Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 24 NOVEMBER 1931

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EXPENDITURE FROM UNEMPLOYMENT RELIEF FUND ON SANDGATE GOLF LINKS.

Mr. DASH (*Mundingburra*) asked the Secretary for Labour and Industry—

"1. What expenditure has been incurred to date from the Unemployment Relief Fund in connection with the employment of intermittent relief workers on the Sandgate Golf Links?

"2. What is the nature of the work and/or improvements which are being effected to these links by the relief workers concerned?

"3. What arrangements, if any, have his department made to ensure the recoupment of the Unemployment Relief Fund for the disbursements from the fund on account of the work in question?"

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

"1 to 3. In an official reply to these questions, the Acting Town Clerk, Brisbane City Council, states that the council has arranged to carry out improvements to the council reserve at Cabbage Tree Creek, Sandgate, of which the golf links occupy a portion. The expenditure from 27th October to 13th November, 1931, totalled £92 5s. 10d. The work is: Improvements to the council's reserve by filling the low-lying land and swamp, clearing out drains. As it will be seen from this reply that the council has not infringed its right to improve its own public park areas, under the intermittent relief scheme, the question of recoupment does not arise."

TUESDAY, 24 NOVEMBER, 1931.

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

AGRICULTURAL BANK ACTS AMENDMENT BILL.

ASSENT.

Mr. SPEAKER announced the receipt of a message from His Excellency the Governor, conveying His Excellency's assent to this Bill.

QUESTIONS.

INDEBTEDNESS OF GIROFLA MINING SYNDICATE TO GOVERNMENT.

Mr. PEASE (*Herbert*) asked the Secretary for Mines—

"In connection with the indebtedness of the Girofla Mining Syndicate to the Government at the 30th June, 1931—stated by the Auditor-General (page 131) in his 1931 report as £2,466, and also referred to by the Auditor-General in his 1930 report—what steps are the Mines Department taking for the recovery of this amount?"

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

"Proportionate deductions according to grade of ore are made from the proceeds of ore supplied to the smelters by the Girofla syndicate."

PERSONAL EXPLANATION.

The SECRETARY FOR AGRICULTURE (Hon. H. F. Walker, *Cooroora*) [2.35], by leave: I desire to make a personal explanation. I am hardly well enough to speak this afternoon, and I would not have come to the House at all but for what I have been told appeared in the "Truth" of Sunday last, in the "Telegraph" yesterday, and rumours which have been circulated amongst hon. members. It is most unfair that an advantage should be taken of a man who has been directed by his medical adviser to remain away from Parliament at least until the end of the year; and it is most unfair that I should have been vilified as I have been, by way of imputation and otherwise.

Reference was made in the press to an interview with the Premier. The persons responsible for the vilification of me do not hint at any other Minister of the Crown, but the attack is directed against me. It is suggested that something is not proper in connection with the receipt of certain secret commissions, and that much more might be disclosed if the Commissioner of Taxes did this, or if he had not done something else. I speak this afternoon very feelingly and under circumstances in which I have not been compelled to speak before. Never in my life have I accepted any secret or other commission, a bribe, or other form of improper payment. I have not enriched myself to the extent of one penny from my connection with the two factories with which I have been associated for a number of

years, and at the present time I owe nothing whatever to the Commissioner of Taxes.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR AGRICULTURE: If the truth were only known, the companies owe money to me for work performed by me for which I have never charged; but that is entirely my own concern. I could have obtained payment merely for the asking of it. I assure hon. members to-day that I do not owe one penny to any company in any shape or form. Up to the present, the Commissioner of Taxes has not issued any amended assessment in connection with secret or other commissions, and he cannot do so in the future because I have never at any time received any such improper payments.

GOVERNMENT MEMBERS: Hear, hear!

PAPER.

The following paper was laid on the table:—

Order in Council under "The Supreme Court Act of 1921."

SUSPENSION OF STANDING ORDERS.

RECEPTION OF RESOLUTIONS FROM COMMITTEES OF SUPPLY AND WAYS AND MEANS, AND PASSAGE OF APPROPRIATION BILL.

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

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

Question put and passed.

JUDICIAL PROCEEDINGS (REGULATION OF REPORTS) BILL.

INITIATION.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*): I beg to move—

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirableness of introducing a Bill to Regulate the Publication and Sale of Reports of Judicial Proceedings in such a manner as to prevent injury to public morals, and for other purposes."

FIRE BRIGADES ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

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

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) [2.41]: I beg to move—

"That it is desirable that a Bill be introduced to amend 'The Fire Brigades Act of 1920' (as amended by 'The Local Authorities Acts Amendment Act of 1922' and 'The Fire Brigades Act Amendment Act of 1923') in certain particulars."

The Bill contains several features that are deserving of consideration, and are essential for the wellbeing of fire brigades generally. It is proposed to alter the financial year in connection with fire brigades to bring it into conformity with the financial year of the State Government, local authorities, and other public bodies. Provision is also made for the preparation of further estimates for the present financial year, and generally for the tightening up of the budgetary provisions.

Mr. W. FORGAN SMITH: Are the Government continuing the subsidy?

The HOME SECRETARY: The subsidy is being continued, although it has been reduced. Power is also given in the Bill for volunteer fire brigades to recover the cost of attending fires at uninsured premises. The financial provisions are rendered necessary owing to the passage of the Financial Emergency Act in both the Commonwealth and State spheres. Generally speaking, boards have endeavoured to give effect to the provisions of this Act. Legislation of this nature has been forced upon us as a result of decisions agreed upon at the Premiers' Conferences.

Mr. W. FORGAN SMITH: In what way?

The HOME SECRETARY: We must reduce our expenditure, and in order to do so it is necessary that fire brigade boards should alter their financial year and bring it into conformity with the financial year of the State. This will necessitate the preparation of fresh Estimates on their part for the financial year.

Mr. KIRWAN: Will it not also mean an all-round reduction in the pay of the brigade?

The HOME SECRETARY: It will probably mean that.

Mr. KIRWAN: It has already been done.

The HOME SECRETARY: Fire brigade boards have assisted the Government in every possible way, and it is the desire of the Government to assist them. This Bill, in the main, has been asked for by the Metropolitan Fire Brigade Board, and by various volunteer fire brigades. Volunteer fire brigade boards cannot make any charge for attendance on a fire at a property which is uninsured.

Mr. W. FORGAN SMITH: They may also be sued for damage to the property.

The HOME SECRETARY: A volunteer fire brigade board that may damage a property in order to protect property from being destroyed by fire can be sued by the owner for damages. Volunteer brigades do not want to work under disabilities of that kind, and there is always that possibility. There are always "narks" in a community, and during the last twenty years we have seen persons with alleged grievances originating all kinds of claims and actions.

Under the provisions of this Bill expenditure not provided for in the original Estimates cannot be incurred. That also applies to such public utilities as hospitals.

Provision is also made to compel certain insurance companies not registered or licensed in Queensland to bear the same financial responsibilities as those companies which are registered and licensed in the State. At the present time big underwriting concerns like Lloyds do business in Queensland, notwithstanding that they have no office in the State and pay no rates.

They also are exempt from any liability towards the maintenance of the fire brigades.

All fire insurance companies operating within a district served by a fire brigade must contribute three-sevenths of the total cost of such brigade. In the past companies who have been registered and licensed in Queensland have been at a disadvantage as compared with companies that have not.

Another provision compels companies that are not registered or licensed in Queensland to furnish an annual return of premiums, thus placing them on the same footing as companies which are registered and licensed.

Provision is also made to invest volunteer fire brigades with similar powers to those exercised by boards like the Metropolitan Fire Brigade Board. Many fine fire brigades are operating within the metropolitan area. The Sherwood Fire Brigade is performing very useful work, but their powers are very limited. They have no legal status or authority except by registration by the local authority. They are not recognised by the law; consequently they have not the power to inspect nor to collect fees in cases where they may be called upon to attend a fire at an uninsured property.

The Bill allows power of inspection in the case of volunteer brigades. At the present time other boards have power of inspection, and, as the result of their inspections in the area of Brisbane, a great deal of what would otherwise have been disastrous loss through fires has been saved to the public of Queensland. Volunteer boards are asking for the same power, because the same trouble exists in regard to the probable creation of fires in their areas; therefore, in giving this power to the volunteer boards, we are going a long way towards minimising fires in the future.

It is also proposed to remove from the committees of volunteer brigades the liability for damages which may be caused in extinguishing fires. As I explained earlier, volunteer brigade committees are at present liable for any such damage, and quite a number of committees resent that position, particularly as they are giving their services free to the community. In removing that liability we are only doing justice.

The law as it stands to-day gives other fire brigade boards the power to make a charge on uninsured premises, but the same power is not extended to volunteer brigades. Why the line of demarcation should be drawn I cannot understand. Quite a number of calls have been made on volunteer boards, and, by giving them power of inspection, they can compel the owners of vacant allotments on which weeds and grass are growing to take steps to prevent damage from grass fires. Under the present law they can make no charge; but under this Bill the way is now clear to prevent what in a dry time may cause a great deal of damage. The definition of "property" is extended to include grass, trees, crops, fences, etc., in order to bring them under that category.

I submit the Bill and trust that its principles will meet with the approval of hon. members.

Mr. W. FORGAN SMITH (*Mackay*) [2.50]: So far as I could follow the Minister's fairly full explanation of this measure, there does not seem to be much in the Bill which calls for debate at this stage; therefore, I content myself with reserving any further remarks until the next stage of the Bill.

Question—"That the resolution (*Mr. Peterson's motion*) be agreed to"—put and passed.

The House resumed.

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

Resolution agreed to.

FIRST READING.

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) [2.53] presented the Bill, and moved—

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

Question put and passed.

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

QUEENSLAND (MORVEN BRANCH) BUSH NURSING ASSOCIATION FUNDS AND OTHER FUNDS TRANSFER APPROVAL BILL.

INITIATION IN COMMITTEE.

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

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) [2.55]: I beg to move—

"That it is desirable that a Bill be introduced to enable certain moneys raised by certain residents of Morven, in the State of Queensland, for the purpose of establishing a public hospital at that place, to be diverted from such purposes and to be transferred to a body known as the Morven Branch of the Queensland Bush Nursing Association, and to be applied for the purposes of the said branch and for the purpose of enabling further transfers of certain funds to be effected."

The Bill proposes to transfer certain moneys standing to the credit of trustees at Morven. It was decided in 1923 to open a fund for the purpose of erecting a public hospital. Difficulties arose, and later on it was found not possible to go on with the erection of a public hospital, and it was decided to build a small cottage hospital, and the trustees want to divert the funds collected to the funds of the Queensland Bush Nursing Association centre at that place.

Mr. POLLOCK: Are they the people who collected the funds?

The HOME SECRETARY: Yes; they are the people who did the collecting, and usually do most of the collecting in country districts. In 1927 the Government erected a cottage maternity hospital in that district; but little use has been made of it for obvious reasons over which we have no control. In 1929 this cottage was handed over to the Bush Nursing Association. This association is now functioning in a very admirable way.

At present the fund is in credit to the amount of £290 out of the £600 which was originally collected. A public meeting was called, and the people approved of the transfer. On several occasions we have had Bills of a similar nature introduced into this Parliament; and, in order to save time

on future occasions a provision is inserted in the Bill whereby the Home Secretary is charged with the responsibility in the case of similar requests in the future to make thorough inquiries, and, if such inquiries bear out the statements made by those making the application, the matter will be submitted to the Governor in Council for approval. That will save a good deal of time, and should meet with the wishes of Parliament. In a Bill of this nature there is no vital principle at stake. Funds are collected, in the first place, for a specific purpose, but subsequently it is found they are unable to be used for the purpose. These funds are being put to a very useful purpose, and we may have many similar applications in the future, and machinery is provided to enable the Governor in Council to deal with the matter without having to submit a separate Bill to Parliament on each occasion.

Mr. POLLOCK (*Gregory*) [2.58]: So far as I know, there is no objection on this side to the principles contained in the first part of the resolution. If money is collected for the hospital and it is found impossible to go on with the construction of that hospital, and the people concerned are prepared to allow the money to be used for some other equally worthy object, then I take it none of us has any objection to that being done. But, according to the remarks of the Minister, if at any future time a similar position arises, the Government are taking power to do this by Order in Council. I have no objection to that provided it is done only when the subscribers and the trustees of a fund are willing that it should be done.

The HOME SECRETARY: I can assure you that that will be so.

Mr. POLLOCK: I have a case in mind of some people at Windorah, who, when times were good in the pastoral industry many years ago, collected between £600 and £700 for the purpose of establishing a cottage hospital at Windorah. That amount has grown, with accumulated interest, until it now amounts to a good tidy sum. That money was vested in trustees. Since that time, because of the fall in prices and other difficulties, the district has found itself unable to go on with the construction of the hospital. Jundah, a neighbouring town, has a very fine hospital, and it is only 60 miles from Windorah; and the Jundah people have been trying for some time to get the money collected for the installation of a hospital at Windorah for the purpose of carrying on their own. The Windorah people who have subscribed this fund, and the trustees of the fund, object to this transfer being made on the ground that, although the towns are only 60 miles apart, the Thomson River, which separates the two towns, is absolutely non-negotiable for about three months when in flood; consequently patients from Windorah and the back country around Windorah are unable to get to Jundah for about three months. These people obviously should not have the money they subscribed for the purpose of constructing a hospital at Windorah handed over to the Jundah hospital without their consent; and I would not have risen at all had it not been to inquire of the Minister whether it is proposed to take the power given under this Bill to hand over such funds to another institution than that for which it was collected without the sanction of the people who are trustees and subscribers to the fund. We want to safeguard subscribers who object to this money being transferred against their will, and I suppose the Minister will have no objection to our making provision for it at the Committee stage. However, I am satisfied from what the Minister has said that it is not intended to transfer money of this kind except with the sanction of the people who are trustees and subscribers to the fund.

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) [3.3]: The Bill provides for the difficulty mentioned by the hon. member. Even if it may seem somewhat ambiguous—I do not think it is—we can easily deal with it in Committee. It is not a fair thing to allow any power to be given away in that direction. I am sure the hon. member will find there is ample power in the Bill to do what he wishes, and I agree with his contention.

Mr. CONROY (*Maranoa*) [3.4]: I anticipated to some degree that the money which has been subscribed by the people of Morven would be devoted to some other cause. Some years ago efforts were made by means of entertainments and race meetings to collect money to build a hospital. At that time they had a cottage maternity hospital and also a medical officer; they commenced to collect money with the object of building a hospital; as a matter of fact, they conferred with the Department of Public Works, and got plans and specifications prepared for the building. I am not quite sure on the point; but I understood the Minister to say that the present cottage maternity hospital had been handed over to the Bush Nursing Association. I would like an assurance from the Minister to that effect. If that is not so, there will probably be further applications later on.

The HOME SECRETARY: It was handed over to the Bush Nursing Association in 1929.

Mr. CONROY: If that is the case, I do not think there will be any further trouble regarding the money collected. I am quite sure that, so far as a general hospital is concerned, it is not possible to carry it on there. They had a medical officer in Morven, but he was only there for a short time. Morven is a very small place, and could not maintain a hospital of that description; but I am quite satisfied now that I know the Bush Nursing Association has taken over the cottage maternity hospital.

Question—"That the resolution (*Mr. Peterson's motion*) be agreed to"—put and passed.

The House resumed.

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

Resolution agreed to.

FIRST READING.

The HOME SECRETARY (Hon. J. C. Peterson, *Normanby*) presented the Bill, and moved—

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

Question put and passed.

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

LAND ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE—RESUMPTION OF DEBATE.

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

Question stated—

"That it is desirable that a Bill be introduced to amend 'The Land Acts, 1910 to 1930,' by providing for a measure of relief to Crown tenants of holdings mainly used for the depasturing of sheep so that production from the pastoral lands of the State may be maintained; to amend such Acts and other Acts in certain particulars; and for other purposes."

Mr. POLLOCK (*Gregory*) [3.8]: When this Bill was under consideration on another occasion, I spoke for one minute because the Minister apparently did not desire to give an explanation of the Bill on that occasion. If I resume my seat now, I shall be limited to two periods of five minutes each to discuss this important Bill. I hope, Mr. Roberts, that you will safeguard the position for me, if it is at all possible, provided the Minister gives an explanation of the Bill.

The SECRETARY FOR PUBLIC LANDS (Hon. W. A. Deacon, *Cunningham*) [3.9]: I did not give an explanation of the Bill on a former occasion because there was only one minute to go; but it did not strike me that, in failing to give that explanation at that time, I would jeopardise the rights of any other hon. member. The present position has arisen entirely through my own fault. This Bill of fifty odd clauses proposes to carry into effect a scheme providing for relief to sheep farmers. It will be remembered that the Government undertook to grant certain concessions in the event of Crown tenants being successful in securing a reduction of interest from their mortgagees.

Mr. POLLOCK: Would a sheep farmer include a man holding 1,000 square miles of country?

The SECRETARY FOR PUBLIC LANDS: The people engaged in wool growing are in trouble, and have experienced considerable trouble over the past few years, particularly on account of the tremendous decline in wool values, wool having fallen below the cost of production. The Government have endeavoured to assist these people by offering to grant certain concessions in the event of the Crown tenant securing a reduction in interest from his mortgagee. The Crown undertook to grant a 25 per cent. reduction in rent and an extension of lease in respect of a portion of the holding. The Crown undertook to resume only one-half of the run upon the expiration of the present lease, and to grant an extension of lease for five years for part of the remainder of the holding and an extension of lease for ten years for the remaining part of the holding secured to the Crown tenant. The sheep farmer or grazier does not lose any of his priority rights. The number who took advantage of the Government's offer was not as great as we expected. Since then there has been a general reduction in order to assist in the reduction of costs in the industry. Part of this Bill legalises the concessions which have been granted by the Government, and also extends similar concessions to other graziers who have not been able to take advantage of the offer of the Government. There are certain exemptions, which apply to those graziers who have already had concessions. Those concessions have been principally granted to graziers engaged in breeding sheep for stud purposes. They will not benefit by the provisions of this Bill, because they have had the equivalent of these concessions previously.

Mr. POLLOCK: This Bill legalises the concessions already granted?

The SECRETARY FOR PUBLIC LANDS: That is so, and extends their benefits to all others who have not participated.

Mr. POLLOCK: Then everybody gets a slice of the tart.

The SECRETARY FOR PUBLIC LANDS: That is not a decent way to put it.

Mr. W. FORGAN SMITH: Well, say a slice of the ham.

The SECRETARY FOR PUBLIC LANDS: That is even more indecent. The sheep farmers and graziers who have not taken advantage of the concessions of the Government will merely get justice by the passage of this Bill. They will get no more than what they are entitled to. There is nothing so important to the State as to ensure that people who are producing the article most important to our welfare, that is wool, should be placed on a footing whereby they can engage in its production with profit to themselves and the State as a whole.

The Bill also proposes to establish the Land Administration Board on a permanent basis. The Bill is really divided into four parts. The first part is formal; the second part deals with the concessions granted to woolgrowers; the third is designed to place the Land Administration Board on a permanent basis as the administrator of the Department of Public Lands; and the fourth part deals with miscellaneous amendments of the Land Acts.

The Land Administration Board has proved of advantage to the State, and has been of distinct assistance to the Government. The Bill does not provide for the personnel of the board. The appointments will be left to the Governor in Council.

