

Queensland



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[Hansard]

Legislative Assembly

THURSDAY, 18 AUGUST 1932

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Mr. SPEAKER (Hon. G. Pollock, *Gregory*) took the chair at 10.30 a.m.

FORM OF QUESTIONS.

MR. SPEAKER'S RULING.

Mr. SPEAKER: Before proceeding to the business of the House, I would draw attention of hon. members generally to Questions Nos. 3 and 4, and I would point out that the object of a question is to obtain information, not to convey it. Moreover, questions—and this is for the guidance of all hon. members in order to avoid any difficulty—must not contain imputations or ironical expressions. The questions to which I have particularly referred have been allowed. In future I do not propose to edit the questions of hon. members; but, if they do not conform to the Standing Orders, they will be returned to the hon. members concerned for amendment or alteration. I think that is the most satisfactory procedure to adopt.

HONOURABLE MEMBERS: Hear, hear!

QUESTIONS.

APPLICATIONS UNDER STATE HOUSING RELIEF ACT AND FOR WORKERS' DWELLINGS UNDER STATE ADVANCES ACT.

Mr. R. M. KING (*Logan*) asked the Secretary for Public Works—

"1. Will he supply the following particulars regarding the operations of the State Housing Relief Act, 1930, for the financial year ending 30th June, 1932:—(a) Number of applications lodged; (b) number of applications approved; (c) number of applications not approved; and (d) number of applications held back for further consideration?"

"2. Also the following particulars regarding the operation of the State Advances Act in relation to Workers' Dwellings for the financial year ending 30th June, 1932:—(a) Number of applications lodged; (b) number of applications approved; (c) number of applications not approved; (d) number of applications held for further consideration; (e) the amount of the vote allocated; and (f) the amount expended?"

The SECRETARY FOR PUBLIC WORKS (Hon. H. A. Bruce, *The Tableland*) replied—

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

FREE INSTRUCTION TO UNEMPLOYED BOYS AND GIRLS.

Mr. R. M. KING (*Logan*) asked the Secretary for Public Instruction—

"1. In connection with unemployment, how many boys out of employment were given free instruction during the financial year 1931-32 at—(a) Central Technical College; and (b) Country Technical Colleges?"

"2. How many of such boys were subsequently placed in positions of employment?"

"3. How many girls out of employment were enrolled for free housecraft training at the Housecraft Institution at Brisbane during the financial year

1931-32, and how many of such girls secured employment after such training?"

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. F. A. Cooper, *Bremer*) replied—

"1 to 3. The information is being obtained."

ALLOCATION OF FUNDS BY PREMIERS' CONFERENCE TO QUEENSLAND.

Mr. DEACON (*Cunningham*), for Mr. SIZER (*Sandgate*), asked the Treasurer—

"1. Has he seen the statement that the Premier of Queensland was the outstanding figure at the June Premiers' Conference? If the statement be correct, will he inform the House why Queensland secured only £940,000 out of an allocation of £7,000,000, when his predecessor at the April Conference secured £620,000 out of an allocation of £3,000,000?"

"2. Taking the April basis of allocation, should not Queensland have received at least £1,400,000 instead of £940,000?"

"3. What were the special reasons which account for the short allocation to this State?"

The TREASURER (Hon. W. Forgan Smith, *Mackay*) replied—

"1 and 2. The hon. member attempts to be satirical, but merely succeeds in being ridiculous. His figures are wrong regarding the April conference by £600,000, and his questions regarding other figures are based on equally false premises. I am not aware of the basis adopted in April, but no doubt the elections then pending were not without their influence."

"3. The allocation to the various States was arrived at by mutual agreement, and is quite satisfactory to all Governments. There was no short allocation to Queensland."

REDUCTIONS IN EXPENDITURE UNDER PREMIERS' PLAN.

Mr. DEACON (*Cunningham*), for Mr. SIZER (*Sandgate*), asked the Premier—

"1. Now that the Premiers' Plan, which provided for a 20 per cent. reduction in Governmental expenditure, has been reviewed and approved of by the present Government, are the reductions made under the plan still in operation?"

"2. What steps have been or are proposed to be taken to restore the reductions made under the original plan, which he has so 'successfully' reviewed?"

The PREMIER (Hon. W. Forgan Smith, *Mackay*) replied—

"1. This question seeks to give information rather than to elicit it."

"2. The Government's intentions will be stated in the Budget."

RAILWAY FREIGHT CONCESSIONS TO MOUNT ISA COMPANY.

Mr. R. M. KING (*Logan*), for Mr. MORGAN (*Murilla*), asked the Premier—

"1. What concessions have been granted to the Mount Isa Company by the present Government?"

"2. If reduced railway charges, what are the reductions?"

"3. Has the present Government agreed to forgo (wholly or partly) amounts due by this company under the guarantee clauses of its agreement with the Government? If so, what amount of relief under this heading?"

The PREMIER (Hon. W. Forgan Smith, *Mackay*) replied—

"1 and 2. In view of the low value of metals produced at Mount Isa and the national necessity of keeping men in employment, the Government has agreed to a rebate in rail freights to the Mount Isa Mines, the amounts involved to be recouped to the Railway Department on the restoration of more normal price levels."

"3. The Government has agreed to forgo the guarantee by the company of its liability for loss incurred in the Mount Isa Branch Railway for the last financial year."

CONSTRUCTION OF KILNS AND BARNs ON TOBACCO FARMS FROM UNEMPLOYMENT RELIEF LOAN.

