gentleman will accept such an amendment as readily as he proposed to accept an amendment in another direction, then I shall be indeed pleased.

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

Consideration of the Bill in Committee made an Order of the Day for to-morrow.

The House adjourned at 9.10 p.m.

[Mr. Cooper.