Mr. POLLOCK: Do you intend to continue the present members in office?

The SECRETARY FOR PUBLIC LANDS: That is the intention. The Bill also deals with the Department of Irrigation and Water Supply. It is not intended to abolish the Department of Irrigation and Water Supply; it will continue to function as a sub-department of the Department of Public Lands.

The CHAIRMAN: Order! I do not know whether it is the intention of the hon. gentleman to discuss the subject-matter of the Bill next on the business-sheet.

The SECRETARY FOR PUBLIC LANDS: That is not my intention, Mr. Roberts. Provision is made in this Bill to incorporate the Department of Irrigation and Water Supply in the Department of Public Lands.

Some of the amendments to the Lands Acts are unimportant; but, if I deal with them in detail, I would take up a great deal of time in this Committee, which I feel I should not be warranted in doing. They are matters which can more properly be dealt with in Committee.

Mr. POLLOCK: I think you ought to outline the principles of the amendments at this stage.

The SECRETARY FOR PUBLIC LANDS: That would involve a second reading speech. It is unnecessary at this stage to take up time by discussing these small amendments.

Mr. POLLOCK: Not to argue them, but to outline them.

The SECRETARY FOR PUBLIC LANDS: Some of them are purely minor amendments. There are, however, two amendments with which I may deal. One deals with agricultural farm selections, the present tenure of which is a twenty years' lease in the first class. After payments in that direction have been made for the first twenty years, the selector has the option of paying up and getting his deed, or taking a ten years' lease with double payments for a second term. There are cases in which too high a value was put on the land in the first instance. It is not possible for us to reduce that value, and it would not be practicable to do it throughout the State. Provision is made in this Bill that where the Land Administration Board is satisfied that a hardship would be created in asking a selector to make double payments for the second term the Minister may extend the second term for twenty years. That will only be done, however, in cases in which some hardship is involved. It is a provision which has been found necessary, not only at the present time but during the regime of the late Government. I have encountered a number of cases where I would have liked power to do as proposed in this Bill. Up to date these cases have been met in this way: Rents have not been collected, although some of them are from three to five years overdue. This Bill will legalise the arrangement, and will enable cases to be dealt with properly without difficulty to the selector and without doubt as to the legality of the tenure.

Mr. POLLOCK: What tenure are you going to give the Land Administration Board?

The SECRETARY FOR PUBLIC LANDS: That is mentioned in the Bill, and a board of that nature must be appointed for a fairly long term.

Mr. POLLOCK: Can you retire the members of the board at any age?

The SECRETARY FOR PUBLIC LANDS: The members will be appointed as a permanent board, and will retire on reaching the age limit.

Mr. POLLOCK: What will the age limit be?

The SECRETARY FOR PUBLIC LANDS: The usual age limit.

Mr. POLLOCK: Is there any power given you to dismiss the board if it is not carrying out its work satisfactorily?

The SECRETARY FOR PUBLIC LANDS: No more than is given to dismiss any other public servant. Any public servant is liable to dismissal for misbehaviour.

Mr. POLLOCK: What is the machinery in this case?

The SECRETARY FOR PUBLIC LANDS: The usual machinery.

Mr. POLLOCK: You are a mine of information! (Laughter.)

The SECRETARY FOR PUBLIC LANDS: The Bill also deals with concessions to selectors on the repurchased estates of Jimbour and Cecil Plains, where a great deal of trouble has arisen through bad classification. In some cases purely grazing land has been paid for on the basis of agricultural land. It is proposed to reclassify both those areas. Where it is classified as agricultural land there will be no reduction, but where it is classified as grazing land a reduction will be allowed.

Mr. POLLOCK: Is there any power for a subsequent Parliament to revoke these extensions of leases?

The SECRETARY FOR PUBLIC LANDS: No Parliament has ever had power to break a lease except by resuming it and paying compensation. The Crown always has had power to resume on payment of compensation. It would not be right to give merely temporary leases. It has been found desirable to extend the time for conversion of perpetual leaseholds into freeholds. Nearly all the perpetual leaseholds have now been converted, but some of them have been deferred, and there are a few lessees who, mostly for financial reasons, have not yet put in their applications. The time has been extended to 30th June, 1932, and the time for a review of valuations has also been extended to that date.

I do not think it is necessary to go into the other proposed amendments as there are so many of them, and I can deal with them much better at the second reading stage.

Mr. POLLOCK (*Gregory*) [3.26]: The main principles contained in this Bill are so thoroughly and utterly bad that the Opposition cannot lend its countenance to any of them. According to the Minister, the Bill not only seeks to legalise those extensions of leases that have already been given: but it also gives power to grant similar extensions to everybody who is not able to come within the ambit of the Premier's so-called wool relief scheme.

Another principle of the Bill is that it gives security of tenure and supreme control of the Department of Public Lands and also of the Department of Water Supply and Irrigation to the Land Administration Board.

Our objection to the principle of extensions of leases is that to-day there are a huge number of people in Western Queensland living, or trying to live, on what is less than a safe living area. There are other people who, as soon as markets improve, will desire to secure a piece of land in the best sheep country of the State in order to endeavour to make a living. The demands of those selectors who were promised by hon. members on both sides of the House in 1927 that, with the resumption of big areas, they would be able to get additional land to bring their holdings up to the safe living area, cannot be met unless by the resumption of those big estates as they become due for resumption. Any proposal to give an extension of lease of these bigger properties for the term of that extension of lease deprives the smaller people of their rights that were given to them—tacitly agreed to by the Opposition in 1927, and agreed to by the Government in 1927—to get an additional area. I propose to discuss that question more fully at the second reading stage. It can be established as a broad general principle that, because of the low price of wool and cattle

to-day, there is not a great demand for land for new selection; but immediately prices rise there will be a big demand. There always has been a big demand for good sheep-carrying country and reasonably good cattle country; so that I say that these people who are receiving extensions of leases will be able to keep out of occupation of these lands many of our best intending selectors long after this period of drought and depression has disappeared. The men with less than a living area have been waiting since 1927 in the hope that, when these big estates became due for resumption, they would be able to get enough additional country to enable them to carry on and make a success of their holdings. There is sufficient country under a sensible land policy to give these people an additional area; to make reasonable and adequate provision for new settlers in the future, and still give priority rights to the present lessees over much more than a fair living area of the country they are now occupying. That, however, can be more fully dealt with on the second reading stage of the Bill. Because of those reasons, we propose to vote against the Bill at this stage and at every subsequent stage. The good that is in the Bill—the reduction of rentals by 25 per cent.—is very small compared with the huge amount of bad there is in it.

The proposal to give the Land Administration Board complete control over all Lands Department affairs for the next few years is one that does not find favour with me. At one time I thought that the board was capable of doing the job properly; but recent events have convinced me that the Land Administration Board is not capable, and not worthy, of doing that job properly. In order to back up that statement, I want to refer to a return which was laid on the table of the House by the Minister in reply to a question I asked on Thursday, 5th November, which is headed—

> "RETURN SHOWING THE PASTORAL HOLDINGS IN RESPECT OF WHICH EXTENSION OF LEASES HAVE BEEN APPROVED UNDER THE GOVERNMENT'S WOOL RELIEF SCHEME. IN EACH CASE THE EXTENSION HAS BEEN RECOMMENDED BY THE LAND ADMINISTRATION BOARD."

Practically the extensions of leases already granted under that alleged Wool Relief Scheme and recommended by the Land Administration Board have so far been given only to big holders in the best sheep carrying country in Western Queensland, namely—

	Square miles.
The Scottish Australian Investment Company	879
Law Debenture Corporation ...	824
George Logan	167
New Zealand and Australian Land Company, Limited ...	1,659
George Logan and Sons, Limited	474
Edmund Jowett	315

I have not time to read the whole list. The extensions of leases given to-day and recommended by the Land Administration Board total 14,619 square miles of the very pick of the sheep-carrying country in Queensland, or a total of 9,356,160 acres; and every extension of lease has been given at the expense of some poor devil of a struggling selector who has not a dog's chance of getting out of his difficulties, and not a chance of meeting his liabilities or his bank interest, or of paying current working expenses, unless he gets a bit more land tacked on to the miserable area he already has. For these reasons and one hundred other reasons which will be mentioned at the second reading stage, we propose to fight this Bill at every possible stage.

Mr. WIENHOLT (*Fassifern*) [3.35]: It appears to me that this Bill, providing for the extension of leases, will be very much on the lines of the Land Act of 1902. Hon. members know the tremendous advantage which that Act gave, and how necessary it was. I do not object to the Crown helping these lessees in this bad time, and I do not object to the Crown helping sheepmen as well as cattlemen and grazing farmers. I do not think the Crown will lose by helping them in this manner; but perhaps it may be possible to get something in the way of a quid pro quo for the big and valuable concessions we are giving. I have no doubt that times will improve, and that these concessions will be very valuable in the future, although at the present time they do not appear to be of so much value. I can understand the viewpoint of the Premier in giving these concessions, but they may restrict work in Western Queensland; because, when a lease is cut up, there is always a certain amount of work provided. This policy may seriously affect Western workers during the next few years, and on that ground alone, I do not altogether like it. It does seem possible that in granting an extension of lease the Government could, with judgment and with fairness, insist that the portion in respect of which an extension is granted shall be brought up to its full economic capacity. The Government could insist that, in return for an extension of lease, the lessees shall construct all the necessary extra improvements so that the runs will be brought to the greatest possible capacity. There are very few runs where extra improvements are not required, such as an extra bore, yards, or fencing. If it is proposed that the new areas shall be developed to their fullest carrying capacity, then the construction of the necessary improvements will provide work for many western workers for some time to come. I suggest to the Minister that, in granting such leases, he should consider the advisableness of providing that the areas be brought up to their fullest economic carrying capacity in this way.

The PREMIER (Hon. A. E. Moore, *Aubigny*) [3.39]: The hon. member for Fassifern is perfectly correct in suggesting that the land should be brought to the greatest economic capacity; but we have to recognise that, even if the whole of this country were thrown open to-morrow, the lessees would not be able to obtain the necessary finance to improve their holdings. There is not sufficient finance available to enable existing runs to be further improved. The report by the Land Administration Board, dealing with the Government's wool relief scheme, says, at page 9—

> "Extension for a term not exceeding ten years of those pastoral leases approaching expiry in order to enable the lessees and mortgagees to make a financial recovery. Any extension of lease, however, to be subject to an immediate resumption of land as from the date when the current lease would have expired,

and such further specified resumptions within five years as might be deemed necessary in the interests of closer settlement."

It is definitely set out that, where it is necessary and advantageous to apply certain land for closer settlement purposes upon the expiry of a lease, half the lease shall be resumed, and that the lease for one quarter of the area shall be extended for five years and for the other quarter for a period of ten years. That is being done purely because of the financial position of the country.

Mr. POLLOCK: What about the man who needs an additional area?

The PREMIER: What is the use of giving a man an additional area if he has not the money to stock it or to improve it?

Mr. POLLOCK: He could get the money, if he had the additional area.

The PREMIER: I can assure the hon. member that he cannot. I have been interviewed by firms, financial institutions, and many others. I have been approached by landholders who have no stock at all, who have appealed to me to assist them to supply stock to their holdings, as they cannot get the money.

Mr. POLLOCK: Seventy-five per cent. of the selectors in the Winton district think differently from that.

The PREMIER: It does not matter what seventy-five or 750 selectors think. It is what they can do—not what they think. If they were able to obtain an additional area and they approached the financial institutions for accommodation, they would be informed that the financial institutions were not extending operations in that area, but were merely trying to keep their present clients going.

Mr. W. A. RUSSELL: Applications are being refused every day.

The PREMIER: That is so.

Mr. POLLOCK: These men are unable to carry sufficient sheep to pay their current expenses.

The PREMIER: I know that financial institutions are not extending their financial operations, and they are not prepared to provide additional money merely to place a selector under a greater liability.

Mr. POLLOCK: Some of them have too many stock for their country, and cannot get rid of it.

The PREMIER: It is no use putting up that argument. I have investigated quite a number of these cases. I have been approached by dozens of men with land and stock to a limited extent; and they have taken letters from me to the different financial institutions in an endeavour to obtain sufficient funds to construct improvements or to buy additional stock; and they have been turned down time after time by the financial institutions, who have no money available. Most of these financial institutions have huge overdrafts themselves. It is taking them all their time to meet their own liabilities. Some of the institutions referred to by the hon. member for Gregory have overdrafts up to the limit, and are in such a position that they are just able to carry on. What is the use of extending areas when there is no possible chance of financial assistance being extended to the lessees to improve the additional areas? There are selections to-day which are unstocked because the lessees cannot get the assistance to stock them.

Mr. POLLOCK: Some of these extensions of leases date seven and nine years ahead.

The PREMIER: We had a definite understanding with these people before there was any question of legislation. After full consideration of the position we recognised that interest was the greatest burden. The lessees have borne tremendous losses, and they are unable to secure financial assistance to rehabilitate themselves; consequently, an extension of lease will probably give them some opportunity of recovering. It is absurd to make some arrangement enabling present lessees to enlarge their holdings when they are unable to secure the financial asistsance to do so. The scheme of the Government is to give those lessees who have suffered so severely from drought an opportunity of recovering rather than to disperse their areas at a time when prices are so absurdly low that no assistance would be forthcoming to new selectors to stock up again.

Mr. POLLOCK: You are giving these people concessions in the way of extensions of leases to take effect as far ahead as 1939.

The PREMIER: We have no right to dispossess the present owners until the leases expire. The hon. member must recognise that these lessees have had huge losses, and many of the holdings are unstocked. They have two or three years in which to make some recovery.

Mr. POLLOCK: Some of them have got eight years to run.

The PREMIER: It is very difficult to make fish of one and fowl of another. The Government have made a general survey of the position in the interests of the whole State. Dozens of woolgrowers have been in a position that, with their leases shortly falling in, it would not pay them to stock up because there is no possibility of getting a return. Neither the State nor the individual would get any advantage by the Government adopting a policy other than the one they have decided upon. That policy is to resume half of the holding at the expiration of the lease, and to give an extension of the lease in regard to the remaining portion. There is in that policy an incentive for the lessees to stock up again so that the State may get some return. That policy of the Government was adopted quite deliberately. It recognised that it was going to be unpopular and that it would give the Opposition the handle they wanted to go to the country and put up a case against the Government. I never doubted that possibility at all; but we looked at the matter from the broad national point of view of the possibility and probability of reducing the rate of interest, and getting the financial institutions to assist the industry out of its unfortunate financial difficulty. Such a policy would react in the interests of the State.

Mr. BRASSINGTON: You cannot justify your concessions to the Australian Pastoral Company.

The PREMIER: I can justify any concessions which have been given. I need offer no apologies for them. I called a special meeting of our party, and put the

position clearly before it. The last company the hon. member for Balonne should talk about in his electorate is the Australian Pastoral Company, because it has treated its employees better than any other company in Queensland.

Mr. BRASSINGTON: That does not justify the extension of its leases.

The PREMIER: It does; and the hon. member cannot justify singling out one or two companies in connection with a policy of this kind. We did not look at the matter from the point of view of the electorate of the hon. member, but from the point of view of Queensland—what was best in the public interest, and what the Government thought was best to enable the industry to recover from its unprecedented position.

Mr. FOLEY: Couldn't you reduce interest without giving concessions?

The PREMIER: We could have brought in an Act of Parliament on the lines suggested by the Deputy Leader of the Opposition, who said he would not pay anybody; but we took the point of view that we should co-operate with all sections of the industry in an endeavour to place it in a position where it would function as a tremendous asset to the State.

Mr. POLLOCK: It will place some selectors in a worse position.

The PREMIER: There must be anomalies in every scheme; but, taking the broad, national view, I am of opinion that it was the right and proper thing to do. We are not departing very far from what was recommended by the Land Advisory Board in 1927. That board went all round Queensland taking evidence, and it recommended that one-third of the pastoral leases should be extended up to fifteen years. That was definitely recommended in the report of the commission.

Mr. POLLOCK: And it was laughed out of this Parliament.

The PREMIER: It may have been; but that has nothing to do with the position. That was the report of men who were competent to make recommendations. These men, after taking the minutest evidence from all sections, brought in a report. It is quite possible for anything to be laughed out of this Parliament by people who are prejudiced, especially when the people who are prejudiced happen to be in power; but I take the view that the best thing to do is to consider the interests of Queensland as a whole.

Mr. FOLEY: Reduce interest without any concession was the proper thing to do.

The PREMIER: The hon. member has had his wish. Interest has been reduced in many cases; but it has to be recognised that, when you reduce interest, you may benefit one individual, but at the same time you are victimising another individual, and many of the people who have been victimised have been unable to bear it.

Mr. POLLOCK: That applies to a reduction of the wages of the workers.

The PREMIER: Of course it does; but there would not be any wages at all if these people were to be put out of existence.

Mr. HANLON: There would not be any interest at all if we all "took the knock."

The PREMIER: That is so. It is only by taking a wide national view of the position that we are not going to "take the knock." Our proper action is to do what is best in the interests of the whole community, irrespective of whether a few individuals will suffer temporarily by it. I recognise the difficulties; I have not minimised them. I discussed them—not with persons outside, but with officials of the department—to see what was the best thing to do, recognising the unfortunate position of these people, and recognising the impossibility of securing a large amount of finance to enable progress to be made.

Mr. WIENHOLT: The finance which should be developing the west is going to the Loan Council.

The PREMIER: That is exactly the position. The money that should be going into industry is being loaned to Governments. That position is still going on, and is one of the difficultes facing all Governments. All Governments are in arrears; and the money that should be going to develop the country is being paid to Governments to pay the public servants and keep the affairs of State going. We have to see which people can give the best security, and which people with reserves can stock up. In that way the interests of the State as a whole will be conserved.

Mr. POLLOCK: Everybody is stocked up.

The PREMIER: Everybody in the hon. member's electorate around Winton may be stocked up; but I am speaking of Queensland.

Mr. BUTLER: Half of them are not stocked.

The PREMIER: Numbers of people have come to me and asked if any arrangements could be made with the Government by which money could be advanced for restocking.

Mr. POLLOCK: There is an odd district which is still suffering from drought—Aramac, for instance.

The PREMIER: Looking at the position from the widest point of view, we have to secure the greatest co-operation in order to put this industry on its feet again. After all, this is one of the most important industries in the State, giving, as it does, a great amount of employment, and returning a great amount of wealth to Queensland, particularly in exportable products, which are so necessary at the present time. Looking at the position from these angles we carried out what we considered was the best policy in the interests of the State. I am not going to say that in five or six years the position will have improved, and there may be criticism levelled at the action now being taken. The same thing happened in 1902, when the Government did what they considered was the right thing to do in the circumstances. Matters turned out differently later. On this occasion the extension is being given for ten years, and it is for one-quarter of the area concerned.

Mr. POLLOCK: You are mistaken when you say you are giving this concession to enable people to stock up, because the country is literally bursting with sheep.

The PREMIER: That may be so in odd cases; but I can assure the hon. gentleman that that is not the general position.

Mr. POLLOCK: There have been two or three good seasons.

The PREMIER: In many places there has not been a good season yet. I can give the hon. member instances of dozens of places where there is still a drought.

Mr. POLLOCK: This year some of them have had a spell.

The PREMIER: The present action has been taken in the interests of the whole State. I still think, and nothing will convince me to the contrary, that it is the right thing to do. I am not going to say that some people will not suffer for a few years in that they are not able to secure extra land—not that they have the right to secure extra land.