Mr. KENNY (*Cook*) asked the Premier—

"Seeing that £100,000 has been allocated out of the Unemployment Relief Loan for building purposes, will he have provision made under this scheme for the construction of kilns and barns on tobacco farms, such work being of a truly reproductive nature?"

The PREMIER (Hon. W. Forgan Smith, *Mackay*) replied—

"The Government will ensure that adequate finance will be available, through the Agricultural Bank, for the provision of facilities for the construction of kilns and barns on tobacco farms, and also for other purposes of agricultural development."

NON-PARTICIPATION OF QUEENSLAND IN £6,000,000 LOAN FOR PUBLIC WORKS FROM COMMONWEALTH BANK.

Mr. KENNY (*Cook*) asked the Treasurer—

"Why did Queensland receive no share of the £6,000,000 made available by the Commonwealth Bank for public works at the last meeting of the Loan Council?"

The TREASURER (Hon. W. Forgan Smith, *Mackay*) replied—

"This question displays a deplorable lack of knowledge of the State finances. Queensland secured suitable and satisfactory accommodation to meet her requirements."

AMOUNT ALLOCATED TO QUEENSLAND BY LOAN COUNCIL.

Mr. KENNY (*Cook*) asked the Treasurer—

"1. What was the total amount allocated to Queensland out of the amounts made available by the Commonwealth Bank at the last meeting of the Loan Council—(a) to cover deficits; (b) for unemployment relief and other purposes?"

"2. Does this sum include the £620,000 for winter unemployment relief obtained

by the late Government at the April Loan Council meeting or is it in addition to that amount?

"3. What are the allocations of the £620,000 loan and what are the conditions attached to its expenditure?"

"4. What are the allocations to date out of the £940,000 loan and what are the conditions attached to its expenditure?"

"5. What approval of allocations out of the loans mentioned is required?"

The TREASURER (Hon. W. Forgan Smith, *Mackay*) replied—

"1. (a) £1,485,000; (b) £940,000.

"2. No.

"3 and 4. This information will be obtained.

"5. The approval of the State Employment Council and of the Commonwealth and State Governments is required for allocation of the loan of £620,000. Expenditure on account of the loan of £940,000 is subject to the approval of the State Government."

SUGGESTED EXEMPTION FROM ROAD REGISTRATION FEES OF CERTAIN MOTOR TRUCKS IN WEST MORETON.

Mr. MAHER (*Roscowd*) asked the Minister for Transport—

"As many farmers are not able to pay road registration fees on ton trucks and half-ton utility trucks, and have not been using these vehicles on the roads for some time, will he agree to the use of these vehicles free of registration fees under special license for the conveyance of fodder for starving dairy cattle and cartage of water owing to drought conditions now ruling in the West Moreton area?"

The MINISTER FOR TRANSPORT (Hon. J. Dash, *Mundingburra*) replied—

"In every case of proved hardship the Commissioner of Main Roads, who controls the registration of motor vehicles, will, upon application to him, either allow the owner extended time to pay or permit him to pay the fees by instalments—each case is treated on its merits. To allow the use of unregistered motor vehicles would lead to serious abuses."

INCREASE IN MAGISTRATES COURT FEES.

Mr. NIMMO (*Oxley*) asked the Attorney-General—

"1. Is it correct, as stated in the press, that there is a large increase in the Magistrates Court fees?"

"2. If so, what is the necessity for this additional tax?"

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

"1 and 2. Under a Rule of Court certain of the Magistrates Court fees have been increased as from 1st September, 1932. The necessity for the increased fees was recognised by my predecessor (Mr. Macgroarty), who approved on 1st February last a recommendation from the Public Service Commissioner that consideration be given to an amended scale of fees to operate from 1st July,

1932. I caused this scale to be modified, as the increases approved of by the late Attorney-General were too drastic in instances where a considerable increase would not be warranted."

PAPER.

The following papers were laid on the table:—

Regulations under "The Liquor Acts, 1912-1926"—

"The Sanitary Conveniences Regulations for Licensed Victuallers' Premises, 1931," dated the 10th December, 1931.

"The Sanitation Regulations for Licensed Victuallers' Premises of 1931," dated the 10th December, 1931.

INTERRUPTION OF MEMBER ADDRESSING THE HOUSE.

Mr. SPEAKER: Before proceeding to call the Order of the Day, I should like to mention that during this debate a number of hon. members will make their parliamentary debut, and the custom has always been to extend a great deal of chivalry to them. I hope that that custom in its application to both sides of the House will not be departed from. If an hon. member feels prompted to make an interjection, then I sincerely hope he will do so without unduly interrupting the hon. member who is speaking. I hold the view that interjections properly made constitute the salt of a debate, but I shall not permit any interruption that has not the consent of the hon. member who is addressing the House..

ADDRESS IN REPLY.

RESUMPTION OF DEBATE—FIRST ALLOTTED DAY.

Mr. P. K. COPLEY (*Karilpa*) [10.40]: I desire, Sir, at the outset, to add my quota to the congratulations on your election to the position of Speaker; and my main wish to-day for you is that at an early date you will be restored to robust health.

In speaking to the motion so ably proposed by the hon. member for Kelvin Grove, I desire to congratulate the people of Queensland on their wisdom in returning a Labour Government to power in this State. The pessimistic Premiers' Plan which was in operation during the regime of the late Government was a plan responsible for despair and panic amongst the Australian people. The people of a nation in time of stress are likely to resort to violence, particularly if they can see no other hope of national recovery or of alleviating their own distress. The present Premier realised that on the occasion of his visit to the first Premiers' Conference, where he was able, despite the overwhelming odds against him, to convince the Premiers of other States that the policy of reduction attempted by the Premiers' Plan was not in the best interests of Australia. He very ably pointed out just where the policy of reduction was taking the nation to.