Mr. POLLOCK: They have more right to a living area than these other people have to an extension of lease.

The PREMIER: They have no right to an extension of area; but, under the provisions of the Land Acts, they may secure an additional area on application to the Land Administration Board.

Mr. POLLOCK: In 1927 they were promised an additional area, and you were a party to it.

The PREMIER: It was provided that they "may" get an additional area—not that they "shall" get it.

Mr. POLLOCK: What rights have these people to an extension of lease?

The PREMIER: No rights at all. I have never said they had any rights; but I say, in the interests of the community, the Government have tried to secure co-operation in putting this industry upon its feet again.

Mr. POLLOCK: These extensions are interfering with the rights of closer settlement.

The PREMIER: There are no rights of closer settlement. If there were any rights, why did the Labour Government cut these lands into such small areas?

Mr. POLLOCK: We did not cut them up into small areas. They were cut up by a previous Government.

The PREMIER: The Labour Government cut them up into small areas. It is not possible in one bad year to say what is a living area.

Mr. POLLOCK: No more can you say that you should give an extension of lease.

The PREMIER: No; but we have the experience of five or six years when prices are down to bedrock and all the resources have been exhausted, and when you find the financial position such that lessees cannot secure sufficient money to stock up or carry on, then it is a case of doing what is best in the interests of the whole State. The whole position had to be faced, and we have dealt with it in the way we considered best in the interests of the whole State. If it is wrong, we have to take the responsibility of it; but personally I do not think it is wrong. I think we have done right, and we have reserved the rights of the community at the expiration of the lease, and, in addition, we have given these people an opportunity to improve the country and stock it up and retrieve their position, which was desperate. The hon. member must recognise that it is still desperate.

Mr. POLLOCK: It is not as desperate as the position of the selectors.

The PREMIER: If we give a man 10,000 acres, is his position going to be rendered less desperate? It is not. It is a question of rehabilitating the whole industry. If a man had 100,000 acres he could not make enough to live on unless he had some reserve fund. The price of wool is a little better than it was, but he would still suffer a loss. He might make some money in speculation, but he would lose on every sheep he held. That is perfectly obvious, and is recognised by everyone in the industry.

Mr. POLLOCK: He has gone through all that.

The PREMIER: He has gone through it, and there has been a slight increase in the price of wool, probably owing to Great Britain going off the gold standard. It is not a rise so far as the gold standard countries are concerned.

Mr. POLLOCK: You are so much concerned with the man who has lost his money that you are forgetting the man who has spent twenty years of his life out there.

The PREMIER: That is only political propaganda on the part of the hon. member. In the interests of the country I was quite prepared to put up with that kind of accusation, as I could establish a case for what has been done.

Question—"That the resolution (*Mr. Deacon's motion*—be agreed to"—put; and the Committee divided:—

AYES, 30.

Mr.	Atherton	Mr.	Maxwell
,,	Barnes, G. P.	,,	Moore
,,	Blackley	,,	Morgan
,,	Brand	,,	Peterson
,,	Carter	,,	Plunkett
,,	Clayton	,,	Russell, H. M.
,,	Daniel	,,	Russell, W. A.
,,	Deacon	,,	Sizer
,,	Duffy	,,	Tedman
,,	Edwards	,,	Walker, J. E.
,,	Fry	,,	Warren
,,	Kenny	,,	Wienholt
Dr.	Kerwin		
Mr.	King		*Tellers:*
Mrs.	Longman	,,	Butler
,,	Macgroarty	,,	Dunlop

NOES, 22.

Mr.	Barber	Mr.	O'Keefe
,,	Brassington	,,	Pease
,,	Bulcock	,,	Pollock
,,	Conroy	,,	Smith
,,	Cooper	,,	Stopford
,,	Dash	,,	Wellington
,,	Foley	,,	Wilson
,,	Hanlon	,,	Winstanley
,,	Hanson		
,,	Hynes		*Tellers:*
,,	Kirwan	,,	Bow
,,	Mullan	,,	Jones, A.

PAIRS.

AYES.		NOES.	
Mr.	Tozer	Mr.	Bedford
,,	Kerr	,,	Jones, A. J.
,,	Grimstone	,,	Collins

Resolved in the affirmative.

The House resumed.

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

Resolution agreed to.

FIRST READING.

The SECRETARY FOR PUBLIC LANDS (Hon. W. A. Deacon, *Cunningham*) presented the Bill, and moved—

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

Question put and passed.

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

IRRIGATION AND WATER SUPPLY ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

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

The SECRETARY FOR PUBLIC LANDS (Hon. W. A. Deacon, *Cunningham*) [4.7]: I beg to move—

> "That it is desirable that a Bill be introduced to constitute the Land Administration Board to be the Commissioner of Irrigation and Water Supply, and to amend 'The Irrigation Act of 1922' and 'The Water Act of 1926,' as amended by subsequent Acts, in certain particulars."

As the motion sets out, it is proposed to constitute the Land Administration Board to be the Commissioner of Irrigation and Water Supply. It is not intended that there should be any interference with the useful functioning of the Irrigation Department. The object of the Bill is to co-ordinate the two services, which is only right and proper. The Labour Government made a very big and costly mistake in setting up a separate Irrigation and Water Supply Department controlled by a Comissioner clothed with autocratic powers.

Mr. POLLOCK: Those autocratic powers will now be wielded by the Land Administration Board.

The SECRETARY FOR PUBLIC LANDS: It is quite a different matter granting autocratic powers to a board and autocratic powers to an individual, particularly since those autocratic powers have been watered down to some extent by an amendment of the Irrigation Act.

Mr. POLLOCK: One individual constitutes the Land Administration Board.

The SECRETARY FOR PUBLIC LANDS: The present Government amended the Irrigation Act by taking away the autocratic powers of the Commissioner of Irrigation and Water Supply, and the Land Administration Board will not exercise the same autocratic powers as were exercised by the previous Commissioner of Irrigation and Water Supply. This Bill will bring about co-ordination, and will enable the work of the Irrigation and Water Supply Department to be carried out in proper co-operation with land settlement. It is not intended that the Irrigation and Water Supply Department should carry out less important work after it has been co-ordinated with the Land Administration Board. Under the new arrangement it will be possible to carry out very useful work to the State at much less expenditure. At the present time, and perhaps for the future, there is nothing more important than the conservation of our water resources, not only in the western parts of the State, but also in the more settled areas. The Irrigation and Water Supply Department should not proceed with its activities if it cannot be closely followed by the Land Administration Board making land available for settlement. This Bill constitutes the Land Administration Board as the Irrigation and Water Supply Commission; and power is contained in it to delegate the administration of this subdepartment to the Deputy Commissioner of Irrigation and Water Supply. It is not intended to interfere with the personnel of the Irrigation and Water Supply Department. Mr. Grant-Thomson will still continue to act as Deputy Commissioner of Irrigation and Water Supply. The other amendments are consequential.

Mr. POLLOCK: Are there any new principles in the amendments?

The SECRETARY FOR PUBLIC LANDS: No others than the one I have explained. Since the Water Act Amendment Act was amended in 1929, it has been working very well. It is not intended in any way to interfere with the working of the Commission, but merely to make it a subdepartment of the Department of Public Lands.

Mr. POLLOCK (*Gregory*) [4.13]: As the Minister says, it may be that there is a case for the co-ordination of the Irrigation and Water Supply Commission and the Department of Public Lands. It may also be that much can be accomplished by such co-ordination. As we have not seen the Bill, we cannot say what the amendments may mean, and have consequently to accept the word of the Minister that the Bill is what he says it means.

The SECRETARY FOR PUBLIC LANDS: I forwarded you a copy of the Bill.

Mr. POLLOCK: The Leader of this party is at present perusing it. I am quite prepared to accept the explanation of the Minister that it is merely intended under this Bill to hand over the Irrigation and Water Supply Commission to the control of the Department of Public Lands. Possibly a case can be made out for such an act; but the Minister has not made out any such case, although he may do so on the second reading of the Bill. A good case can only be made out for such action provided the Irrigation and Water Supply Commission is permitted to retain complete autonomy over its own affairs as a water authority. I would not argue, and neither would the Minister, that the chairman or the members of the Land Administration Board, who are undoubtedly capable men in their own business, are as capable of controlling irrigation and water questions as they are of controlling matters pertaining to their own department. If the handing over of the Irrigation and Water Supply Commission to the Department of Public Lands is not accompanied by the control of the domestic affairs of that authority, then the scheme is worthy of consideration; but, if the Land Administration Board is to control the domestic policy of the commission, then I think the members of the Land Administration Board are not as capable of doing that job as the commission itself. One of the men in charge of the irrigation and water supply matters is Mr. Ogilvie, who for some time was in Winton, and is a man who has had a lifelong experience in water matters.

The SECRETARY FOR PUBLIC LANDS: He is a first-class man.

Mr. POLLOCK: His knowledge of the western water supply and the conditions governing artesian and sub-artesian water supplies is ever so much greater than that possessed by any official of the Land Administration Board; consequently, if such men as Mr. Ogilvie are to be handed over to the control of the board, we ought to be satisfied that the say-so of men who understand irrigation and water supply matters is to be taken in preference to the opinion of men who do not understand such things.

We do not intend at this stage to offer any objection to the Bill. We prefer to wait to see what it contains.

Question—"That the resolution (*Mr. Deacon's motion*) be agreed to"—put and passed.

The House resumed.

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

Resolution agreed to.

FIRST READING.

The SECRETARY FOR PUBLIC LANDS (Hon. W. A. Deacon, *Cunningham*) [4.20] presented the Bill, and moved—

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

Question put and passed.

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

CRIMINAL CODE (PROHIBITION OF SECRET COMMISSIONS) AND FURTHER AMENDMENT BILL.

INITIATION IN COMMITTEE.

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

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [4.21]: I beg to move—

"That it is desirable that a Bill be introduced to amend 'The Criminal Code' by making provision for the prohibition of secret commissions and for the prevention of fraud; and to amend 'The Criminal Code' in further particulars."

As the title shows, this Bill is introduced with a view to preventing secret commissions and to preventing fraud generally. In 1905 the Commonwealth passed a Secret Commissions Act; but that only applies to interstate and not to intrastate trade. Various other States of the Commonwealth have passed similar legislation. In 1919 New South Wales passed a similar measure; and I may say in passing that the measure under discussion is framed almost entirely on that measure. The Victorian Parliament passed a Bill in 1905, and it was re-enacted in that State in "The Crimes Act of 1928." In Tasmania legislation to deal with these matters was introduced into "The Criminal Code" in 1924, whilst legislation to the same effect was passed by Western Australia in 1905 and South Australia in 1920.

Clause 3 is the main provision in the Bill, and I can do no better than quote it—

"After section 443A of 'The Criminal Code' (previously inserted by section 2 of this Act) the following section is inserted therein, namely:—

'(442B.) Any agent who corruptly receives or solicits from any person for himself or for any other person any valuable consideration—

(*a*) As an inducement or reward for or otherwise on account of doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or

(*b*) The receipt or any expectation of which would in any way tend to influence him to show, or to forbear to show, favour or disfavour to any person in relation to his principal's affairs or business; or

Any person who corruptly gives or offers to any agent any valuable consideration—

(*a*) As an inducement or reward for or otherwise on account of the agent doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or

(*b*) The receipt or any expectation of which would in any way tend to influence the agent to show, or to forbear to show, favour or disfavour to any person in relation to his principal's affairs or business,

is guilty of an offence.'"

The measure applies to the Crown, to local authorities, and to a Minister of the Crown, or a member of a local authority as agent. In that respect the Crown and local authorities will be in the same position as companies.

Other provisions deal with secret gifts received by the parents or children of an agent with the knowledge and consent of the agent. The Bill is aimed at the prevention of corruption and fraud. Cases may be heard summarily before a magistrate; but, if the magistrate thinks fit, he may require the person to be prosecuted on indictment, or, if the person prosecuted desires to be tried by a jury, he can make a request to that effect.

Mr. W. FORGAN SMITH: It will depend on the magnitude of the case?

The ATTORNEY-GENERAL: The magistrate will have discretion; and, if he thinks it necessary, he can commit for trial; but, if the person prosecuted desires to go to trial, he can go to trial, and in that case the magistrate will not have power to deal with the case.

The penalties provided are £1,000 in respect of a corporation, and £500, with imprisonment for one year, in the case of an individual. In addition, the person prosecuted, if found guilty, may be ordered to pay back the amount received.

There are also provisions with regard to witnesses. A witness cannot be precluded from answering questions incriminating himself; but in any answer he makes he will be protected except on prosecution. That is, any answer a witness makes cannot be used against him outside that prosecution. Custom will not be allowed as a defence.

Mr. W. FORGAN SMITH: It is quite obvious that it has been the custom in certain cases.

The ATTORNEY-GENERAL: That is so. In the main we are following the provisions of the New South Wales Act. The time limit in regard to a prosecution is three years, or six months from the discovery of the offence. The Crown Law Office must be the prosecutors in all cases.

Mr. HANLON: If a man can keep it dark for three years, he will be all right?

The ATTORNEY-GENERAL: Yes; there are one or two amendments of the Criminal Code in regard to a matter which has been discusesd for many years. Representations have been made to me with regard to making it easy to convict people in connection with cattle stealing; but, after very

serious consideration, I was not able conscientiously to go as far as I was asked.

Mr. HANLON: You were asked to put the onus of proof on the man charged?

The ATTORNEY-GENERAL: That would be a very serious thing to do; and under no consideration should anyone occupying the position I do agree to such a thing, as it would be wrong. But I have amended a few sections of the Criminal Code with regard to the definition of "unlawfully using" cattle and stock, and with having possession of an animal with a defaced brand. That is a matter that can be more fully explained on the second reading. I have explained the main provisions of the Bill.

At 4.27 p.m.,

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

Mr. W. FORGAN SMITH (*Mackay*) [4.27]: The explanation given by the Attorney-General is fairly full. The Bill, a copy of which the hon. gentleman courteously handed to me, is one that I think will commend itself to all hon. members, particularly those provisions which deal with the payment of secret commissions. There can be no doubt that the practice of paying secret commissions has grown up in this State, and has attained in some cases gigantic proportions. There can be no doubt that it applies to very many commercial activities. The Attorney-General referred to the fact that he was following the New South Wales Act. That Act was brought in as the result of certain public disclosures that took place at the time. The Victorian Act of 1905 and the Commonwealth Act of that date were based on the decision arrived at a Premiers' Conference at that time.

It will be remembered by some hon. members that in 1905 the Government of Victoria appointed a Royal Commission to investigate the dairying industry. Sir Thomas Bent was the Premier of that State during the period in question; and, after the report of the commission was made available, the matter was raised at an interstate conference, at which representatives of the Commonwealth and all the States were present. As a result of the discussion which took place, Sir Thomas Bent was asked to frame a Bill making illegal such commissions as had been disclosed, and that Bill may be regarded as a model Bill. I have a copy of the findings of that commission and its recommendations; and it is truly remarkable the extent to which secret commissions were paid in the dairying industry at that time in Victoria. The commission pointed out that nearly every transaction that took place in industry was subject to a "rake-off" in some form or another in the way of commissions to agents on new buildings, new plant, and equipment. It might be said that one of the reasons why the co-operative movement has not developed in Victoria to the extent it has developed in other States is to some extent due to the corruption which was exposed by that 1905 commission. When we come to the second reading stage of the Bill, I will quote the terms of the commission and also some of its recommendations.

John Burns was president of the Local Government Board in the Campbell-Bannerman Ministry, and he introduced a Bill about the same date; he gave very full information as to the extent to which secret commissions operated there, and hon. members can read for themselves in the English "Hansard" the debates which took place in the House of Commons.

Quite recently I received a copy of a publication giving interesting information as to the extent of this practice in various countries, and the measures which have been taken to combat it. It is very easy to make these things subject to an Act of Parliament; but it is much more difficult to police the matter, and organisations of various kinds have been established in different countries to combat this practice. It is a practice that must be stamped out, because it means that firms who desire to do business in a fair and legitimate manner and to stand by their tenders have found that very frequently their tenders are not accepted even where they are the best tenders. Quite a number of business houses and their representatives admit quite candidly that these commissions are rampant; and the excuse they give is that, if they do not do it, their competitors will, and they will be denied the opportunity of getting the business. It is recognised by everyone who knows anything about the matter that commissions of various kinds are granted in return for favours and advantages received; and it would be very difficult to find out the extent to which the business has gone on.

There has recently been a series of prosecutions in this State under the Income Tax Act of people who have been in receipt of commissions which they did not disclose in their income tax returns. It would appear from the reports of these prosecutions that the amount of commission received in many cases was large; and it has given rise to a good deal of unrest in the dairying industry.

The point I wish to make in this connection is that, while this Bill deals with future operations, the position of the dairying industry has not been cleared up. Meetings are being held all over the State, particularly in dairying centres, with the object of appointing representatives to a conference which the Premier has convened. While a number of men have been prosecuted and paid the penalty for their offence, both by means of public exposure and by means of penalties inflicted by the court, the position remains that men who included these commissions in their income tax returns are not receiving the publicity that others have received. The extent to which they have accepted commissions is not disclosed; so that it can be taken for granted that, if the men who have been prosecuted had entered the commission in their income tax returns, nothing might have been known about it and the present position might have continued. The man who included such commissions in his income tax returns evades prosecution, and others who have made voluntary disclosures to the Commissioner of Taxes also evade the publicity which others have sustained.

It is quite true, as pointed out by the Secretary for Agriculture this afternoon, that a number of rumours regarding this matter have been circulated, and it is highly undesirable that rumours of this kind should be circulated and should gain credence throughout the State. I take the view that the whole thing should be probed and

sifted to its foundation by a royal commission, and that the guilty persons should be disclosed. The dairying industry has received protection from various Governments. The co-operative movement in Queensland is of vital importance to this State; but the continuance of a state of suspicion and unrest is not conducive to the extension of the co-operative movement. It is in the interests of the industry and of those who may be unjustly accused or suspected that the matter should be sifted from the bottom. It is a fact that rumours have been circulated involving supporters of the Government and people outside. These rumours involve everyone who has had anything to do with a dairy factory or anything of a like nature. It is undesirable that they should be allowed to continue; and that is the reason why I took the first opportunity to suggest to the Premier that a royal commission should be appointed to probe the matter to its foundation.

Mr. KENNY: Don't you think that the action he has taken is satisfactory?

Mr. W. FORGAN SMITH: The Premier has merely called a conference. I have no objection to a conference being called; but whatever be the outcome of the conference a royal commission should be appointed to probe the whole thing to its foundations. Every guilty person should be exposed in the same way as those people who have been prosecuted by the Commissioner of Taxes. It is in the public interests that the matter should be thoroughly investigated and probed. It is also in the interests of the individuals concerned and in the interests of the industry. No industry can continue to make progress, and no co-operative activity can continue to retain the confidence of its shareholders if rumours about commissions on butter boxes, machinery, etc., are being circulated among its members. Whilst I welcome the Bill, it does not do away with the necessity for the thorough investigation to which I have alluded.

Question—"That the resolution (*Mr. Macgroarty's motion*) be agreed to"—put and passed.

The House resumed.

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

Resolution agreed to.

FIRST READING.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) presented the Bill, and moved—

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

Question put and passed.

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

LIENS ON CROPS OF SUGAR CANE BILL.

INITIATION IN COMMITTEE.

(*Mr. Maxwell, Toowong, one of the panel of Temporary Chairmen, in the chair.*)

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [4.42]: I beg to move—

"That it is desirable that a Bill be introduced to amend the laws relating to liens upon crops of sugar-cane, and for other purposes consequent thereon."

The object of this Bill is to make the position clear by Act of Parliament. At the present time liens on sugar-cane lands are given with the object of securing the payment of moneys owing or in part consideration of instalments on the purchase of sugar farms, for moneys advanced by trading banks or financial institutions, or for advances made by, or in respect of payments made by storekeepers, or goods supplied on credit.

Second liens are also given for the security of the payment of wages, the cost of fertilisers, and other matters connected with the cultivation of sugar-cane. Second liens have been a bone of contention in the sugar industry for some considerable time. First liens are perfectly legal, but the legality of second liens has been questioned for some time. Conflicting opinions have been given with respect to second liens, some opinions being that a second lien is not of any use with respect to sugar farms. The argument is that the first lienor secures the entire right and interest in the property; and, although he certainly has an equity of redemption in the property, he really has nothing which he can legally transfer to anyone advancing money on a second security; therefore, the person making the advance has no valuable security.

Mr. W. FORGAN SMITH: There may be a sufficient margin in regard to the value of the crop to meet all purposes of the second lien.

The ATTORNEY-GENERAL: That may be so. I feel sure that the Bill is one which will be accepted by the members of the Opposition, as they are interested in the progress and advance of the sugar industry.

A serious position has arisen with people who have advanced money to help the industry. They are becoming sceptical with regard to the validity of their second liens. In good seasons money will be advanced on that form of security. This Bill seeks to put the matter in regard to second liens on a proper legal footing; and, incidentally, it also deals with liens in all their aspects. It makes it quite legal for second liens to be given, and to be registered in a proper manner.

The main clause of the Bill is in relation to the distribution of the proceeds. First of all, the owner or owners of the crop seeking the consideration must execute a proper legal instrument therefor. The usual power is provided for the lienee to take possession of the crop and harvest it in case of default. In that case the landlord is protected to the extent of one year's rent, while the people who have a mortgage over the crop are protected to the extent of one year's interest. After that provision is made, the lienee is entitled to take possession of and harvest a crop, and deal with it.

Another important clause provides for the distribution of the proceeds of the crop. I feel sure that this provision will be acceptable to the Committee, and I intend to speak more fully upon it at the second reading stage.

Other provisions deal with the priority and renewals of liens. The place of registration will be the same as it was under the Mercantile Act—namely, the Supreme Court at Brisbane, Rockhampton, or Townsville. It was suggested to me that we should allow all liens to be registered in every petty

sessions district. I looked into the matter and had the idea of agreeing to the request; but I find that it is advisable to have the imprest stamp on the document, and that imprest stamp can only be given at Brisbane, Rockhampton, or Townsville. No saving of time would be effected by allowing registration to be made at the various petty sessions offices, because the documents must go to the various Supreme Courts.

The Bill also contains the usual power in regard to searching in the registry, and obtaining copies, whilst there is power to the judge to order an extension of time or a correction of errors, similar to the provision in the Mercantile Act.

Those are the main features of the Bill, which will be more fully dealt with at the second reading stage.

Mr. W. FORGAN SMITH (*Mackay*) [4.50]: This Bill deals with crop liens in the sugar industry, and, judging by what the Attorney-General has stated, it clarifies the position with regard to a second lien, about which there has been some doubt in the past. Of course, a good deal depends on the extent of the first lien, whether there is any other encumbrance on the property, and also on the value of the crop itself. In the sugar industry a man may obtain £200 on a crop lien in order to carry out work early in the year. The amount may be required to pay for wages, stores, etc.; and the crop lien may be given to the sugar-mill, local storekeeper, or a bank. The crop may be worth £1,900; so that, if there is no other encumbrance on the property, there would be very little risk in giving a second lien in the circumstances I have stated.

The ATTORNEY-GENERAL: There may be a heavy mortgage in respect of the purchase of the property.

Mr. W. FORGAN SMITH: That is so. A phase which has created a difficulty in recent years has been caused by the slump in values. The net price received by the farmer has fallen considerably in recent years owing to the low value of the exportable surplus, which, taken in conjunction with the Australian price, gives a net yield of less than £20 per ton. Many sugar properties have changed hands on the basis of some very remarkable agreements. For example, in some cases there has been a stipulation that the vendor would take 60 per cent. of the value of the crop, leaving the purchaser the balance, with which to meet his liabilities and maintain the farm.

Mr. EDWARDS: They are plucky if they take it on under those circumstances.

Mr. W. FORGAN SMITH: That has been done in some cases.

Mr. BRAND: That is not general.

At 4.53 p.m.,

The CHAIRMAN resumed the chair.

Mr. W. FORGAN SMITH: I have seen some remarkable documents relating to purchases of sugar properties. As the hon. member for Burrum knows because I discussed the matter with him, I have advocated that some control should be taken over those agreements. As a matter of fact, some such control is necessary in regard to agreements, not only in this but in other industries, because, where a purchase is effected on the basis of a percentage return of the crop, considerable difficulty may arise, inasmuch as the amount left to the purchaser may be insufficient to enable him to carry on the property successfully. The matter was raised by the hon. member for Mirani when the Financial Emergency Bill was before the House. The terms and conditions of these contracts of sale are such that I do not think they come within the ambit of that measure. Some of them may, but there are quite a number that I am sure will not. Whether the Bill under review has anything to do with that or not, I am not in the position to say, but I do not think it has.

The ATTORNEY-GENERAL: I understand the mills will be happier after this Bill is passed.

Mr. W. FORGAN SMITH: I am not objecting to the Bill. I am trying to get some information as to its scope. I have discussed it with people who engage in that form of finance. Mills make advances on crops, and so do storekeepers, banks, and quite a number of private individuals.

The ATTORNEY-GENERAL: They are all in the same boat with regard to second liens. The Bill will give them security.

Mr. W. FORGAN SMITH: If the Bill clears up the position and at the same time gives the farmers a better opportunity to obtain finance, it will be a good thing. Obviously the Bill will do that. A second lien depends on the amount of the encumbrance already on the crop. The margin of security is diminished to the extent of the first encumbrance. However, the Bill appears to serve a useful purpose, and I do not offer any opposition to it at this stage.

Mr. KENNY (*Cook*) [4.57]: I congratulate the Attorney-General on bringing in this Bill. Speaking on the Address in Reply last year, as reported at page 349 of "Hansard." I dealt with this subject, and I pointed out the difficulty of people who give a second crop lien, and also the difficulty of the person who receives that second crop lien. I suggested an amendment of the Mercantile Act, and quoted section 38 of that Act. As it sets out the position clearly, it will not hurt to quote that section again—

> "That the lienee shall have a preferable lien upon and be entitled to the whole of such crop and the whole of the produce thereof, and that possession thereof shall to all intents and purposes in law be the possession of the person making such advance."

This matter has been a bone of contention for some time in North Queensland particularly; and some of the business people went so far as to get counsel's opinion on the matter. Last year, I quoted that opinion; and, as it sets out the exact position from the legal point of view, I shall quote from it again—

> "A second crop lien, provided the first lien is registered within thirty days of execution, is not valid under the provisions of the 'Mercantile Act of 1867,' but such second crop lien might be treated as a good, equitable assignment attaching to the crop when severed, or to its proceeds in the hands of the mill, subject, however, to the statutory rights of the first lienee. Counsel is, however, of opinion that under any first lien which

> secures further advances, whether in money or goods, the lienee may advance under any such lien any sum of money or supply such value of goods as he thinks fit, notwithstanding the giving of a second lien and notwithstanding that notice of such second lien has been given to the first lienee."

I know quite well that the people in the sugar industry will be pleased that the Attorney-General has seen fit to bring forward this Bill, which will fill a long-felt want so far as the cane farmers of the North are concerned, and I again congratulate the Minister on introducing the Bill.

Question—"That the resolution (*Mr. Macgroarty's motion*) be agreed to"—put and passed.

The House resumed.

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

Resolution agreed to.

FIRST READING.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*), presented the Bill, and moved—

> "That the Bill be now read a first time."

Question put and passed.

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

TRUSTEES PROTECTION BILL.

SECOND READING.

The PREMIER (Hon. A. E. Moore, *Aubigny*) [5.1]: There is really nothing further in this Bill than what I stated when moving its introduction. It is purely a measure to allow financial institutions which have taken up debentures of the Brisbane City Council or other local bodies to be indemnified as against their shareholders for any reduction in interest which they may grant. It also allows the trustees of the City Debt Redemption Fund to make a reduction of interest in respect of debentures held by them, as, without the protection of this Bill, they might be held liable for their action in so doing. I understand that it will mean a saving of £500 a year to the Brisbane City Council, but I cannot say what it will mean in other cases. The Bill indemnifies companies which are willing to make a reduction in interest. There is no compulsion in the Bill. It is for the benefit of the borrowing councils and the protection of the companies which grant a reduction of interest. I beg to move—

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

Mr. PEASE (*Herbert*) [5.3]: I thought the Premier would have told us why it was necessary to "gag" the Bill at a previous stage, when he moved, "That the question be now put." I do not know why he did that, because he says now that it is a simple Bill with not much in it; yet he stifled discussion on this side at the initiation stage. I am quite concerned about the Bill on account of the mild way in which the Premier has moved the second reading. It makes me think there is a very considerable nigger in the woodpile.

The PREMIER: The only thing I gagged was the amendment you moved.

Mr. PEASE: The Premier moved, "That the question be now put."

The PREMIER: That was on the amendment.

Mr. PEASE: The hon. member for Ithaca was speaking on the Bill, and the Premier did not allow him to express an opinion at that stage when he could have obtained further information.

The Premier told us that the Bill is principally for the protection of insurance companies to enable them to reduce the rates of interest charged to local authorities; but the Bill opens up the question of the interest burden on local authorities and everybody else.

We hoped that a Bill would have been introduced providing for the reduction of interest on all fixed money claims. In view of the proceedings at the Premiers' conferences and the burden of interest not only on local authorities but on everybody in the State, we desired to have some concrete proposal. Our desire in moving the amendment at the previous stage was to provide for a general reduction of interest, not only to local authorities but to everyone else, including the business and commercial interests, so that the State would have been relieved of the tremendous burden of interest which is being paid. The Premier knows that the burden of interest is appreciating all the time, while incomes are depreciating, and we cannot go on paying the present rate of interest.

The other States are greatly concerned about the matter, but this State is practically doing nothing to relieve the situation. The burden of interest has increased very greatly compared with a few years ago, while incomes have depreciated. We had hoped that the Premier would have accepted the reasonable amendment of the Opposition to extend the reduction of interest in all cases.

Certain remarks have been made with regard to what has been said on this side about the interest burden. The Premier has previously stated that I said I would not pay interest. I did not say that. The position to-day is that the interest burden is overwhelming. If we do not cope with the interest burden with a view to getting the unemployed back to work, we shall not be able to pay any interest at all. We have contended that a system of taxing interest at its source would have been a preferable way to deal with the interest burden, and that it should have been applied in the case of the bondholders. The Premier has accused us of attacking thrifty people with a view to depriving them of their income from interest; but a proper taxation basis in respect of taxation on interest could have been arrived at with a view to providing relief, if necessary. It is not our intention to attack thrifty people at all; but during this period of crisis it is necessary to deal with the interest burden in a definite way. The Government are merely playing with the situation, as they have always done. The bondholders would not have their present complaint if the system of taxation of interest had been adopted. The small bondholder in receipt of merely sufficient to provide him with a living would have been fairly treated by the incidence of the tax.

The PREMIER: The Federal Government would have secured the whole of the taxation.

Mr. PEASE: The Premiers could have provided against that.

The PREMIER: The Federal Government is the only Government with power to impose taxation on interest on Government securities.

Mr. PEASE: The Premiers at their conference could have agreed to allow the Commonwealth to impose the tax and to reallocate it to the States. One has only to read the report of the Premiers' Conference.

The PREMIER: It is necessary to understand it, too.

Mr. PEASE: I have a better understanding of this matter than the Premier, who failed to protect the people, and merely indulges in sidestepping. The Government are merely dilly-dallying, content to ignore root causes. The root cause for this Bill is the burden of interest which, based on a false standard—the old gold standard—is entirely out of proportion. Our trouble today is that it requires two bales of wool to repay money which was borrowed at a time when one bale would have been sufficient. The Governments could have agreed to a general taxation of interest, and they would thereby have been free from any charge of repudiation. The Premiers also could have agreed that the amount of taxation collected by the Commonwealth should be apportioned to the States on an agreed basis. The debt conversion plan really involved repudiation, and that can be gleaned by the complaints of a number of bondholders who refused to convert.

Mr. KENNY: What do you suggest?

Mr. PEASE: Taxation of interest.

Mr. KENNY: Repudiation of interest!

Mr. PEASE: The hon. member makes me laugh when he talks about repudiation. The present Government are the champion repudiationists in Australia in every matter. They are content to ignore root causes rather than attempt to remedy the situation. If a system of taxation of interest had been adopted, a statutory exemption could have applied in the case of small bondholders, and the present difficulty in respect of those individuals could have been obviated. Every bondholder has been compelled to convert, and this system practically means nothing to Queensland. The whole of the interest burden has been placed upon the people of Australia, whilst oversea bondholders are permitted to go scot free. The oversea bondholders could have been brought into the net of taxation; and, in fact, were quite prepared to contribute to the alleviation of the difficulties of Australia on a taxation basis. However, the Government have seen fit to ignore root causes right through the piece, and the interest burden is growing alarmingly. Possibly some other Government will have to deal with the matter in Queensland. Meanwhile thousands of people are unemployed, and the number is increasing. For the benefit of the Committee, I propose to quote the remarks made by Professor Giblin at the conference of Commonwealth and State Ministers held in Melbourne on 25th May to 11th June, 1931. This report appears on pages 27 and 28—

> "Mr. Scullin: Is there any information as to the actual amount of interest that is paid in Australia?
>
> "Professor Giblin: We made an estimate of something over £85,000,000 on more or less fixed money claims—that is, claims that would not adjust themselves immediately. The estimate includes a very large element of mortgages. It was rather a rough estimate. We estimated about £500,000,000 of capital. Mortgages would give an interest of, perhaps, £35,000,000 a year. That was a very large element in the estimate, which included borrowings of all kinds, interest on fixed deposits and preference shares, allowances for instalments, and things of that kind. The effect was something like from £80,000,000 to £90,000,000 of fixed money claims in Australia."

The Government are ignoring the root causes, and are only playing with the matter they are legislating for.

Mr. KENNY: You said that you would not pay any interest at all.

Mr. PEASE: If the Government of which the hon. member is a supporter desire to adopt that step, it is within their power to do so. The small bondholder must be protected; and that is what we have endeavoured to do right through the piece. We have always endeavoured to protect the small person, even in lending money. We have always given consideration to the person who has loaned money for the purpose of establishing an annuity, and have contended that in this time of crisis those who make a business of lending money should foot the bill. Hon. members opposite talk about repudiation. That is because they are champion repudiationists and the word always appeals to them.

The report of the Premiers' Conference shows that the Premier stated that, if the bondholders were not agreeable to convert, they would be taxed. Now he says to the same bondholders that, if they do not convert, they will be compelled to do so. He is now repudiating his first obligation, and forcing certain bondholders to do what they do not want to do. Mr. Theodore, the Federal Treasurer, also said when deliberating on this matter that they had come to the recommendation of a penal tax on those who would not convert. Mr. Riddle and Mr. Davidson, the representatives of the Commonwealth and New South Wales banks, respectively, were present at the conference and they agreed to the suggestion of increased taxation on the unconverted securities.

Mr. Hogan, the Premier of Victoria, said that those who did not convert would be subject to taxation. Hon. members will see that the whole trend of opinion at the Premiers' Conference was that those bondholders who would not convert would be subject to special taxation by the Commonwealth Government. There appeared to be an agreement that the amount of that taxation should be fixed by the Commonwealth Government, and the States would get their pro rata share. That answers the argument of the Premier. If the Government of Queensland, in common with every other Government in Australia, had adopted a policy of taxation of interest, they would not be in the position they find themselves in to-day. They would have had immediate benefit, and there would have been no necessity to adopt the policy of repudiation which has destroyed confidence in the nation's

credit, and thus placed the whole burden on the people of Australia.

The Mayor of the Brisbane City Council, who is involved in this Bill, has views similar to our own in this matter.

Mr. BOYD: Are you not the hon. member who wanted to repudiate all interest charges?

Mr. PEASE: If the hon. member knows anything about the butter scandals, he could devote his attention to them.

Mr. BOYD: We are taking the necessary action.

Mr. KENNY: There are a few old scandals that you were mixed up with, and you might be in this, too.

Mr. PEASE: The Mayor of Brisbane, in dealing with conversion matters, said—

> "There is no doubt that a reduction of interest would be beneficial to the bondholders themselves in the long run, said the Lord Mayor (Alderman J. W. Greene) in a further comment on Saturday on the proposal that the Brisbane City Council's overseas debts should be converted at a lower rate of interest.
>
> "The Lord Mayor said he had had conversations with Alderman Tait on the methods of reducing the council's interest and exchange burden, but nothing definite had been suggested yet.
>
> "If there was to be a general reduction of interest rates in this country, and it appeared probable in England also, any Governmental concern paying high rates, when a general reduction of interest had taken place, would find itself in tremendous difficulties in trying to survive the new order of things.
>
> "His considered opinion was that it would be in the interest of bondholders to accept a lower rate, thereby giving to their capital an impregnable security."

As the Premier pointed out, this Bill affords a certain measure of relief to the Brisbane City Council in respect of bonds held within Australia. The Lord Mayor points out that, in addition, he requires some measure of relief so far as overseas interest is concerned. The Brisbane City Council is in the same position as all Governments. It is not only the local investors with whom the council is concerned; the council is vitally concerned in regard to interest payable on money borrowed in Great Britain and America.

Mr. NIMMO: Why did the council borrow it?

Mr. PEASE: That action was taken at the instigation of the so-called great business men. The hon. member for Toombul and the hon. member for Toowong, both of whom are sitting behind the Government, must take their share of the responsibility for the present position of the Brisbane City Council. No blame can be attributed to Labour. The so-called business men, including the two hon. members whom I have mentioned, had no compunction in borrowing and leaving posterity to pay.

The burden of the council will not be appreciably lessened by the action of the Government in this Bill. More relief can only be given when the Government realise the necessity for doing something in connection with overseas interest. The Premier has power to do something in that regard at the Loan Council. The hon. gentleman, however, ignores the root causes. Unless the Government get busy and do their duty——

Mr. NIMMO: Like your friend, Mr. Lang?

Mr. PEASE: What is the use of the hon. member referring to Mr. Lang when the Queensland Premier had to do what the other Premiers agreed to do—to repudiate?

Not only does the Lord Mayor consider that something must be done; but we have Alderman Tait, who is recognised as the financial adviser of the City Council, stating—

> "The question to be solved is how to keep our payments according to contract, and avoid the loss between the present exchange and the lower rate which it is hoped will be in operation in, say, six months time. The Commonwealth Bank and the State Government are rendering their assistance, and furthering our efforts in this direction, but conditions on the other side, particularly in America, are very unsettled, and financial houses in New York have had heavy losses in both the domestic and foreign field."