Let us take one aspect of the matter, and that is the reduction of wages. When a reduction in wages takes place, the housewife or mother in the home immediately

sets about curtailing her expenditure. She does so by purchasing a cheaper line of article that is included in the necessities of life. Very shortly afterwards, when traders and manufacturers are called upon to make their returns to the statistical authorities, it is shown that the expenditure on certain household lines has diminished. That is then used as an argument for a further reduction in wages. And so the process goes on. The paid hirelings of the moneyed class make their applications to the courts for a reduction in wages; and it invariably follows on the statistical returns that wages are further reduced. The process has a spiral effect, which ultimately gets down to bedrock. The Premier saw that this would mean disaster to the nation. Hon. members opposite sneered and jeered the other day when reference was made to the attitude of the Premier at the Premiers' Conference; but I venture the opinion that at some future time some historian worthy of the name who is so far removed from the prejudices of to-day that he will be able to view matters in their true perspective, will pay the tribute that is due to the very fine leadership, the far-sightedness and ability that the Premier brought to bear at the recent Premiers' Conference, and that those hon. members who indulged in their sneers and jeers will be relegated to that position of obscurity from which they emerged by accident and cruel promises in 1929.

In 1929 there were approximately 11,000 unemployed in Queensland. It might be contended that these figures are quoted from the same authority which was used to return the 33,000 unemployed by the late Government prior to the elections. The 7.6 per cent. had increased to 18.2 per cent.

Mr. CLAYTON: When the hon. member for Ipswich was Secretary for Labour, he showed that there were over 40,000 unemployed.

Mr. P. K. COPLEY: If the late Government had included the number of people in Dunwich and other institutions, and also other people affected, the number would have been approximately 100,000. In addition to the 33,000 stated on the returns, there were 13,000 men on unemployment relief work; and even Professor Giblin, the Acting Commonwealth Statistician, stated definitely in his report that, although unemployment was less in Queensland than in any other State of the Commonwealth, there was a greater increase for the last year—a most alarming increase—in comparison with the other States of the Commonwealth. I am contending that it was the policy put into operation by the Opposition when they were the Government of the day that was responsible for that alarming increase, despite anything that hon. members opposite may say regarding the administration of the Governments in the other States.

Mr. MAHER: New South Wales, under a Labour Government, showed 38 per cent. unemployed.

Mr. P. K. COPLEY: Even that percentage was not as high as the percentage in this State under the Moore Government.

When the Labour Government were defeated at the polls in 1929, they left the late Government with a very decent working margin so far as the Treasury was concerned. Over £5,000,000 was left to the Moore Government; but, after certain adjust-

ments were made, the net cash balances at the Treasury amounted to £4,902,226. To-day we find that that money has all been dissipated. Why, in the last three years the Government of the day piled up deficits to such an alarming extent that the accumulated deficits for the three years almost exceeded the deficits of all other Governments since separation. The deficit for the last financial year of £2,075,180 has left us with a very difficult task ahead. But we are not going to shirk that task. We shall face it manfully, and shall tackle all the problems confronting the State in order that we may alleviate distress and put men back to work. After all, unemployment is the vital problem, and Governments are going to stand or fall on their methods of dealing with the unemployment problem to-day.

Let me deal at this stage with the apprenticeship question, upon which we have taken a definite stand. The Minister for Transport has already held examinations for apprenticeships for the Railway Department. That is tangible evidence that the question of "Giving the boy a chance" is now receiving consideration. The promises of £2,000,000 for 10,000 jobs and "Give the boy a chance" were never intended to be honoured by hon. members opposite when they were the Government of the day. Despite the sneers which hon. members opposite indulge in concerning the present Government, the fact remains that, when the Moore Government assumed the reins of office, they cared little for the people outside. The position is different to-day. Hon. members opposite may smile at the confidence trick which they played upon the people of Queensland.

Mr. NIMMO: Mr. Speaker, I rise to a point of order. Is the hon. member for Kurilpa in order in saying that the late Government played a confidence trick upon the people of Queensland?

Mr. SPEAKER: Order! The expression may not be desirable, but I do not think the hon. member was referring to any individual hon. member. I take it that the hon. member is referring to a Government or a party. Some little latitude must be allowed in debate.

Mr. P. K. COPLEY: If the hon. member for Oxley objects to my remarks, I shall alter them to read that the Moore Government played a political confidence trick upon the people of Queensland. That may be more satisfactory and acceptable to the hon. member. At any rate, there is no doubt as to the truth of my remarks.

To give an idea of the methods adopted by the late Government during the Maryborough by-election in 1929, I would point out that in May or June of 1929 applications were called for boys desiring to learn skilled trades in the Railway Department. In response to that application 569 boys presented themselves for examination. Of that number 199 were successful; but in November of that year not one boy had been notified as to whether he had passed or failed in that examination. That question was raised during the by-election in Maryborough in November, 1929, on a Monday night, and on the following Friday the late Minister for Transport informed the lads that they had passed their examinations and would be immediately appointed

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to their positions. The promises made to those lads is typical of the action of the late Government in dealing with the people of Queensland on the question of employment. On the eve of the last election the Chamber of Manufacturers was so concerned about retaining the late Government in power that they circularised the manufacturers; and one of the main clauses in their circular was a statement to the effect that, if the late Government were defeated, a Labour Government would alter the law as it had been amended in its relation to apprentices. They complain that the very important junior journeyman's clause would be taken out of the Act. There is no doubt that a section which allows a man after serving his apprenticeship to be compelled to work for a period of eighteen months at junior wages, and not the wages to which he is entitled by his ability and experience, is a scandalous one; and there can be no question that these apprentices need the protection of the Government. The late Government did not care a button for the workers of this State. That is apparent in every piece of legislation that they put on the statute-book. That is shown in every piece of legislation dealing with the plight of the individual from birth even unto death. In all their legislation there were amendments made vitally affecting the workers of Queensland in every shape and form.

First of all, we have the amendment made in regard to the scholarship question. That was a scandalous piece of legislation. All sectional or class legislation is bad; and, if there was a necessity to curtail the number of scholarships, provision should have been made to allow every individual to select the school where he could take out his particular scholarship.

Mr. R. M. KING: They still have the right to a secondary education.

Mr. P. K. COPLEY: That is quite all right. I am saying that every section of the community is entitled to their point of view, and they must not be prejudiced by any class legislation or any sectional legislation. Hon. members know what the policy of the Labour Party is on that question; and I stand four square on that policy. The Labour Party will not be a party to anything like what was done on the last occasion. It may have been necessary to curtail these scholarships; but those gaining scholarships should have been allowed to take them out when and where their parents desired.

Then the Apprentices Act was emasculated. There is no question about that. Under the Industrial Arbitration Act the full-grown adult—the father who had to work side by side with the child—was also penalised. Amendments were made to those Acts, which very definitely put the workers of Queensland in an invidious position. Then we found there were reductions by way of grants to the aged—take the Dunwich grant, for instance. So far as charitable institutions were concerned, hospital grants were reduced. It may be said that the cost of living has been reduced. In many instances that is quite right; but you cannot justify a reduction in the grant to institutions like the Dalby Sanatorium and the Diamantina Hospital, because there was a larger number of patients in those institutions in the last few years than ever before. Although the cost of keeping those patients may have been

reduced, there is no question that, because of the number of patients having been increased, it did not warrant the reductions made by the late Government. We have only been a Government a few months, but in that time we have done more for the workers of Queensland than the previous Government did in the three years they were in office. I want to say that it is a very easy thing to tear down, but much harder to build up. I feel that the people of Queensland are waiting to give the Labour Administration the opportunity to build up on a more solid foundation the edifice which the late Government destroyed during their term of office.

I would like to congratulate the present Government on making a sum of £150,000 available for a building revival scheme. There is no doubt the building trade has many ramifications. Many allied industries are dependent on it; and, if a revival of building can be secured in this State, it will go a long way towards the solution of the unemployment problem. It is delightful to see £100,000 being set aside for the repairing, painting, and improvement of buildings. Many workers during the period of the recent Administration were not able to do the necessary repairs to their homes because of reduced wages and the cost of living not having been reduced to the same extent. They will now be able to avail themselves of this scheme, which provides for a maximum advance of £300, and be able to effect necessary repairs to their homes. The average workman takes a pride in his home, and is prepared to plan and save for the sake of the family and the children who are coming along. It is a very fine thing that the Labour Government are prepared to assist the man who has an interest in his home.

The late Government decided that they were going to make the workers' dwellings scheme a wonderful scheme, and they said, "We will increase the salary amount up to which men may make applications for workers' dwellings from £400 to £800." What was the result? Many persons who otherwise were well able to erect homes for themselves got the benefit of the workers' dwellings scheme, while many workers who otherwise would have got a home were deprived of the advantage of the scheme. The Government should go into that question, and I am certain they will see that those who are really deserving of the assistance of the State will get the benefit of the scheme.

I do not want to go into the merits or demerits of the recent Mungana case; but there was a piece of legislation introduced into this Chamber in connection with civil trials which I think sullied the statute-book of Queensland; that was the legislation which was calculated to make unlawful acts that were done lawfully. I know that it is stated—and it has been mentioned in Governor's Speeches on other occasions—that there would be a validating Bill introduced. That is quite right and in true accord with the principles of British jurisprudence and justice the world over. There have been many occasions in history of a Government having to pass a Bill to validate an act of State—something required by a national emergency and not covered by law at the time, and which it was essential should be done in the interests of the people.

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Such acts were unlawful at the time, inasmuch there was no legislation to cover them, and the Government brought in legislation to validate or to cover acts to which no existing law related. But in the legislation incidental to the Mungana business we find that an act perfectly lawful at the time it was done was made unlawful by a subsequent Act of Parliament. A vindictive and malicious Government at a later date may come along and declare that it was a criminal offence for you, Mr. Speaker, to take the office of Speaker, and make it punishable by fine and imprisonment for acting as such to-day. The thing is ridiculous and absurd. So far as that legislation was concerned, I think the Leader of the Opposition must realise what I say. He made a confession in this House that he was a partisan and a party to a criminal act or an act which was punishable under the Criminal Code at that time. I think hon. members opposite will realise that any person who counsels the commission of an offence or who is an accessory either before or after the commission of an offence is equally guilty and punishable with the principal offender.

Mr. R. M. KING: Mr. Speaker, I rise to a point of order. I would like to know whether the hon. member for Kurilpa alleges that the Leader of the Opposition admitted that he was a party to a criminal offence.

Mr. P. K. COPLEY: The Leader of the Opposition has quite definitely expressed the opinion in this House that he had been a party to a man named Stone taking papers from a certain office.

Mr. R. M. KING: He was not a party to an offence.

Mr. P. K. COPLEY: The hon. member should refer to "Hansard" of the time, and he will see that I am right.