I pointed out on another measure that the Brisbane City Council was attempting to do something in the direction of paying its overseas commitments in Australia. Later on I shall develop my argument to show that the financial interests overseas were, and are, prepared to accept payment of their money in Australia.

The PREMIER: Who said they were?

Mr. PEASE: I shall quote one of the greatest financial papers to show that that is so.

The PREMIER: Is that the "Financial Times," which you used in the first week of this Parliament?

Mr. PEASE: The statement has also been published in the London "Times," which issues a financial supplement.

The PREMIER: Why don't you send it to Mr. Theodore?

Mr. PEASE: Why does not the hon. gentleman bring up the matter at the Loan Council?

The PREMIER: You may have a little more influence than I have. (Government laughter.)

Mr. PEASE: I want the Premier to explain why he has not dealt with overseas investors.

Mr. NIMMO: I thought the Loan Council looked after that.

Mr. PEASE: The Premier has as much say at the Loan Council as Mr. Theodore.

The PREMIER: I have no say, because I am not a Treasurer.

Mr. PEASE: The hon. gentleman has just as much right to voice his opinion——

The PREMIER: I have no right in the Loan Council; I am not a Treasurer.

Mr. PEASE: That is only quibbling, and is typical of the way in which the hon. gentleman shelves his responsibility. The responsibility is on some member of the Government, and the Premier should see that action is taken. Now the Government are placing the burden of a reduction of interest entirely on the investors in Australia, which is not a fair thing. The

Government should force the overseas investors, who have had a good dividend out of Queensland and Australia, to accept the same reduction as the Australian investors have had to sustain. The Premier is taking the line of least resistance, because the man the Premier is getting at is here. He is not worrying about the man overseas, whom he can get at if he chooses to use his power.

Another thing in regard to the Premiers' Conference is the difference of opinion in regard to relief. Every Premier in Australia is bringing forward a different Bill; yet the Premier of this State will tell us that he has decided to do certain things because he has to do them. That is not so, because every Premier is interpreting the conference in his own way. Let us see what Mr. Hogan is doing in regard to this interest reduction. The "Courier" had this to say in regard to the matter—

> "The Financial Emergency Bill introduced in Victoria on 23rd September provides for compulsory reduction of interest on private mortgages by 22½ per cent. The proclamation will not apply to banks, building societies, and certain pastoral companies, which have already undertaken to reduce their interest rates, as required by the Premiers' plan."

In the Bills introduced in Queensland the position is that arrangements may be made; but in the Bills which the Victorian Parliament is passing a reduction must take place. Why do the Queensland Government not do the same thing? When we were debating our amendment, the Opposition pointed that out; and we considered that the onus should not be on the mortgagor to go to the court, and the interest should be reduced if the mortgagor never went to the court. The onus is not placed on the man who owes the money in the other State. The "Courier" further said—

> "The Financial Emergency Act passed in Victoria, and the proclamation under it, will provide for reductions as from 1st October of the rate of interest on private mortgages by 4s. 6d. in the £1 of interest, but not below 5 per cent. for a period of three years, or the term of the mortgage, whichever is the longer, provided that within three months a mortgagee does not apply to a court for and is granted a modification of the reduction for any cause which the court may deem to be equitable. The reduction embraces all securities given for money advanced on real or personal property, including hire-purchase agreements covering goods and chattels, bills of sale, stock mortgages, and liens over crops. Where a mortgagor is not six months in arrears he may apply to a court to prevent the sale or foreclosure of his security. The reduction of 1 per cent. in the interest on bank overdraft and advances, and building society and pastoral company loans, is expected to operate from 1st October, otherwise a proclamation can be issued by resolution of both Houses of Parliament to compel it. Interest on fixed deposits will be correspondingly reduced."

We desire to move a similar amendment to place Queensland in line with Victoria. I want again to remind hon. members on the Government side that the Labour Government are not really in power in Victoria. They are only in office. They are supported by Country Party members, and, if they had desired to vote against the Government the Bill could not have become law. The measure which the Victorian Government brought into force is practically what we desire in this Bill, and it had the support of Country Party members in Victoria. Not only that, but it passed the Upper House. If Victoria did that, why not Queensland? Why cannot the person paying interest in Queensland be put on the same footing as the person who pays interest in Victoria? In New South Wales Mr. Lang has gone even further. He declared a moratorium on all sorts of things; but I am comparing Queensland and Victoria, where the Country Party are keeping the Labour Party in office in the Lower House.

The PREMIER: The Independent Country Party.

Mr. PEASE: The Country Party in Queensland have called themselves about ninety-nine names since I have been in Parliament. The Country Party in Victoria were elected, not by Labour interests, but by people who evidently knew their own minds, and who realised what sort of men they wanted to represent them in Parliament—men of independent minds—and they supported this proposal. In addition to that, the Bill passed the Victorian Upper House, which is not Labour. Yet, in Queensland, we are asked to penalise our people, and the Premier is asking us to perpetuate that in this Bill. If you live in Victoria you can get certain relief; but, because you choose to live in Queensland, you cannot get that relief.

The PREMIER: Did not the banks reduce their interest rates?

Mr. PEASE: The banks and building societies are not the people we are trying to get at. When that Act was passed by Victoria, even the banks did not stand up to their obligations. Everybody knows how Mr. Hogan had to fight the banks. It was only because they would not reduce interest voluntarily that he put the measure into operation. Because the Act was there they did it. Will the Premier admit that the relief is better in Victoria than it is in Queensland?

The PREMIER: No.

Mr. PEASE: The hon. gentleman has not read the Victorian measure, because it has been proved that it is so. It is proved that a person in Victoria gets far better relief than will be the case under this Bill. If the Premier had accepted our amendment, it would have provided the same measure of relief in Queensland which a person in Victoria obtains.

I am reminded of some correspondence which took place between our Treasurer and Mr. Keenan, of Western Australia, in regard to interest. Mr. Keenan pointed out that the States had interpreted the decisions of the Premiers' Conference differently. He desired to pass through the Western Australian Assembly measures which he considered would be for the benefit of the people in Western Australia. He wanted to do what we as an Opposition are advocating should be done; but his Government would not agree to it, and he resigned his seat in the Cabinet, as he considered the

Government were not doing the right thing. The present Treasurer got into correspondence with Mr. Keenan about his action, and Mr. Keenan pointed out the circumstances which had led him to resign his portfolio. He resigned because he could not get his way in this matter.

The SECRETARY FOR PUBLIC INSTRUCTION: Nothing of the kind. It was with regard to a difference concerning the transfer of the State bank.

Mr. PEASE: In reply to a statement by the Treasurer, Mr. Keenan stated—

> "This we could not hope to accomplish unless we obtained relief from the present burden of interest on foreign loans, and also an extension of the term for repayment."

I quote that from the statement which appeared in the "Courier" of 17th September last. Mr. Keenan claimed, as I do, that we must deal with the interest burden. We must not tinker with the matter in the way we are doing under this Bill. If the Premier had accepted our amendment and widened the scope of the Bill, we would have got somewhere.

I want to show the Government exactly how some of the bondholders have received the suggestion regarding the compulsory conversion. I am quoting from the "Courier" of 19th September last from a letter to the editor from a man who signs himself "Fiat Justitia." He states—

> "The Premiers' Conference, which has just concluded its sittings, has decided that all those unfortunate persons (and there must be a considerable number of them throughout Australia) who have invested the greater portion of their life's savings in Government loans, are to be coerced into lending that money to the Government for periods ranging from seven, ten, and thirteen years, and upwards. It is inconceivable that a body of men claiming to be Britishers, and representing H.M. Governments, should show such a callous disregard of contracts entered into by a Government who ought to set an example to others in upholding the sanctity of contracts. Their very action is a justification for others to do likewise, but while Governments may be transgressors with impunity, individuals dare not offend, even innocently, against any law or regulation relating to the function of government. How can Governments expect the people to respect the laws which they make if they themselves show such a flagrant disregard of legal contracts?"

That bondholder asked why he should be compelled to extend the term of his loan to the Government of Queensland because he is a Queenslander. He was quite prepared to pay taxation on his interest, which would have been fairer and more equitable than the compulsory conversion. What he and other bondholders who have not converted object to is the compulsion to extend the term of the loan. They do not want to be forced to convert, but are quite prepared to bear their part of the interest burden. They would willingly pay taxation on their interest. This bondholder further says—

> "I feel sure that the great majority of investors who have given notice of dissent would have been willing to convert if the term had not been longer than seven years, or failing to convert, would not expect to receive a higher rate of interest than will be paid to those who have converted. It is safe to assume that the dissenters included very many who, owing to the circumstances in which they are placed, cannot afford to have their money locked up for the time fixed by the Government, or who have reached such an age that it would not be repayable during their lifetime; but considerations of this kind apparently do not weigh with those in authority if it does not suit their purpose.
>
> "How can Governments expect the public to subscribe to future loans? Probably the next step will be to use compulsion in this direction also."

He there makes the point that we are making. The Government are repudiating a contract, and compelling him to do something he does not want to do, whereas, if the Government had adopted our principle of taxing interest, he would have been quite satisfied, and so would other bondholders.

The Premier said something with regard to a statement I made about the payment of oversea loans in Australia. I quote from a cable sent by the Australian Press Association, dealing with Australian stock in London—

> "Commenting on the developments in Australia, the 'Financial Times' says: 'Now that the saner elements in Australia are asserting themselves neither repudiation nor default will occur. The worst that can happen is that the bondholders for a time, in conjunction with a possible funding scheme, may receive dividends in Australian pounds. It now is much easier to sell than to buy Australian stock at current prices. In some cases the market is suffering from a definite scarcity of stock.'"

That very definite opinion was given so much prominence that it was cabled to the newspapers of Australia. Anyone who has examined the newspapers for the past few months will have noted the very careful censorship of financial matters cabled to Australia. The above quotation sets out the carefully considered opinion of investors in colonial stocks. They say that they are prepared to consider the question of receiving their dividends in Australian currency. Why was that not considered by the Premiers at their celebrated conference? The Bank of New South Wales and many other banks in Australia have paid their dividends in Australian money.

This Bill is not going to give the Brisbane City Council the relief that it expects. What a wonderful relief it would be to the Brisbane City Council and to everybody else if overseas interest payments could be made to a pool instituted for the purpose! Alderman Tait—who, I understand is interested in a number of financial companies in Queensland and elsewhere—has for months past endeavoured to bring that about; and I understand that the Premier has assisted him in this direction.

The PREMIER: Alderman Tait is not seeking a reduction in interest rates, but he is endeavouring to obtain an agreement providing for a cessation of payments to the sinking fund.

Mr. PEASE: He is endeavouring to set up a pool into which the Brisbane City Council will pay overseas commitments in Australian money, thereby obviating the tremendous exchange burden. We are practically paying interest twice over, and the Bill should be one to provide real relief. It will provide only a very small measure of relief to the Brisbane City Council and to other people; but, if our amendment had been accepted, something tangible could have been achieved.

I am not blaming the Queensland Premier alone for the present situation; but I blame the whole of the Premiers of Australia for ignoring the root cause of the financial trouble. The first factor is the interest burden, which has increased and is now out of true relation to its proper value compared with the time when the money was borrowed.

The second factor is the tremendous exchange burden which financial interests are endeavouring to maintain because it suits our export trade. We should endeavour to establish a fund permitting Governments and semi-government bodies and others to pay their interest commitments in Australian money. Mr. Francis Hirst, one of the greatest economists of the world, points out—as I pointed out in a previous debate—that interest payments should be halved. He is accepted throughout the world as a wonderful economist, and he is one who has made an extensive study of financial matters. He says—

> "An ounce of gold has now double or more the purchasing power than when Britain incurred her war debt to America.
>
> "The British annual payments of £33,000,000 are now really £66,000,000.
>
> "On the basis of the value of the money loaned, fair payment now should be £16,500,000."

That applies to Queensland and to the rest of Australia. All Governments and other bodies who have borrowed money at fixed interest rates are paying double the amount that they really should pay. I have no doubt that, if the financial position was carefully analysed even by Sir Otto Niemeyer, the views of Mr. Francis Hirst would be confirmed. The interest payments are practically double their true value in comparison with the value of money at the time the obligation was incurred. The interest burden is having a severe and crippling effect upon Australia as a whole. I cannot understand why the Premier refused to accept our amendment. He should have brought this State into line with the other States that are on a much better footing. He allowed £2,500,000 to be withdrawn from Queensland by way of a loan for Commonwealth purposes, and that money will not return.

The SECRETARY FOR MINES: Your suggestion is that no interest at all should be paid.

Mr. PEASE: The hon. gentleman is absurd.

The SECRETARY FOR MINES: You made that assertion.

Mr. PEASE: I never made any such assertion.

GOVERNMENT MEMBERS: Yes, you did.

Mr. PEASE: We made a reasonable amendment, which asked that the scope of the Bill should be extended to deal with all fixed money claims. The Secretary for Mines has not worried himself about the amendment; he has simply accepted what the Premier has told him. He has not brains enough to examine an amendment. All that our amendment would have done would have been to bring Queensland into line with Victoria, which is not a Labour-governed State. Because the Premier has not followed the line of action taken in Victoria the people who are interested in business in Queensland are in a far worse position than the people in any other State in Australia.

The PREMIER (Hon. A. E. Moore, *Aubigny*), [5.43] in reply: I do not think the statements made by the Deputy Leader of the Opposition are worth replying to.

GOVERNMENT MEMBERS: Hear, hear!

Mr. PEASE: That is your stock argument.

The PREMIER: If anyone took any notice of the wild statements the hon. member made outside Parliament, he would do more harm to the credit of Queensland in one hour than it would take future Governments years to overtake. Fortunately, no one does take much notice of him. They understand that the drivel he talks is merely for the consumption of the unthinking.

Mr. PEASE: You are such a paltry Premier that you neglect your duty. You don't know your duty.

The PREMIER: The hon. member did not talk about the Bill at all; he merely said that a suggestion had been put forward at the Premiers' Conference for the taxation of interest, and, because that suggestion had not been adopted, asked why it had been abandoned. I told him some days ago why that proposal had been dropped; and his own leader agreed with the soundness of the conclusion; but apparently the hon. member does not understand. The taxation of interest proposal was not adopted because it was unfair, as the holders of bonds which matured in 1932 and 1933 would not have been called upon to make any sacrifice at all.

Mr. PEASE: You could arrange for that in the incidence of taxation.

The PREMIER: If the hon. member took the trouble to read what Mr. Theodore said, he would see that, if the holders of early maturing bonds were taxed 100 per cent. on their interest, they would have gladly accepted it, whereas those bondholders whose bonds did not mature until 1940 or 1950 would have been placed in an infinitely worse position. That is the reason why the suggestion to tax interest was not persevered with.

Mr. PEASE: Why did you agree to tax the bondholders who would not convert?

The PREMIER: The hon. member must know that there are always a number of suggestions put forward in a conference, and these are examined and discussed from all angles.

Mr. W. FORGAN SMITH: At one conference you agreed to a fixed tax of 17½ per cent. on all interest charges.

The PREMIER: That is so; but subsequently it was discovered how unfair that

tax would have been in its incidence, especially in regard to the early maturing loans as compared with the long maturing loans.

Mr. W. FORGAN SMITH: The early maturing bonds could have been converted on the same basis as the debt conversion has been carried out.

The PREMIER: That would have amounted to the compulsory conversion of bonds. The agreement which resulted in the legislation passed this session was arrived at because it was recognised to be the only fair basis.

Mr. W. FORGAN SMITH: We never opposed the Debt Conversion Act.

The PREMIER: I quite realise that the Leader of the Opposition did not; but his Deputy Leader has been fulminating on that point for the past hour, and then raised the question why the rate of interest on overseas bondholders should not be reduced.

Mr. HYNES: Why don't you make an effort?

The PREMIER: Probably, if the hon. member had a little more intelligence, he would know why. He would know, for instance, that one of the most difficult things to do is to make a definite agreement with people overseas under a certain contract, the loans being made by them in their capacity as trustees, and then to suggest that those contracts be repudiated.

Mr. HYNES: Couldn't you negotiate with them, the same as you did with the internal bondholders?

The PREMIER: Of course; and the hon. member should realise that the Federal Treasurer and the Commonwealth Bank have been negotiating and trying in every possible way to get relief in that direction.

Mr. HYNES: It was not mentioned at the Premiers' Conference.

The PREMIER: These things are not shouted from the housetop.

Mr. PEASE: But you don't hesitate to shout about a reduction of the workers' wages from the housetops.

Mr. SPEAKER: Order!

The PREMIER: Most of the business done at these conferences is in committee, because it is recognised that, if such statements as were made here this afternoon by the hon. member for Herbert went overseas as emanating from a responsible conference, it would do irreparable damage to our credit. That is why these discussions are not made public.

Mr. HYNES: Therefore, the report is not an accurate account of what took place.

The PREMIER: Can anyone imagine a more damaging statement than that made by the hon. member for Herbert at page 3 of "Hansard" for the current session?—

> "I want the interest-mongers, not only in Australia but of the world, to sacrifice all their interest."

Mr. PEASE: All you want is to starve the workers.

The PREMIER: On page 4, where the hon. member said——

Mr. PEASE: What about your attitude to the workers?

Mr. SPEAKER: Order!

The PREMIER: This is what the hon. member said—

> "If we on this side had power to do so, we would reduce the burden of interest payment to nil; but we realise that hon. members opposite have now the power, and will not go further than is proposed in this Bill."

Mr. PEASE: You are reducing the standard of the workers to nil.

The PREMIER: The whole idea of the hon. member's speech is, "Don't pay! Refuse to pay!"

Mr. PEASE: But you have not paid yet.

Mr. SPEAKER: Order!

Mr. PEASE: You brought in a Bill the other day to raise £5,000,000, although we left you £5,000,000 in the Treasury.

Mr. SPEAKER: Order!

The PREMIER: Then the hon. member referred to the question of exchange, and asked, "Why not have a pool here into which could be paid the money due for overseas commitments, so that afterwards the money could be remitted overseas?" If we did that, the exchange would immediately come down, because there would not be any demand for credit overseas.

Mr. PEASE: You don't want the exchange to come down. You say you don't; the Treasurer says he does.

The PREMIER: The question of exchange has been fully inquired into. The reason for endeavouring to keep up the present exchange is the benefit that is accruing to Australian industries. The Australian industries are of greater importance than the question of exchange.

Mr. PEASE: Than the 400,000 unemployed men?

Mr. SPEAKER: Order!

The PREMIER: I have already stated that the benefit to Queensland from the present exchange rate on our overseas exports is £5,000,000, whereas on the reverse side the detriment may be set at £1,090,000.

Mr. PEASE: The hon. member for Warrego asked a question on that matter, and could not get the information.

The PREMIER: If the hon. member had taken the value of the exports from Queensland and added the exchange, he could have figured out the matter for himself. The hon. member would know, for example, that Mount Isa could not carry on but for the present exchange rate. There are many other industries similarly affected. The position has to be looked at from all points of view. I realise that it is a difficult matter for a Government to find money for exchange on overseas commitments; but the matter must also be looked at from the point of view of Australia being an exporting country, and that we are getting the advantage of exchange on our exportable products. It is because of that that we are able to keep up the conditions——

Mr. PEASE: Every time the Treasurer gets up——

Mr. SPEAKER: Order!