Mr. SPEAKER: I think the hon. member for Kurilpa had better not proceed on those lines.

Mr. P. K. COPLEY: Very good, Mr. Speaker. I would like to say—whatever the actual position was matters not to me, and I am not making any definite statements at all on the matter; but at that time certain persons used the privilege of this House to make certain statements. (Opposition interjections.) If this Government were a vindictive Government, following the precedent laid down by the Government of those hon. members, we could refuse the extension of that privilege of Parliament, and declare that a certain speech in this House was illegal and a breach of privilege, and make it punishable by the ordinary law.

Mr. DEACON: You are abusing the privileges of the House now.

Mr. SPEAKER: Order!

Mr. P. K. COPLEY: Amongst the legislation passed at that time was an amendment of the Jury Act which made it again possible to have a special jury appointed—a special jury of business men. That is to say, the law was amended to make panels of business men available for trials of this kind. I hope that this Government will realise that this is not in the interests of justice. I feel that in cases where, for example, a worker or some other person takes action against a business man, a busi-

ness man on the jury might unconsciously be prejudiced.

Mr. R. M. KING: You cannot say that any member of the Opposition tinkered with the jury.

Mr. P. K. COPLEY: I am not saying anything of the kind, and I will not be a party to allowing the hon. member to get away with an insinuation of that kind. He cannot say that this Government ever tinkered with a jury.

Mr. R. M. KING: Why take the opportunity to suggest that we did?

Mr. P. K. COPLEY: I am not.

Mr. R. M. KING: That is the inference.

Mr. P. K. COPLEY: No; there is no need for that. Hon. members opposite cannot gainsay the fact that the law was amended at the time to make a jury of business men available to deal with that trial. It was one of the first trials conducted under the amending Act.

The PREMIER: They did everything legislatively they could in order to accomplish their purpose.

Mr. P. K. COPLEY: I hope that this Government will restore the old system of juries. As I was pointing out when I was interrupted, a business man on a jury might be unconsciously biased in favour of a business man who was a party to the action he was trying; but, if the jury panel consists of business men as well as men drawn from other avenues of life, counsel for each client has the right to challenge and protect the right of his client; and it is such a jury that I am convinced will give the greatest amount of justice to litigants. I am convinced that injustice was done on that occasion, and I hope that it will not be done from now on.

Mr. MAHER: What is wrong with a special jury?

Mr. P. K. COPLEY: I have told you.

Mr. MAHER: What is your objection?

Mr. P. K. COPLEY: I have stated my objection, and I am not going to waste time going over the ground again.

As an ex-public servant, I very much regret that the Government have not been able to grant the automatic increases in salaries to the public servants. The inability of the Government to grant these increases can be definitely traced to the financial morass for which the late Government were responsible. Hon. members opposite can sneer and jeer as they wish; but they know full well that a further 10 per cent. reduction was to have been foisted upon the public servants. If one cares to read the speeches delivered by the Leader of the Opposition and by the late Secretary for Labour and Industry relating to the alteration from the weekly rate to the hourly rate, one is convinced that not only public servants but also outside employees were marked down for wage reduction. There will be no wage reductions so far as I am concerned during my term of office as a member of this Government.

Mr. MAHER: You will have to watch your step.

Mr. P. K. COPLEY: I invite the hon. member to watch my step. There will be no side-stepping so far as I am concerned.

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I want to thank the late Government for doing a good turn to some of the public servants, who were sufficiently courageous at the time to tell the Government just what they thought of their actions.

Mr. R. M. KING: We deny your assertions.

Mr. P. K. COPLEY: If I had been guilty of the double-cross statement made by the hon. member, I would be ashamed to publish it to the State of Queensland.

Mr. R. M. KING: What statement?

Mr. P. K. COPLEY: It is gratifying to know that the Government intend to introduce a new arbitration law for this State. There is no doubt that the Act at present in operation was placed upon the statute-book so that the court might function in a certain way. That view was held by the late Attorney-General, and he gave utterance to his feelings at Kelvin Grove. He pointed out very definitely that the Act was passed by the previous Government so that the court, in the exercise of its functions, should take into consideration the economic effect of any award with respect to any industry.

Mr. SIZER: Is that not sound?

Mr. P. K. COPLEY: It is not sound when considered in the light of a statement made by the hon. member at a conference in Melbourne. In the light of that statement one can only conclude that the present court was set up for political purposes, and not in the interests of the economic soundness of the State. I sincerely hope that the new arbitration law will provide for a 44-hour week so that the workers may receive back a little of those things to which they are entitled.

The Government intend to set up a Bureau of Industry comprised of representatives from agriculture, commerce, the industrial unions, and other sections. That bureau will deal with matters for the benefit of the State, and will operate in quite a different way from the board appointed on the eve of the elections merely as a gesture to the public. Really, that board never functioned, and I do not think it was intended to function.

Mr. SIZER: What board?

Mr. P. K. COPLEY: The board to assist the hon. member in his position.

Mr. SIZER: It did function; and it functioned effectively.

Mr. P. K. COPLEY: If it is any news to the hon. member, then I should like to inform him that the board has not functioned under the Labour Administration, and will not function again.

Those who were responsible for the recent redistribution of seats have earned the undying thanks of hon. members opposite. A study of the election returns will show that the Opposition won ten electoral seats with an aggregate majority of about 3,000 votes over the defeated candidates. When we view the figures in connection with ten electoral seats narrowly won by the Opposition, we realise what a delightful redistribution had been made in the interests of their party. We further appreciate how cleverly the whole thing was prepared. I have the figures with me, and they can be supplied if hon. members opposite care to have them for the purpose of analysing

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them, when they will realise the truth of my statement.

Mr. MAHER: Are you going to alter them?

Mr. P. K. COPLEY: The least said about them the better.

Mr. MAHER: Are you going back to seventy-two members?

Mr. P. K. COPLEY: I am not making any comment about that. I want to compliment some of the lucky hon. members opposite on being in the fortunate position of being amongst the ten lucky members I have just mentioned.

Mr. MAHER: You might not be so lucky next time.

Mr. P. K. COPLEY: Some hon. members opposite have good reason to consider themselves lucky.

I hope that the amendment which is to be brought down to the Transport Bill will provide for some definite alterations in the present method of administering our transport system.

I desire to compliment the Government on its intentions to bring down a Gas Act Amendment Bill and an Electric Light and Power Act Amendment Bill. Notwithstanding reductions in salaries and wages and supplies of all description, the charges for gas and electric light have remained the same; and it is high time that some governmental action was taken in this regard.

I also desire to congratulate the Secretary for Public Lands on his administration. When the late Government were in power, many opportunities presented themselves of dealing with land problems, especially the settlement of new lands; but nothing was done. I do not think that anything was ever intended to be done in this direction; but the people will find that the present Administration will faithfully honour their promises in this connection, and that the present Secretary for Public Lands will prove to be a sympathetic administrator—a man who knows his position and will deal with the public estate in the best interests of the people.

It is also pleasing to observe that we are to have an amendment to the present Hospitals Act. I want very briefly to refer to statements made by hon. members opposite while sitting in opposition prior to their advent to office. The previous Labour Government inaugurated the "Golden Casket" with a view to applying its proceeds to the benefit of the sick and needy in our hospitals and charitable institutions. Hon. members opposite thought it was scandalous to apply the proceeds of a lottery to such a good cause; but, when they took over the reins of office, they, in spite of their previous condemnation of the principle, reduced the grants that had been made to the various hospitals, and actually diverted some of this money to the consolidated revenue. That administrative act will remain in the memories of the people as a disgraceful one, and one which will be a brand on the former Administration for all time.

The late Government did not function as it should have done so far as demanding equality of sacrifice from all sections of the community. In times of national stress, when it is necessary for the people of a nation or State to make some sacrifice, it is the duty of the Government of the day to see that this sacrifice is spread over

every section of the community. When the late Government were demanding sacrifices of the wage-earning classes, they remitted land taxation, mainly paid by the wealthy squatters of the West, to the extent of £140,000. It must have added a few years to the lives of some hon. members opposite when they were compelled to agree to the re-enactment of the land tax in their first two years of office. We believe that sacrifices in a national crisis should be borne by those people who are best able to bear a sacrifice and stand its strain, in preference to those people who are compelled to live from hand to mouth. The attitude of the late Government was to be as harsh as possible to the worker, whilst at the same time giving as many concessions as possible to the wealthy landowners of the State. (Opposition dissent.) It is a wonder to me that the people of Queensland put up with that intolerable position. Probably they felt so utterly ashamed at falling so easily for the promises made by hon. members opposite that they merely waited for the opportunity to get revenge.

In conclusion, I desire to congratulate the members of the present Government on the action they have already taken. Remarkably good work has been done by them since they assumed office; and I sincerely hope the legislation introduced in future will be consistent with the Government's attitude up to the present time. I hope that single men particularly under the unemployment relief scheme will get a greater measure of assistance. The system under which men had to travel for rations was all right when the Labour Government were in power, because at that time jobs could be obtained in the country; but there was absolutely no use in keeping men marching on the road when there was no work to be obtained; and I am pleased that the Secretary for Labour and Industry has seen fit to alter the provision which required men to travel long distances for rations. I trust also that the whole position will be carefully investigated to ascertain whether it is possible to grant single men a greater measure of assistance than they are receiving at the present time.

I feel confident that the present Government will live up to the promises they have made, and that they will not go down, as the late Government did, with the unenviable record of having made promises that are still unfulfilled.

Mr. GLEDSON (*Ipswich*) [11.17 a.m.]: Mr. Speaker, may I be permitted to add to those already expressed my own hearty congratulations on your selection as Speaker of this House. As a colleague of yours for many years, I feel that you will occupy the position with credit to yourself and to this House. There can be no doubt that you will exercise at all times that spirit of earnestness which is so requisite to the successful occupancy of your honourable office.

I desire also to congratulate the mover and seconder of the motion for the adoption of the Address in Reply. To those young hon. members and to the other hon. members who are appearing in this Chamber for the first time, I offer my congratulations on the capable manner in which they have addressed themselves to the question now before the House. They have added materially to the debating strength of this Parliament. I had hoped that some hon.

members opposite would have spoken to this motion; but evidently the strenuous nature of the political campaign through which they have just come has so weakened them that they are unable to contribute any substantial quota to this debate. They might at least let the House know where they stand on the important problems now confronting the State.

Mr. KENNY: We want you to get on with your job.

Mr. GLEDSON: I suggest that hon. members opposite might with advantage take part in this debate rather than interrupt hon. members on this side when they are speaking. After all, it is of interest to know what will be done to overcome the difficulties that were created during the three years when the Moore Government unfortunately controlled the destinies of Queensland.

Mr. SIZER: That is why we are silent.

Mr. GLEDSON: If the ex-Minister for Labour and Industry is silent, then this is the first time I have heard him silent. (Laughter.) I want to try to add to the debate something which will help to get Queensland out of the position she has got into as a result of the three years of mismanagement that took place during the regime of the Moore-Barnes Government. We have to look at the position calmly and dispassionately in order to find out whether what we are saying is correct or not. We have no right to make statements, either inside this House or outside the House, unless they are correct and can be backed up by figures and facts.