Mr. PEASE: He says, "Look at the burden of exchange!"

Mr. SPEAKER: Order!

Mr. PEASE: The exchange burden is one thing, but the welfare of the workers is another.

Mr. EDWARDS: A lot you care about the workers!

Mr. PEASE: You don't worry about the workers.

Mr. SPEAKER: Order!

The PREMIER: The hon. member for Herbert wants to speak all the time. The hon. member makes definite statements, and when he is taxed with them he wants to wriggle out

Mr. PEASE: You are doing the wriggling.

Mr. SPEAKER: Order!

The PREMIER: Fortunately, no one takes any notice of the hon. member. If people did take notice of what the hon. member said, it would be most detrimental to Queensland. Such statements as, "We would not pay" and "Why don't you repudiate?"——

Mr. PEASE: You have repudiated.

Mr. SPEAKER: Order!

The PREMIER: And "Why don't you compel the people on the other side of the world to take less interest? Why don't you say you will not pay?" These statements may be all right for party political propaganda purposes, but they are of no benefit to the credit of Queensland. If the Federal Treasurer talked in that strain, it would have a most detrimental effect. When discussions take place at the Loan Council and at the Premiers' Conferences, some attention has to be paid to the effect on the credit of Australia that certain statements will have on the other side of the world. Responsible Ministers cannot put forth frothy, vapoury statements.

Mr. PEASE: You hide your ignorance.

Mr. SPEAKER: Order! I must ask the hon. member for Herbert to restrain himself. He is keeping up one continual fusillade of interjections, which are most disorderly. I must ask him to cease interjecting.

Mr. PEASE: The Premier is most insulting.

Mr. SPEAKER: Order!

The PREMIER: I am replying to a few of the statements made by the hon. member on the taxation of interest; and I want to point out the reason for the decision of the Premier's Conference, because some people might be misled if the reason were not given. The reduction of overseas interest is not an easy thing. It could be done by agreement; but it certainly cannot be done by Australia saying, "We won't pay." Australia is in the fortunate position of being able to get her loans subscribed under a definite Act; consequently, she gets her money at 1 per cent. less than she otherwise would. If she said definitely, "We won't pay." it would hurt our credit. That sort of statement should not be allowed to go out as the opinion of this Parliament. That is the reason why I have replied to the hon. member for Herbert.

I want to point out also that the position of Queensland and Victoria is not so dissimilar as the hon. member tried to make out. We have given the opportunity for every person who has borrowed money to get a reduction of interest. In Victoria the position is exactly the same, only there it is automatic but the mortgagor can go to the court and state his case. In Queensland he must make an application to the individual who lent the money; and, if he refuses it, he can go to the court and get a reduction unless there is good reason against it, and the amount of the reduction may be up to 22½ per cent. Mr. Hogan included building societies in his Bill, and then excluded them until a date to be proclaimed. I do not know whether that date has been proclaimed or not; but I do know that the banks and the building societies have brought their interest rate down.

Mr. W. FORGAN SMITH: The clause in the Bill was not to be operative in the event of the banks reducing their interest, which they generally did.

The PREMIER: The Bill gave them till 1st October to reduce their interest; and, if they did not reduce the rate, the Act was to be proclaimed. Of course the banks did reduce their interest rates. I do not know whether the building societies did so; but I presume they did.

The position is exactly the same in Queensland. We did not include them because the banks notified the Government that they would reduce their interest rates. Our Bill is exactly the same as that passed in South Australia and Western Australia. This Bill is purely permissive. It was brought in at the request of the City Council, and it indemnifies the institutions from which it has borrowed money for any reduction of interest. All this other matter does not come into it at all. It was only brought in by an amendment moved when the Bill was initiated in Committee. The local authorities were not included in the Financial Emergency Act, and that is why this Bill is introduced.

Mr. HANLON: Why not make it general?

The PREMIER: It is general in the Financial Emergency Act except as regards local authorities. There is nothing revolutionary in the Bill, and for the life of me I cannot see any reason for all this talk we have had—not on the Bill, but on the amendment that was moved at the introduction of the Bill and which was defeated. Yet we have had the same sort of thing hashed up again, and it necessitated a reply.

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

COMMITTEE.

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

Clauses 1, 2, and 3 agreed to.

The House resumed.

The CHAIRMAN reported the Bill without amendment.

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

LESSEES' RELIEF BILL.

SECOND READING.

The PREMIER (Hon. A. E. Moore, *Aubigny*) [7.2]: This Bill follows on the lines of the Financial Emergency Act and the Mortgagors Relief Act; and deals with the question of rent. So far as I have been able to gather, in most cases rent has been reduced far more than this Bill provides for; but there are some cases in which the rent

has not been reduced, and this Bill gives power to reduce it in such cases. Applicants have to go to the magistrate or to the Supreme Court. Applications can be made at the Magistrates Court up to a rental of £156 per annum, £13 per month, or £3 per week.

The Bill provides not only for the lessor and lessee, but also for applications from a sub-lessor and sub-lessee in premises which have been sublet. It applies to leases entered into before 1st August, 1931, and provides that, in the case of a lease made between July last year and August this year, the rent charged prior to that has to be taken into consideration in fixing the rent, because many houses and shops were let last year and the rent has since been brought down on the reduced basis. It would hardly be fair to the lessor if there were going to be two bases of reduction. As I have pointed out, the lessor has a tremendous number of obligations in connection with building shops or houses, and in connection with rates and taxes, which are a continual charge upon the land. He has also certain obligations with regard to painting and repairs, which have to be fulfilled, and has a claim to a certain amount of consideration. The Bill gives power to the lessee to apply to the lessor for a reduction in his rent at any time within six months after the passing of this Act. If he cannot get a reduction, he can apply either to the Magistrates Court or to the Supreme Court, when the matter will be heard in chambers. A man does not have to become insolvent in order to be able to make an application for a reduction.

Clause 4 provides—

> "For the purpose of affording a measure of relief to a lessee detrimentally affected on account of the special economic conditions at present prevailing . . . a lessee may . . . apply to the court at any time within six months after the passing of this Act with a view of being afforded a measure of relief by the court in respect of his lease."

Mr. POLLOCK: Does that cover all kinds of leases?

The PREMIER: Yes.

Mr. W. FORGAN SMITH: Hotel property?

The PREMIER: Yes, all except Crown leases. It covers leases for twelve months, but not a weekly tenancy. It provides that, when a lessee makes an application for a reduction in the rent, the lessor cannot distrain or take any action against the individual while a case is pending, until the case has been fully heard and settled by the court.

Mr. KIRWAN: Will these matters be heard in chambers, whether before a magistrate or before a Supreme Court judge?

The PREMIER: Yes. So far as I have been able to discover, only one case has been heard by the court under the Mortgagors Relief Act. All other cases have been amicably settled, and in a few cases solicitors have been present.

This Bill deals with more than a reduction of rent. It empowers the magistrate or the judge to grant relief after considering any covenant for improvements contained in the lease providing for painting, repairs, etc. This will apply to a greater extent to licensed premises than in other cases. The leases covering licensed premises generally contain covenants providing for certain improvements or certain similar conditions to be carried out; and the magistrate or judge will be empowered to decide that these conditions need not be fulfilled or that the time of fulfilment may be postponed. The Bill will remain in operation for twelve months, but it may be proclaimed for a further period.

Mr. KIRWAN: What will be the position if the licensing inspector decides that certain repairs must be carried out?

The PREMIER: The court will not be able to abrogate that direction. Those orders could not be construed as covenants in the lease. Many leases provide definite covenants setting out definite obligations to be performed within a specified time. Some of the obligations are rather extensive. The Bill will not apply to directions given by a licensing inspector to the effect that the premises have got out of repair and are unfit for the purpose for which they were erected. At any rate, I believe that that obligation will devolve on the owner of the building, not on the lessor, unless there are specific provisions in the lease to a contrary effect. Any reduction in rent made in pursuance of an order under this Bill shall apply only in respect of rent due after the passing of the Bill. It cannot be made retrospective.

The Bill also provides that during the pendency of an application the lessor shall not distrain on the lessee for rent or put into execution any order or judgment for ejectment or for recovery of possession of the premises. It might happen that, after an application was lodged, the lessor would distrain for rent. The Bill further provides that any covenant in the lease that the lease shall not be affected by any future Act of Parliament shall be null and void and of no effect. Many contracts have been drawn up containing that provision. A lessee will have power to apply for relief notwithstanding that covenant. I do not think the Bill will affect a great number of cases, because in most instances the rent has been voluntarily reduced, and in innumerable cases no rent is being paid at all.

In granting a reduction of rent the court will take into consideration the rates charged upon the property. The tribunals will be permitted to allow a reduction up to 22½ per cent., or 4s. 6d. in the £1, and will be permitted to grant a postponement in respect of improvement covenants. That is practically all that there is in the Bill. We are providing that leases involving £156 per annum may be heard before a magistrate. The amount fixed in Victoria is £104 per annum, and in New South Wales a similar amount. I do not know that the amount matters a great deal.

Mr. W. FORGAN SMITH: It is merely a question of fact.

The PREMIER: It has been suggested that this sum should be raised to £6 per week to do justice to hotel properties. I am afraid that might go a little too far, although I have no fixed opinion as to the amount. It would not be quite reasonable in the case of big hotels, where the rental value might be £20 or £30 per week, but I have no serious objection to increasing this figure to £6 per week. In Victoria the amount is £104, and, if hon. members consider that this amount should be raised, I am prepared to listen to an amendment

when the Bill is being considered in Committee.

Mr. KIRWAN: It might be advisable to raise the amount which might be dealt with by a police magistrate to £6 per week, because in the country a lessee may have to wait a long time before a judge visits the town.

The PREMIER: I have no fixed opinion on the point; and, if hon. members consider the Bill will be more workable by raising the amount to £6 or £8 a week, I am quite willing to extend it. That is practically all that is in the Bill. It is not a measure that was agreed upon at the Premiers' Conference; it is a measure that is designed to meet existing local conditions. Under ordinary conditions it would not be desirable; but, under the present extraordinary conditions, it seems reasonable that a lessee should be afforded an opportunity of securing some relief in rent if he cannot come to some agreement with the lessor. Most lessors have been extraordinarily generous, and have made greater concessions than they can afford. That applies to business property as well as to private property. People who have invested their whole savings in property now find themselves with very little income, if any.

Mr. HANLON: Leases in regard to private property very rarely extend beyond a year.

The PREMIER: That may be so; but there are quite a number of properties held under lease where no relief in rent has been obtained.

Mr. W. FORGAN SMITH: It is all part of the general problem.

The PREMIER: This Bill will afford relief to many licensed premises, and to a greater degree in that direction than in connection with private dwelling houses, where the leases do not extend beyond a year. It may tend to alleviate the position of some unfortunate people at the present time. If necessary, at the end of twelve months, the period for which this measure is to remain in force, it can be re-enacted for a further period of twelve months, or for such further time as may be considered necessary. I have much pleasure in moving—

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

Mr. PEASE (*Herbert*) [7.15]: The Opposition do not intend to oppose this Bill, as it gives a certain measure of much needed relief to a number of lessees. The Opposition are of the opinion that the amount which a magistrate can be asked to determine should be raised from £156 to £312 per annum to facilitate applications in the country being dealt with promptly. Hotels in the country districts will be more particularly affected by this measure.

When the Premiers were discussing certain financial matters, the question of the land tax was raised. The report of the conference of Commonwealth and State Ministers held at Melbourne from 25th May to 11th June last discloses the fact that the Hon. J. P. Jones, of Victoria, made reference to the demands made on property-owners in respect of land tax. The Premier of Queensland is reported as stating—

"The suggestion behind this is that land tax valuations will have to come down, because the taxation authorities will be getting more than the amount of the rent on a property in certain cases."

That phase of the question deserves some attention. The request for the increase of the amount which magistrates can deal with has been brought under our notice chiefly by country members; and the people principally concerned are hotelkeepers. At the present time many hotelkeepers in the country districts are unable to pay rent, and the owner of the property in some instances refuses to reduce the rent. In those cases people who have financed hotels to a considerable amount, as well as local tradespeople, will be penalised if the landlord exercises his rights and distrains for rent. I thank the Premier for the way in which this Bill has been explained and for the information which he has given.

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

COMMITTEE.

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

Clauses 1 and 2 agreed to.

Clause 3—"*Interpretation*"—

Mr. PEASE (*Herbert*) [7.20]: At the second reading stage the Premier intimated that he would be prepared to accept certain amendments. I accordingly move—

"On page 2, line 21, omit the words—
'one hundred and fifty-six'
and insert in lieu thereof the words—
'three hundred and twelve.'"

Amendment agreed to.

Mr. PEASE (*Herbert*) [7.21]: I move the following consequential amendment:—

"On page 2, line 23, omit the word—
'thirteen'
and insert in lieu thereof the words—
'twenty-six.'"

Amendment agreed to.

Mr. PEASE (*Herbert*) [7.22]: I also move the following further consequential amendment:—

"On page 2, line 24, omit the word—
'three'
and insert in lieu thereof the word—
'six.'"

Amendment agreed to.

Clause 3, as amended, agreed to.

Clauses 4 to 15, both inclusive, and the preamble 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.

COMPANIES BILL.

MOTION TO REFER BILL TO SELECT COMMITTEE.

On the Order of the Day being read for the consideration of this Bill in Committee—

Mr. SPEAKER said: I notice on the business paper a contingent notice of motion to be moved by the Leader of the Opposition in connection with this Bill. I now ask the hon. member to move the motion of which he has given notice.

Mr. W. FORGAN SMITH (*Mackay*) [7.25]: I beg to move—

> "1. That the Order of the Day be discharged from the paper, and that the Bill be referred to a select committee for the purpose of taking evidence and reporting to the House upon the most efficient means of consolidating and amending the law relating to the incorporation, registration, regulation, and winding-up of trading companies and other associations.
>
> "2. That such committee have power to send for persons and papers, and to sit during any adjournment of the House, and that it consist of the following members:—Honourable N. F. Macgroarty, Mr. J. E. Walker, Mr. W. Kelso, Mr. P. Pease, and Mr. W. Forgan Smith."

The object of moving the motion is obvious. A Companies Bill being such an important measure, dealing with so important and so many subjects, and being of such an involved character it is desirable that, before the Bill becomes law, every possible effort should be made to make the Bill as nearly perfect as a measure of this kind can be. The Attorney-General has taken into his confidence a large number of bodies, who, naturally, are affected by company law. I understand that the Chamber of Commerce, the Chamber of Manufactures, and a number of other associations appointed a select committee of themselves to investigate the Bill. Later on those organisations had a deputation to the Attorney-General, and made certain recommendations to the hon. gentleman; and he promised that the Government would consider their recommendations very carefully. Recommendations of that kind are, no doubt, very valuable. Men who are acquainted with company law, particularly in its operation, can often give ideas to a Government or to Parliament that may be well worth acting upon; but, as I pointed out on the second reading, the measure has much greater significance than the mere question of the companies that may be interested. There is a definite public interest involved in a law of this kind; and a measure or amendments that may be entirely suitable to a trading company or trading interests may not be entirely suitable when viewed from the point of view of public interests. The object of a Companies Act is so to control the basis of company law that its operation shall, so far as is humanly possible, be guided and controlled and be subject to certain well-defined principles to which the public give allegiance, and which Parliament should regard as paramount. The object of a company law is to protect not only the general investor who may put his money into a company, but also to protect the general community.

With the development of modern trade and commerce, industry in all its ramifications plays a very important part in the life of a nation. We are not living in the days of individual enterprise. To a very large extent the term "private enterprise" is a misnomer to-day. Enterprise is carried on on a large scale by joint stock companies and trading combinations which act in their own interests, and which may exercise their economic influence detrimentally to public interests. A state of affairs can develop in any country whereby a few individuals can secure control of the supply of any given service or any given commodity. When a trade is organised to such a degree, if there is no public control, these companies can, to some extent, control the community. They say to the general public, "You require this commodity. We are the only company that supply it; and you can only obtain the use of our commodity or our services by paying the price and observing the conditions which we dictate."

I have an intimate knowledge of the operation of sales agreements in regard to certain trading companies. I have in my room at the present moment a letter sent by the Merchants' Association in Brisbane to a Sydney wholesale firm, reporting certain traders for selling tea at less than the agreed-upon price, and asking the wholesale firm to refrain from supplying these traders with fresh supplies of tea. All this is done with a view to keeping up the price to the general public. In effect, it is a combination in restraint of trade. Instead of competition operating as between the traders and thus determining the economic price of a commodity, agreements are entered upon which enable the public to be exploited. In many cases trading companies enter into these agreements with the wholesaler; and the penalty imposed on anyone who sells at less than the declared price is that he will get no fresh supplies from the wholesaler concerned. That applies to tea and a host of other commodities; and particularly is that the case in connection with proprietary lines. I mention that incidentally to show the necessity for a public control of companies, and for Parliament laying down that form of public control which it conceives to be in the public interests, irrespective of what the companies concerned may say.

Since the Bill has been introduced, it has been dealt with by me and by members of the Opposition generally on a non-party basis. I previously congratulated the Attorney-General on having introduced the Bill. I also expressed the hope that, when the Bill was finally passed, it would become a model Act which later on would no doubt become a Commonwealth statute. I believe in a Commonwealth company law, and no great benefit will accrue until that becomes an accomplished fact.

Viewing the matter from a non-party standpoint and the point of view of the public interest, it would be better for a Bill of this kind to go to a committee such as I have suggested. That committee could review the proposed amendments which have been suggested and circulated by the Opposition and other hon. members, and bring in a report to Parliament, which would facilitate the passage of the Bill. Instead of the whole Parliament having to wade through the several hundred clauses of the Bill, getting a more or less imperfect knowledge of their implications, if a committee made a special study of the measure and dealt with it in the manner suggested in this motion, its report would be of advantage to Parliament, and it would mean that the Bill, when completed, would be the final expression of the opinions of both parties.

In moving this motion I am not proposing anything that is new. It was done in connection with the Bill passed by the House of Commons. That Bill was referred to a select committee; and the law of Great Britain

on which this Bill to a very large extent is based is the work of that select committee.

In addition to that, it surely cannot be urged that Government members have a complete monopoly of all the knowledge in regard to company law. I take the view that in measures of this kind it is a good principle for Parliament to appoint select committees, so that the work shall be the work of Parliament rather than simply that of the Cabinet. It is the duty of Parliament to deal with all laws; and sometimes it has been shown without doubt that members have voted against an Opposition amendment which they may believe in, but they have felt constrained to vote on party lines.

This Bill is not a party measure at all. It is in itself a good measure. There are not very many amendments required, and I suggest that, in the public interests, and in the interests of sound principles of parliamentary government, measures of this kind should be referred to select committees along the lines I have indicated. I think the motion will commend itself to the good sense of hon. members, and I hope that it will be carried.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [7.35]: I regret that I cannot accept the motion of the Leader of the Opposition, mainly because, if such a proposal were accepted, we could not possibly expect to have the Bill put through this session. I have no doubt that the Leader of the Opposition will be able to help to pass the very many clauses of the Bill. I also unhesitatingly say that I shall appreciate any co-operation and help from him and also from the Deputy Leader of the Opposition. Although I am sorry the Leader of the Opposition has not been associated with the deliberations that have taken place in regard to the Bill, we have had every opportunity of getting the best information and help possible under the circumstances. The Parliamentary Draftsman took this matter in hand twelve months ago. He had the advantage of the reports of the select committees of the House of Commons and the House of Lords, which dealt with the matter in England a couple of years ago. Those committees had before them experts in company law, including accountants and others associated with the law. In Queensland we are following in the main the vital principles included in the English Consolidated Act of 1929. After the Bill was finally drafted and had been passed through the second reading stage, a conference was held with representatives from the Chamber of Manufactures, the Brisbane Stock Exchange, the Associated Banks, the Fire and Accident Underwriters' Association, the Bar Association, the Queensland Law Society, the Brisbane Merchants' Association, the Institute of Chartered Accountants of Australia, the Association of Accountants of Australia, the Commonwealth Institute of Accountants, the Federal Institute of Accountants, the Secretaries' Institute, the Australian Institute of Secretaries, and the Chartered Institute of Secretries. All these representatives were brought together by the Chamber of Commerce, and they submitted a number of amendments after they had been deliberating for a day or two. A great number of these amendments were accepted by the Government. After that conference had dealt with the matter, the Bill was revised by myself, the hon. member for Ipswich, the hon. member for Gympie, and the Parliamentary Draftsman. We consider that we now have a very desirable Bill, and one drafted on the lines of the Imperial statute of 1929. We have also compiled a synopsis of the Bill, which has been distributed amongst all hon. members. The Opposition have also considered the Bill very seriously, and have submitted a number of amendments. Some of those amendments are very good indeed. One clause of seven subclauses gave me a good deal of trouble. It was the seventh subclause that gave me the most trouble. I agreed to the subclause, although I did not like it. I am now frank enough to say that I propose to substitute the suggestion of the Leader of the Opposition for that subclause, which I think is very desirable. The Bill is a very desirable one and one that will be of great benefit to the commercial community of Queensland; but, if it is to be submitted to a select committee, then it will not be passed this session. The people interested in the Bill are keenly desirous that it should be passed this session. In those circumstances I regret that I cannot agree with the proposal by the Leader of the Opposition. I am sure that everybody will be quite satisfied with the Bill after it has been passed through this Parliament.

Mr. POLLOCK (*Gregory*) [7.40]: I regret that the Attorney-General cannot see his way to accept the motion submitted by the Leader of the Opposition for the appointment of a select committee to inquire into the contents of the Bill, so that we might have a finished article when it emerges from Parliament. There is no doubt that, particularly during the past two years, Acts of Parliament have been amended over and over again. The present Government have considerably amended the land laws of this State on at least three occasions. That would have been unnecessary if a select committee had had charge of the Bill for a few weeks. In this case we have a Companies Bill which should set the basis for Australian company law. I understand that it is the first effort to frame a company law that will be acceptable to all parties in all the States of the Commonwealth. If we are to have a properly finished product in the form of a company law that can be utilised as the basis for a uniform company law throughout the Commonwealth, then every effort should be made to obtain the views of everybody concerned, including the general public, who will have to suffer from the actions of companies if the Bill is not properly drafted and public safeguards are not properly framed. The Bill, being a non-party one, is not one which it is necessary to put through this session. There is no real need for the Bill which is to become the basis for uniform company law being passed through Parliament this session. We can refer the Bill to a select committee, have it carefully considered, together with suggestions by everyone likely to be affected; and then, when it comes before Parliament, it should be a model one which every State could adopt as a pattern. If it were necessary to get the Bill through this session because it is a Bill only one party favours, there might be something in the suggestion of the Attorney-General; but this party is not offering any objection to its main principles. We are desirous of helping to make the Bill a workable one, and one which may

form the basis of all company law throughout Australia. If the Bill is referred to a select committee, and if it is not possible to pass it until next session, it does not matter whether the present Government or a Government of another shade of political thought is in power to give effect to it. Any Government can pass the Bill after it has been through the hands of a select committee; therefore, the suggestion of the Attorney-General that it is desirable to pass the Bill this session loses its point. There is nothing to be gained by rushing through this Bill.

One of the arguments of the Government for the re-establishment of the Upper House is to prevent hasty legislation. Hasty legislation can be obviated by the appointment of a select committee on this Bill.

The ATTORNEY-GENERAL: It has not been brought forward very hastily; we have been working on it for twelve months.

Mr. POLLOCK: No doubt the Attorney-General and the Parliamentary Draftsman have been working on the Bill for twelve months; but the general public affected have not had it before them for twelve months. They will know very little more about the Bill three or four months after it has been passed.

The SECRETARY FOR LABOUR AND INDUSTRY: Any person who is interested knows of its provisions.

Mr. POLLOCK: Everybody interested is not the Law Society, the various accountancy institutes, or the other people who have to do with the formation of companies. People who have quite a lot to do with this Bill are those who will have to suffer through companies not being formed on a proper basis.

The ATTORNEY-GENERAL: Dozens of people have called on me and discussed the Bill.

Mr. POLLOCK: Dozens more will come before a select committee and make suggestions for its improvement. If it were known that this Bill was referred to a select committee, then people who are only mildly interested would come along with suggestions which would be of advantage not only to this Parliament, but to all other Parliaments which contemplate the passage of uniform company legislation. There is every argument in favour of the proposal of the Leader of the Opposition; and any objection raised by the Attorney-General loses point entirely when we take all the facts into consideration.

Mr. H. M. RUSSELL (*Toombul*) [7.48]: I am impelled to speak on this amendment because the special committee appointed by the Chamber of Commerce has devoted a vast amount of time and labour to considering the Bill. I give the Leader of the Opposition credit for his desire to make the Bill as perfect as possible; but, if we wait until suggestions are received from all quarters, years will elapse before we arrive at perfection. We have the benefit and experience of the special committee appointed by the House of Lords. That committee worked on the English measure for upwards of two years. Its endeavour was to frame a measure to consolidate all existing company law, and to place upon the statute-book a comprehensive company law. The company law of this State is somewhat antiquated, although "The Companies Act of 1863" has worked fairly satisfactorily. There are so many innovations to-day that it is absolutely necessary that we should have an up-to-date company law, and an incessant demand exists throughout Australia for that. Having the benefit of the experience of a select committee of the House of Lords, we are able to furnish a very satisfactory groundwork for a Bill that will be compatible with Queensland conditions. The Leader of the Opposition is of opinion that, in order to obtain the view of all sections of the community, an intricate measure of this nature should be referred to a select committee of this House. While in no way deprecating the ability of the gentlemen he proposes to put on this committee, I submit that the committee which has already been appointed by the Brisbane Chamber of Commerce is more representative of the various sections of the community that are deeply interested in the operations of company law. The Attorney-General has read out a list of the various associations who were represented on the special committee that was appointed under the auspices of the Brisbane Chamber of Commerce. That committee has been sitting for many months, and has gone into every aspect of the situation; and, being representative of every section of the community, it was able to furnish amendments to the Attorney-General, who, I am sure, will admit that the majority of the amendments were very reasonable. It will be found that probably 90 per cent. of the amendments furnished by this special committee have been agreed to by the Attorney-General. The committee was representative not only of the various law associations and of the Stock Exchange, but of the numerous trading organisations—the Brisbane Chamber of Commerce, the Brisbane Chamber of Manufactures, and the Brisbane Merchants' Association. While we must pay a good deal of deference to the opinions that are offered by legal gentlemen—who, after all, are the most expert people in company law—we had, on the other hand, the opinions offered by the different trading organisations, which were in a position to submit amendments that would give them greater recognition than is given in the present company law. I consider we could not have a more representative body than that appointed by the Brisbane Chamber of Commerce. In my opinion, the amendments which have been proffered by them are more apropos the whole question than any amendments that might be forthcoming from the select committee which has been nominated by the Leader of the Opposition.

In a measure of this kind, which is really of a non-party nature, it is wise for any Government to solicit the advice and assistance of outside bodies, and in this regard the Government are to be congratulated for having submitted the Bill to such an important committee as that which acted under the control of the Brisbane Chamber of Commerce. If that feature were adopted with much of our legislation there would be very little heart-burning in future.

It has been a habit in the past for all Governments to rush legislation through Parliament, but no one can accuse the Government of having rushed this measure through. It has been on the stocks for many months, and every opportunity has been afforded to all organisations affected to submit amendments. I must congratulate the Attorney-General upon the extreme patience he has exhibited in listening to the various suggestions put before him. We

hope that, as the result of the conferences which have taken place between the Attorney-General and the various organisations that have been dealing with this Bill, we shall be able to present to the public of Queensland a measure which will be a marked advance on the existing company legislation. I am not going to say that the Bill is perfect; but it offers a solid groundwork on which we can work for some time. As we go along we may be able to find defects which any Government would be prepared to rectify.

No good purpose could be served by having a select committee of this House to go into the matter. It would be a very tedious job, because a good deal of technical and legal knowledge is involved in a measure of this kind. The Attorney-General has expressed his willingness to accept reasonable amendments, and the Opposition have every opportunity of getting their forces together and submitting amendments, which, if relevant and not in conflict with the main principles of the Bill, will receive the greatest consideration from the Attorney-General.

Despite what the hon. member for Gregory has said, there is an urgent need for a complete revision and amendment of the existing company legislation, which dates back to 1863, and which is now due to be put in an up-to-date form. We have waited long enough, and I suggest that the House will agree not to accept the Leader of the Opposition's motion, because it means further delay. I think that the company law should be brought up to date immediately. There is a crying need for it in the community; and no Bill has been brought before Parliament this session that will be of more use than the present measure. I am in sympathy with the Leader of the Opposition to a certain extent, inasmuch as I have never contended that all the brains are to be found on this side; but in an involved matter like this no good purpose can be served by referring the Bill to a select committee. The Leader of the Opposition and the Deputy Leader are representative of manufacturing and business interests, while the hon. member for Nundah is a gentleman engaged in banking and conveyancing, and the Attorney-General and the hon. members for Ipswich and Gympie are legal gentlemen. The hon. members for Gympie and Ipswich have been in close contact with the Attorney-General, and have carefully gone through all the amendments submitted, and hon. members can rest assured that, once the Bill is passed, it will be acclaimed throughout Queensland as one of the finest pieces of legislation on the subject to be found in any country. I trust, therefore, that the House will disagree with the motion, so that we can get on with business and get the Bill through as quickly as posible.

Question—"That the Bill be referred to a select committee" (*Mr. Smith's motion*)—put; and the House divided:—

AYES, 22.

Mr.	Barber	Mr.	Mullan
,,	Bow	,,	O'Keefe
,,	Brassington	,,	Pease
,,	Bruce	,,	Pollock
,,	Bulcock	,,	Smith
,,	Conroy	,,	Wellington
,,	Dash	,,	Wilson
,,	Foley	,,	Winstanley
,,	Hanson		
,,	Hynes		*Tellers:*
,,	Jones, A.	,,	Cooper
,,	Kirwan	,,	Hanlon

NOES, 36.

Mr.	Annand	Dr.	Kerwin
,,	Atherton	Mr.	King
,,	Barnes, G. P.	Mrs.	Longman
,,	Barnes, W. H.	Mr.	Macgroarty
,,	Blackley	,,	Maher
,,	Boyd	,,	Maxwell
,,	Brand	,,	Moore
,,	Butler	,,	Morgan
,,	Carter	,,	Peterson
,,	Clayton	,,	Plunkett
,,	Daniel	,,	Russell, W. A.
,,	Deacon	,,	Sizer
,,	Duffy	,,	Tedman
,,	Dunlop	,,	Warren
,,	Edwards	,,	Wienholt
,,	Grimstone		
,,	Hill		*Tellers:*
,,	Kenny	,,	Kelso
,,	Kerr	,,	Russell, H. M.

PAIRS.

AYES.		NOES.	
Mr.	Bedford	Mr.	Tozer
,,	Stopford	,,	Fry
,,	Jones, A. J.	,,	Kerr

Resolved in the negative.

COMMITTEE.

(*Mr. Maxwell, Toowong, one of the panel of Temporary Chairmen, in the chair.*)

Clauses 1 to 4, both inclusive, agreed to.

Clause 5—"*Interpretation.*"—

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.5]: I beg to move the following amendment:—

"On page 4, line 17, after the word—

'documents'

insert the words—

'whether bound or on loose leaf or card system.'"

It is a small amendment, obviating any question with regard to the legality of books of account kept on the loose leaf or card system.

Amendment agreed to.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.6]: I beg to move the following amendment:—

"On page 5, lines 41 and 42, omit the word—

'Insolvency'

and insert in lieu thereof the word—

'Bankruptcy.'"

The term "insolvency" is not used in the Commonwealth bankruptcy law, the term "bankruptcy" being used.

Mr. W. FORGAN SMITH: What is the difference in meaning?

The ATTORNEY-GENERAL: There is no difference, but the term "bankruptcy" is the term used in the Federal bankruptcy law which has an Australia-wide application.

Amendment agreed to.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.8]: I beg to move the following amendment:—

"On page 5, after line 47, insert the following definition:—

'Printed.'—Printed also includes typewriting, or other mechanical form.'"

The object of the amendment is to save expense by permitting typewritten or Roneo copies.

Amendment agreed to.

Clause 5, as amended, agreed to.

Clause 6—"*Saving for Life Assurance Companies Act*"—

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.9]: I beg to move the following amendment:—

"On page 6, after line 48, insert—

'(*f*) 'The Building Societies Acts, 1886 to 1915,' or 'The Friendly Societies' Acts, 1913 to 1924,' or 'The Industrial and Provident Societies Acts, 1920 to 1929,' or 'The Primary Producers' Co-operative Associations Acts, 1923 to 1926.'"

This clause specifies the Acts of Parliament that shall not be affected by this measure.

Mr. W. FORGAN SMITH: They are to be exempt from the operations of the Act?

The ATTORNEY-GENERAL: Yes. Those Acts contain special provisions governing the ramifications of the institutions referred to, and I think it advisable that the Acts set out in the amendment should be included.

Amendment agreed to.

Mr. W. FORGAN SMITH (*Mackay*) [8.12]: I beg to move the following amendment:—

"On page 7, after line 17, insert the following new subclause—

'(3) Any form of policy to be issued by an insurance company or any form of bond to be issued by any company shall, prior to such issue, be submitted to the registrar for approval or otherwise, and the registrar may approve of such form, or refuse such form, or submit same back to the company concerned with any amendments thereto which he is of opinion should be made:

'Provided that a company may appeal to the court on the refusal of the registrar to approve of the form of such policy or bond, as the case may be.'"

I am moving this amendment on behalf of the hon. member for Warrego. During the debate at the second reading stage the hon. member produced certain forms of bonds and policies. He pointed out that certain features of the bond or policy were printed in large type, and couched in such language as to be easily understood, but there were other features and conditions printed in small type, and couched in involved language. The consequence was that many bond and policy holders were not able to understand fully the implications and terms of contract. The view underlying this amendment is the simplification of the terms and conditions of the policy and bond. They should be couched in such language that anybody taking up either a bond or insurance policy should know exactly what they are doing, and those documents should contain no equivocal or ambiguous language tending to mislead the general public.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.15]: I quite agree with the amendment, but I suggest that it should be moved on clause 383. In that case I could enlarge it slightly providing in the regulations for a model form of bond to be issued by the Governor in Council from time to time as thought desirable. If the Leader of the Opposition will consent to withdraw his amendment and move it at the time suggested, I will see that it will be included in that clause.

Mr. W. FORGAN SMITH (*Mackay*) [8.16]: After hearing the explanation of the Attorney-General, I ask leave to withdraw the amendment.

Amendment (*Mr. Smith*), by leave, withdrawn.

Clause 6, as amended, agreed to.

Clauses 7, 8, and 9, agreed to.

Clause 10—"*Fees*"—

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.18]: I beg to move the following amendment:—

"On page 8, line 41, after the word—

'companies,'

omit the words—

'by a company.'"

The words are unnecessary.

Amendment agreed to.

Clause 10, as amended, agreed to.

Clause 11—"*Power to alter tables and forms*"—agreed to

Clause 12—"*Prohibition of banking partnerships with more than ten members*"—

Mr. W. FORGAN SMITH (*Mackay*) [8.20]: I beg to move the following amendment:—

"On page 9, after line 27, insert the following new subclause:—

'(3.) Notwithstanding anything to the contrary in any Act contained, no unincorporate company or association shall conduct or carry on the business of banking: Moreover, no unincorporate company or association shall be empowered to transact or carry on the business of banking unless such company or association is registered as a banking company.

'Any company or association offending against the provisons of this section shall be liable to a penalty not exceeding five hundred pounds.'"

The object of the amendment is to provide that banking shall only be carried on by incorporated companies subject to the laws and conditions relating to companies as prescribed by this Bill. Obviously, if some such provision is not contained in the Bill, it may be possble for partnerships to attempt to conduct banking operations in Queensland. We had examples of that in Brisbane not very long ago. Banking is so important an activity in the life of a community that we cannot permit it to be carried on, unless under proper control and with proper safeguards in the interests of the general public.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.21]: Various suggestions have been made to me in connection with this Bill, and, after mature consideration, I have deemed it inadvisable to accept them. This amendment is one of them. I cannot accept it, because this clause has been drafted on the lines of legislation in other States, as, for example, Victoria, Tasmania, and South Australia, and none of these States makes any provison such as is suggested in this amendment. It is a very novel amendment——

Mr. W. FORGAN SMITH: There is a good deal to be said for it.

The ATTORNEY-GENERAL: Hon. members opposite need have no fear in this respect. I have considered the matter seriously, and, in view of the fact that the legislation I have referred to does not contain a provision of this nature, I feel that I am on perfectly safe ground is not accepting the amendment. Possibly a partnership consisting of a number of people may go in for banking. It may be desirable in a number of cases to do so. Furthermore, there is an additional safeguard in "The Private Savings Bank Act of 1923." I feel that I cannot accept the amendment, not because it comes from the Opposition, but because it is unnecessary. I take that action after mature consideration and consultation.

Amendment (*Mr. Smith*) negatived.

Clause 12, as read, agreed to.

Clause 13—"*Mode of forming incorporated company*"—agreed to.

Clause 14—"*Requirements with respect to memorandum*"—

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.23]: I beg to move the following amendment:—

"On page 10, line 6, after the word—

'Limited,'

insert words and brackets—

'(or the abbreviation "Ltd." thereof).'"

I am sure that amendment will be acceptable to hon. members opposite, particularly as it has been made at the earnest request of almost every company affected.

Amendment agreed to.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.24]: I beg to move the following amendment:—

"On page 10, line 9, omit the words—

'part of'

and insert in lieu thereof the words—

'place in.'"

that will mean a "place in" Queensland instead of "part of" Queensland.

Amendment agreed to.

Clause 14, as amended, agreed to.

Clauses 15 to 25, both inclusive, agreed to.

Mr. W. FORGAN SMITH (*Mackay*) [8.28]: I beg to move the following amendment:—

"On page 14 insert the following new clause to follow clause 25:—

'25A. Notwithstanding anything to the contrary contained, no company shall be registered under this Act unless the registrar shall have obtained the approval of a Board of Review, to be hereinafter constituted.

'The Board of Review shall be constituted by the Governor in Council, and shall consist of the following persons, namely:—

One member who shall be the Auditor-General for the time being;

One member who shall be appointed on the nomination of the Queensland Law Society Incorporated;

One member who shall be appointed on the nomination of the various Institutes of Accountants.