During the past three years the position has been very difficult, not only from the point of view of the unemployed in the State, but from the point of view of those people who are in whole or part time employment. If we take the period from 1929 to 1932 and compare it with any three-year period from 1914 onwards, it will be found that the comparison is all against the period when the late Administration were in power. Unemployment is one of the main things that we have to deal with at the present time; and I have here a little book that was published by the direction of the late Secretary for Labour and Industry, Hon. H. E. Sizer. It is rather an interesting book, and one from which hon. members can get a lot of information. At page 179 the figures in regard to unemployment in Queensland are given, under Mr. Sizer's direction, as follow:—

	Per cent.
1927	5.9
1928	7
1929	7.1
1930	10.7
1931	17.5

The latest official figures are not published in this little book; but, according to those figures, unemployment has risen to 18.2 per cent. in Queensland, showing that we have had a gradual increase of unemployment since the beginning of the term of the late Moore Government.

Mr. BRAND: Read the New South Wales figures.

Mr. GLEDSON: The figures in regard to New South Wales, Victoria, Western Australia, South Australia, and Tasmania are here.

Mr. MAHER: Read them.

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Mr. GLEDSON: I will give the hon. member for West Moreton an opportunity of quoting those figures. If I read them now, the hon. member will have nothing on which to build a speech.

Mr. BRAND: Those figures do not mean anything.

Mr. GLEDSON: They mean a lot to the people of Queensland. We are concerned with the people of Queensland, and not with the people of the other States. We have to do something for our own people, and not for the people of the other States.

Mr. R. M. KING: Are not the conditions the same all over Australia?

Mr. GLEDSON: The conditions are not the same, because Queensland was in a better position than any of the other States to deal with this unemployment problem. When I was Secretary for Labour and Industry we did not have the same problem that we have to face at the present time.

Mr. BRAND: You said there were 27,000 unemployed.

Mr. GLEDSON: I did not say anything of the sort. If the hon. member for Isis looks up the statement, he will find that he is making a mistake, as he usually does. It is not much use getting figures unless we have some method of dealing with them and finding out the causes responsible for the situation.

I want to point out some of the causes of unemployment. The Leader of the Opposition, when speaking yesterday, took the hon. member for Bulimba to task for advocating the 44-hour week. If we do not advocate shorter hours—if we are not going to advocate even shorter hours than a 44-hour week—how are we going to cope with the problem of unemployment that is facing not only Queensland but the world to-day? If we establish industries by scientific methods and use machines which are taking the place of human beings, and do not correspondingly give that advantage to human beings, where are we going to be? I suppose that in Queensland at the present time practically one-fourth of the people have to depend on the other three-fourths for a living. In Germany and France—and the percentages are going up all over the world—practically one-third of the people are dependent on the others, who are working for the purpose of keeping them. That state of affairs cannot continue; and something must be done to meet the position; and how are we going to meet it in a better way than by distributing the work and spreading it over a greater number of people? That is the only possible way the matter can be dealt with. If the work is distributed, the money will still be there. If, through science and industry, a machine is developed which is able to do the work, the money for the commodity is still there. The competition will take place so long as we have the machine working at a rapid rate and human beings working the hours they do at the present time controlling the machine.

I want to deal with some of these phases to show what has been done. Take our own industries in Queensland, and consider some of the things which affect them—the mining industry, for instance. See how far it has been affected by the machine-age. Some years ago miners were employed getting

coal to burn in the boats which called here. There were some hundreds more miners employed in that work in Queensland than there are at the present time, and they were working for fair wages. At the present time there are not half those men employed, and what is the reason for that?

Mr. MAHER: The boats use crude oil.

Mr. GLEDSON: A boat going to New Zealand at one time used to employ twelve stokers on each shift, and there were three shifts; so that thirty-six stokers were employed on that boat. At the present time they are burning oil, and have two engineers to look after the engine-room on each shift. That means that on that boat six men are now doing the work which thirty-six were doing previously. In addition to that, they are burning oil that is imported, whereas previously they were burning 150 tons of coal every twenty-four hours. That means that thirty-six stokers have been thrown out of employment and fifty miners have found their occupation gone, through the alteration on one boat alone. How, then, are we going to overcome the difficulty without spreading the work over a greater number of workers than those at present employed? It can only be done by a reduction in the hours of labour.

An OPPOSITION MEMBER: And getting rid of the Labour agitators.

Mr. MAHER: And the money is being diverted to the oil workers in America.

Mr. GLEDSON: If it is, the sooner it is diverted again to the coalfields in Australia the better for all the people in Australia.

Then look at the altered conditions brought about in the oil industry itself. In earlier days kerosene and petrol were brought here in tins—two tins to a case. Those cases were handled by human labour. One oil boat coming here used to have 100 men as a crew, and 200 wharf labourers were employed for practically three weeks unloading that boat. To-day that boat has a crew of fifty, forty-one of whom are Chinamen, the remaining nine being British officers; so that nearly 100 white men have been deprived of a living.

An OPPOSITION MEMBER: That happened under your regime.