'Any application for registration shall be submitted to such board, who shall have power and authority to approve of the registration, or refuse the registration, or submit the same back to the company or its solicitor for further consideration.

'Rules of Court may be made to give full effect to the objects and purposes of this section:

Provided always that an appeal shall lie from any decision of the board in respect of its powers under this section.'"

The object of the new clause is to give more protection to the general public than now exists. It is to restrain more or less bogus companies being registered and making appeals to the public for subscriptions to their shares. We know that many companies are formed, and "go-getters" go out, and, in order to entice capital, make all kinds of assertions to the general public, and in consequence, a number of people are sold "gold bricks." A protection of this kind would be in the interests of the State and in the public interests generally, and would be a protection to bona fide companies.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.29] I regret that I cannot accept the amendment. Under ordinary circumstances under present day conditions a Board of Review would be desirable; but in view of the very severe restrictions now being placed on anybody commencing to float a company I do not think it is necessary. There are a great many conditions that must be observed by anyone floating a company; important details must be given with regard to prospectus, the allotment of shares, and numerous other things before they can get registration. Anybody seeking to register a company now has to furnish to the registrar a detailed prospectus, and the things which are necessary to be complied with under this Bill render it an impossibility for any bogus company to be registered. If the promoters of a company are in a position to comply with the antecedent conditions before they get registration, there is no harm in letting that company go on the register. There is really no necessity for the proposed board of review. Then we would be throwing a heavy responsibility on an outside board that is not directly associated with the registrar of companies. It might also be that there would be some liability attached to the Government in respect of the actions of the members of this board of review. In the main the things that must be complied with before a company can be registered do away with the necessity for such a board.

Proposed new clause (*Mr. Smith*) negatived.

Clauses 26 to 28, both inclusive, agreed to.

Clause 29—"*Restriction on registration of companies by certain names*"—

Mr. W. FORGAN SMITH (*Mackay*) [8.34]: I beg to move the following amendment:—

"On page 15, line 34, after the word—

'Imperial'

insert the words—

'or "State" or "Australian" or "Commonwealth."'"

I am moving the amendment on behalf of the hon. member for Warrego, who is absent.

The clause restricts the use of the words, "Royal" or "Imperial," and the object of the amendment is to extend the principle of the clause to "State" or "Australian" or "Commonwealth"—in other words, to prevent companies taking the name of the State or Australia or the Commonwealth in vain.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.35]: I will accept the amendment if the Leader of the Opposition will stop at the word "State." I do not think it would be wise for us to insert the words "or 'Australian' or 'Commonwealth.'" I do not think we have any jurisdiction in regard to those words, and it would be wiser not to put them in. We have not the right to restrict the use of the word "Commonwealth," as there is a Commonwealth Parliament.

Mr. W. FORGAN SMITH: Why not put "or Queensland"?

The ATTORNEY-GENERAL: Yes, I will accept that and make it "or 'State' or 'Queensland.'" Does that satisfy the hon. member?

Mr. W. FORGAN SMITH: "Or Queensland" alone will be better.

The ATTORNEY-GENERAL: The hon. member means to substitute the word "Queensland" for "State"?

Mr. W. FORGAN SMITH: Yes, if your argument is sound, that is the proper thing to do.

Mr. W. FORGAN SMITH (*Mackay*) [8.36]: With the permission of the Committee, I will withdraw the amendment and substitute the words "or Queensland" for the word "State."

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.36]: I think it will be better to insert the word "State" after the word "Imperial," and leave the other two words out.

Amendment, by leave, withdrawn.

Mr. W. FORGAN SMITH (*Mackay*): I beg to move the following amendment:—

> "On page 15, line 34, after the word—
> 'Imperial,'
> insert the words—
> 'or State.'"

Mr. MAHER (*Rosewood*) [8.38]: The Attorney-General should refuse to accept the amendment. The clause is designed to prevent the use of words suggesting that the company enjoys the patronage of the Royal family. I cannot see any particular harm in the term "State" being included in the name of a company.

Mr. W. FORGAN SMITH: Take the case of the State Theatre in Sydney.

Mr. MAHER: I do not see any objection to a theatre being called "The State Theatre."

Mr. W. FORGAN SMITH: It gives a wrong impression.

Mr. MAHER: Not at all. It does not reflect on the State, and the public have sufficient discrimination to know whether a theatre is conducted by private enterprise or by the State. The amendment should not be accepted.

Mr. W. FORGAN SMITH (*Mackay*) [8.39]: The hon. member for Rosewood has not grasped the significance of the question. The object of the clause is to prevent the word "Royal" or the word "Imperial" being used lightly or in such a way as to convey the impression that the company is under Royal or Vice-Regal patronage.

Mr. MAHER: I said that.

Mr. W. FORGAN SMITH: The law also prevents the indiscriminate or unauthorised use of the word "Anzac." The object of the amendment is to prevent the use of the word "State" without authority. A stranger to Sydney would be under the impression that "the State Theatre" was "a State theatre." It has been frequently advocated by great thinkers that there should be a State theatre for the cultivation of the drama and the general development of the higher forms of art portrayed on the stage. Such men as Bernard Shaw, H. G. Wells, the late Arnold Bennett, and quite a number of men brilliant in the realm of literature, have advocated the establishment of a State theatre for the culture and preservation of the drama. On seeing "The State Theatre" in Sydney one would be under the impression that it was a State institution. In Queensland we have the State Government Insurance Office, which indicates very clearly that it is owned by the Government and that its policies are guaranteed by the Government of Queensland. Should we allow the use of such a name as "The State Insurance Company"? Should we allow a company to commence banking operations in Queensland under the style of "State Banking Company of Queensland"?

The ATTORNEY-GENERAL: You are quite right.

Mr. W. FORGAN SMITH: All kinds of situations might arise.

Mr. BRAND: What about the State cannery?

Mr. W. FORGAN SMITH: The State cannery was sold to a company for a consideration, and that company bought the right to use that name and that label. The whole undertaking was purchased from the Government. The trade mark and label was registered in the same way as any other trade mark and label can be registered under the law of Queensland. Would another company be allowed to start business as "The State Jam and Preserving Company of Queensland"? Such a course might furnish a ground for a civil action. All the arguments are in favour of my amendment. The arguments that persons should be estopped in regard to the use of the words "State" or "Australian" or "Commonwealth" are as sound as in the case of the words "Royal" or "Imperial."

Mrs. LONGMAN (*Bulimba*) [8.43]: I suggest that the amendment moved by the Leader of the Opposition would be more suitable if it were inserted in paragraph (*b*).

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.44]: I hope that the Committee will accept the amendment as finally agreed upon by the Leader of the Opposition and myself. I would point out in reply to the hon. member for Bulimba that paragraph (*a*) is in connection with the use of the words "Royal" or "Imperial," which would convey the suggestion that an enterprise had Government support or

patronage, whereas paragraph (*b*) deals entirely with municipal affairs. I entirely agree with the arguments of the Leader of the Opposition. A stranger on being introduced to an enterprise whose title conveyed the implication that it was being controlled by the State would be justified in making the further deduction that it also had the backing of the Government, and on that basis would be justified in rendering financial assistance to the industry on that basis. There is a distinct risk of a person being misled through the misuse of the words which the Leader of the Opposition has sought to have embodied in this clause.

Amendment (*Mr. Smith*) agreed to.

Clause 29, as amended, agreed to.

Clause 30—"*Power to dispense with 'Limited' in name of charitable and other companies*"—agreed to.

Clause 31—"*Change of name*"—

Mr. MULLAN (*Flinders*) [8.46]: I beg to move the following amendment:—

"On page 16, lines 43, 44, and 45, omit the words—

'Governor in Council, testified in writing under the hand of the Clerk of the Executive Council,'

and insert in lieu thereof the word—

'registrar.'"

It seems unnecessary that a company should have to obtain the approval of the Governor in Council before it can change its name. The real object of this clause is to prevent any infringement by a company seeking to be registered under this Act of the rights of a company that is already registered. This is too trivial a matter to be referred to the Governor in Council, and might well be left to the registrar.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.47]: I do not agree with the hon. member for Flinders. It is a much more important matter than appears on the surface. The British Board of Trade was of opinion that the wording of this clause should be in its present form. In some respects the change of the name of a company may become a very important matter, and under such circumstances it would do no harm to provide that such an alteration should be made only after application to the Governor in Council. It is a safeguard that will be beneficial. An alteration that may not appeal to the registrar as important may be viewed unfavourably by the Governor in Council.

Amendment (*Mr. Mullan*) negatived.

Clause 31, as read, agreed to.

Clauses 32, 33, and 34 agreed to.

Clause 35—"*Copies of memorandum and articles to be given to members*"—

Mr. W. FORGAN SMITH (*Mackay*) [8.48]: I should like the Minister to state whether the payment of 1s. for a copy of the memorandum and articles of association will cover the cost of these documents. I have in mind the amendment standing in the name of the hon. member for Warrego that the amount should be increased to 2s.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.49]: It would be wise to increase the amount, and I accordingly move the following amendment:—

"On page 18, line 19, omit the words—

'one shilling'

and insert in lieu thereof the words—

'two shillings.'"

Amendment agreed to.

Clause 35, as amended, agreed to.

Clauses 36 and 37 agreed to.

Clause 38—"*Meaning of 'private company'*"—

Mr. MULLAN (*Flinders*) [8.50]: I should like the Attorney-General to explain why the term "private company" has been substituted for "proprietary company." The hon. gentleman will see that there is an amendment standing in my name dealing with the matter, but, before moving that amendment, I should like the hon. gentleman to give me the information which I now seek.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.51]: The term "private" company follows the English legislation; but the hon. member for Flinders will see that I have dealt with the matter in the amendment which I now propose to move. I accordingly move—

"On page 19, after line 19, insert the following new subclauses:—

'(3.) Any existing company, which if registered after the commencement of this Act would be entitled to be registered as a 'private company,' may apply to the registrar to be registered as a 'private company' under this Act, and the registrar, on being satisfied with such application, shall register such company as a private company accordingly.

'(4.) Any existing company may in like manner on altering its articles to comply with the requirements as set forth in subsection one of this section, apply to the registrar to be registered as a private company under this Act, and the registrar on being satisfied with such application shall register such company as a private company accordingly.

'(5.) The name of a private company shall contain therein the word "private" or "proprietary" or any similar word or contraction of "private" or "proprietary" or similar word, indicating that the company is a private company.'"

The amendment is desirable, and will be availed of, not only by private companies which come into existence in future, but by companies which are entitled to be called private companies at the present time.

Amendment agreed to.

Clause 38, as amended, agreed to.

Clauses 39 to 45, both inclusive, agreed to.

Clause 46—"*Dating and registration of prospectus*"—

Mr. MULLAN (*Flinders*) [8.56]: I beg to move the following amendment:—

"On page 22, line 3, after the word—

'registration'

insert the words—

'and duly registered.'"

In dealing with share capital the clause provides that—

> "A copy of every such prospectus, signed by every person who is named therein as a director or proposed director of the company, or by his agent authorised in writing, shall be delivered to the registrar for registration on or before the date of its publication, and no such prospectus shall be issued until a copy thereof has been so delivered for registration."

The ATTORNEY-GENERAL: I accept that amendment.

Amendment agreed to.

Mr. W. FORGAN SMITH (*Mackay*) [8.57]: Sub-clause (5) reads—

> "If a prospectus is issued without a copy thereof being so delivered, the company, and every person who is knowingly a party to the issue of the prospectus, shall be liable to a penalty not exceeding five pounds for every day from the date of the issue of the prospectus until a copy thereof is so delivered."

What is the idea of making "every person who is knowingly a party to the issue of the prospectus" liable as well as the company? Would it not be sufficient if the company were made liable?

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [8.58] This matter is looked upon as being very serious; and the individual is made responsible as an additional protection, and so that we shall be able to get at the persons responsible for issuing these prospectuses. It is a personal liability.

Mr. MULLAN (*Flinders*) [9.0]: I beg to move the following amendment:—

> "On page 22, after line 15, insert the following new sub-clause:—
>
> '(6.) A certified copy of all agreements entered into on behalf of the proposed company shall be lodged with the prospectus for registration before the issue of such prospectus.'"

A copy of all agreements should be available for perusal, if required. It is an additional safeguard to have certified copies of all agreements entered into by companies lodged with the prospectus for registration, and they should be available to people who wish to invest.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.1]: I do not think this is necessary in view of the fourth schedule on page 199, which sets out all the matters required to be stated in the prospectus. Clause 8 of the schedule reads—

> "The names and addresses of the vendors of any property purchased or acquired by the company, or proposed so to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by the prospectus, or the purchase or acquisition of which has not been completed at the date of issue of the prospectus, and the amount payable in cash, shares, or debentures, to the vendor, and where there is more than one separate vendor, or the company is a sub-purchaser, the amount so payable to each vendor."

I think the fourth schedule, and particularly clause 8, which I have just read, which has to be complied with, renders the amendment unnecessary.

Mr. MULLAN: But there may be agreements, and it does not mention agreements.

The ATTORNEY-GENERAL: It covers salient parts in agreements for purchase or anything like that.

Amendment (*Mr. Mullan*) negatived.

Clause 46, as amended, agreed to.

Clause 47—"*Specific requirements as to particulars in prospectus*"—agreed to.

Mr. MULLAN (*Flinders*) [9.4]: I beg to move the following amendment:—

> "On page 23, after line 28, insert the following new clause:—
>
> '[47A.] The provisions of sections forty-six and forty-seven of this Act shall extend and apply to all companies selling shares in Queensland, and whether registered or incorporated under this Act or not.'"

I think that it would be a safeguard if the provisions of clauses 46 and 47 which are applicable to companies incorporated in Queensland were also made applicable to outside companies, which should not be exempted.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.5]: This amendment might bring industrial societies or primary producers' associations under the provisions of the Bill.

Mr. W. FORGAN SMITH: They are exempted from the provisions of the Bill.

The ATTORNEY-GENERAL: Not if this provision goes in, because it says—

> "The provisions of section forty-six and forty-seven of this Act shall extend and apply to all companies selling shares in Queensland, and whether registered or incorporated under this Act or not."

That is my only reason for not accepting the amendment. I may be wrong, but I feel that some difficulty might arise.

Mr. W. FORGAN SMITH (*Mackay*) [9.6]: There is something in the point raised by the Attorney-General. It would be absurd to insert a saving clause in an earlier part of the Bill and remove it here. People who vend shares in Queensland should be subject to the same terms and conditions as a Queensland registered company. We can deal only with companies operating in and registered in Queensland. Section 92 of the Commonwealth Constitution creates a difficulty from the point of view of the administration of State company law. Some companies might desire to operate in Queensland, but wish to escape some of the rigid provisions of the Act, and, therefore, register in other States. That occurred in the case of the Petroleum Act, when certain companies endeavoured to evade some of their responsibilities under the Queensland law by registering in New South Wales. We should be able to control the vending of shares in Queensland by companies registered in other States and other countries. I am satisfied that an amendment could be devised to protect the investors and to prevent "go-getters" from selling "gold bricks" to the people of Queensland.

At 9.10 p.m.,
The CHAIRMAN resumed the chair.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.10]: Clause 321 sets out the effect of the registration of a British company in Queensland; but that clause was specially excluded from the part relating to foreign companies. I considered it a rather delicate matter to insert such a provision dealing with foreign companies, because the law in respect of foreign companies carrying on business in Australia or Queensland might be of an intricate character. I was prepared to insert clause 321 dealing with British companies, but I was not prepared to insert a similar clause dealing with foreign companies, because I was not sure as to the ultimate result, and as to how far we could enforce such a provision against a foreign company. I consider that I have gone as far as possible in this matter by setting out the provisions of clause 364 relating to "Restrictions on sale of shares and offers of shares for sale." We have tried to deal with the matter in that clause. That is as far as we feel justified in going. Trouble might arise if the amendment were accepted. I frankly confess that in that case it would be necessary for the court to determine the matter, and it might find its powers limited.

New clause (*Mr. Mullan*) negatived.

Clauses 48, 49, and 50 agreed to.

Clause 51—"*Prohibition of allotment unless minimum subscription received*"—

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.14]: I beg to move the following amendment:—

"On page 27, line 5, omit the words—
'forty days'
and insert in lieu thereof the words—
'four months.'"

I am sure that this amendment will be acceptable to the Committee. In drafting this clause we followed the English Act. In England the time allowed for floating a company is forty days, but such a period in a State of vast distances like Queensland that time would be ridiculous. It is only necessary for me to point out the limitation for hon. members to realise that the amendment is justifiable. The hon. member for Warrego, who has had some experience in these matters, quite agrees with the amendment.

Amendment agreed to.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.16]: I beg to move the following amendment:—

"On page 27, line 9, omit the words—
'forty-eight days'
and insert in lieu thereof the words—
'five months.'"

This is a consequential amendment.

Amendment agreed to.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.17]: I beg to move the following amendment:—

"On page 27, lines 12 and 13, omit the words—
'the forty-eighth day'
and insert in lieu thereof the words—
'five months.'"

Amendment agreed to.

Clause 51, as amended, agreed to.

Clauses 52, 53, and 54, agreed to.

Clause 55—"*Power to pay certain commissions, and prohibition of payment of all other commissions, discounts, etc.*"—

Mr. W. FORGAN SMITH (*Mackay*) [9.18]: I beg to move the following amendment:—

"On page 29, lines 18 and 19, omit the words—
'price at which the shares are issued'
and insert in lieu thereof the words—
'paid-up capital.'"

I think that is a better way of expressing the position.

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.20]: This clause follows the English law, which was framed after the experts had considered the matter. In view of the delicate nature of the language in the clause, I do not think it would be advisable to accept the amendment. As explained in the synopsis issued to hon. members, similar provisions are contained in the Victorian and Tasmanian Acts, as well as in the English Act. I cannot accept the amendment, because I think it is desirable to following the wording in the English law.

Amendment (*Mr. Smith*) negatived.

Clause 55, as read, agreed to.

Clauses 56 and 57 agreed to.

Clause 58—"*Power to issue redeemable preference shares*"—

The ATTORNEY-GENERAL (Hon. N. F. Macgroarty, *South Brisbane*) [9.21]: I beg to move the following amendment, which is purely verbal:—

"On page 32, lines 11 and 12, omit the words—
'stamp duty'
and insert in lieu thereof the words—
'registration fee.'"

Amendment agreed to.

Clause 58, as amended, agreed to, with a further consequential amendment on line 16

Clause 59—"*Power to issue shares at a discount*"—

Mr. W. FORGAN SMITH (*Mackay*) [9.23]: I beg to move the following amendment:—

"On page 32, after line 54, insert the following new sub-clause:—
'(*3.*) Notwithstanding anything to the contrary contained, a company, when issuing shares at a discount, shall in the first place offer such issue of shares to their existing shareholders proportionately to the number of shares presently held by any such existing shareholder.'"

The object of the amendment is apparent.

The ATTORNEY-GENERAL: That is a very good amendment, and I accept it.

Amendment agreed to.

Clause 59, as amended, agreed to.

Clauses 60 to 63, both inclusive, agreed to.

At 9.25 p.m.,

The CHAIRMAN: Under the provisions of Sessional Order agreed to by the House on 22nd July, I shall now leave the chair, and make my report to the House.

The House resumed.

The CHAIRMAN reported progress.

Resumption of Committee made an Order of the Day for to-morrow.

The House adjourned at 9.26 p.m.