Mr. GLEDSON: It does not matter. We have to explore every avenue in order to try to remedy it. When that boat comes here, four men are employed handling the electric pumps which pump the oil—13,000 tons—to the oil storage tanks on shore in twenty-eight hours. In earlier days, too, quite a number of people were employed handling the kerosene and petrol between the wharf and the railway or storage places, and also along the railway line itself. At present it is pumped from the tanks into a tank on a railway truck or a motor truck, and distributed in that way; so that practically no labour is employed, except that of the men running the trains or the trucks. These are but two instances in which machinery or altered methods are replacing human labour; and we could multiply them indefinitely. The point is: How are we going to overcome the difficulty? The Leader of the Opposition says it is foolish to reduce hours, and that we should stick to the number it has been customary for men to work for 100 years. If that be right,

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how are we going to spread the work that is available? There is only one way. The work has to be distributed over a greater number of persons, and the hours of labour have to be reduced in order to meet the position brought about by the introduction of time-saving and labour-saving methods in industry.

Money circulated as wages assists materially to create the purchasing power of the community; and any interference with the wage fund means a serious interference with purchasing power. It is true that the adoption of scientific methods has had the effect of displacing labour in industry; but we must not overlook the fact that the serious reduction in the wage fund, thereby withdrawing money from circulation, has also had detrimental results. A diminution in the wage fund, and, in turn, with purchasing power, means serious interference with the operation of subsidiary industries that depend almost entirely upon the circulation of a wage fund. The hon. member for Rockhampton dealt very fully with this phase of the subject yesterday, and quoted the opinions expressed by Sir Robert Horne, Mr. Winston Churchill, and other eminent men in Great Britain, as well as the opinions of prominent men in the United States of America. They are all agreed that a policy of serious deflation has tragic results. Upon their views alone one is convinced that, if the previous Government had not pursued such a policy in Queensland, the present deplorable conditions would not be found in this State. Mr. Sidney Pascall, head of the firm of Pascalls, Limited, a man well known in Australia, made some very interesting observations during his presidential address to the recent Rotary Conference. This gentleman cannot be accused of being a Labour man or of having any Labour tendencies, yet, when speaking at the Rotary Conference held in April, 1932, he said—

“Tremendous harm was done in 1921 by an employer who at the approach of bad times made a public statement that the first thing to do to rectify the position was to reduce wages. In addition to being a mean thing, it was a very unwise thing. Wages had to be reduced sometimes in order to get the proper adjustment between the different costs in industry; but wages should be the last thing touched in industry, and not the first.”

Later on he said—

“We must be very careful not to, as we almost invariably do, let the chief burden of this economic stress fall on the shoulders of the least able to bear it. It happens to-day, and it is indefensible.”

They are the opinions of a man who has successfully engaged in industry in Australia for very many years. He is of the opinion that a serious wage reduction gravely interferes with the circulating wage fund handled by the worker. The unwarranted interference with this wage fund in Australia has intensified the prevailing conditions of depression. We are continually told that our only hope of salvation lies in a reduction of production costs; but it must be vividly borne in mind that the wages cost is only one item of expenditure, and that there are other and far more serious items to be considered.

One of the most serious items affecting the burden of production costs is interest payments in respect of money borrowed for the maintenance and development of industry. I am very pleased that the Government intend to deal with this particular phase of production. It is a matter long overdue. I feel confident that, had the matter been tackled two years ago, many of the problems now confronting us would not have arisen, and many other problems could more easily have been solved. We find, on looking into this matter, that, by reason of the heavy interest burdens they are compelled to carry, some people have had to close down. They do not blame labour costs for their difficulty. They were quite satisfied that they could carry on their industry, pay the existing rates of wages, and work the standard hours; but they went down owing to the heavy interest burden. A reduction in interest costs might assist those engaged in industry in continuing, and perhaps, expanding their operations.

I have another suggestion which I would like to commend to the Secretary for Public Works, who is in charge of our main roads work. For some considerable time the Main Roads Commission has adopted the bitumen type of road. A little while ago the Main Roads Commission carried out experiments with an Australian production called Colfix. This preparation was applied to given stretches of road; but time has proved that these experiments have not been successful. In all probability the Main Roads Commission will revert to the use of bitumen to obtain the best results from its work. In my opinion there is not a great deal of difference between the bitumen road and the concrete road. Everyone must admit that concrete roads are exceptionally good roads. In some sections of our main roads, particularly where the ground was swampy or the foundation was bad, it was found inadvisable to lay down bitumen roads, and concrete roads were substituted in those places. They have worn very well, and have required practically no attention since they were constructed. We have cement works in Queensland at Darra. These works draw their material from within the State. They procure the limestone required for the making of cement from Gore on the South-Western Railway line. It is quite true that this limestone is hauled a considerable distance; but its haulage provides work for men on the railways, and, incidentally, benefits the department. We must also take into consideration that the cement works use a considerable amount of coal, which is mined in the Ipswich district. When we take all these factors into consideration, the Government will find that it will be better for Queensland as a whole if they adopt a policy of constructing concrete roads instead of bitumen roads. In commending my suggestion to the Minister, I hope that he will inquire into every phase of it; and, if the difference in the cost of the two methods of road construction is only slight, that he will adopt it, because it will mean the employment of more men in quarrying the limestone, in hewing our coal, and in making the cement. In addition, such a policy will be of great assistance to the railway.

During the last three years our railways have been very hard hit by the existing economic conditions. A great number of

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railwaymen have been dismissed, and the remaining employees have been placed on short time. That applies particularly to the Ipswich district. The work at the Ipswich railway workshops has been so rationed and allocated that married men are working only seven days a fortnight, while single men get four days only in the same period. I trust that something will be done to increase the amount of railway work available, particularly in connection with the railway workshops, because an improvement in that direction will do much to assist men who at the present time are working on short time. The late Secretary for Railways made the statement that the average wages paid to railway employees were £285 per annum. If that is the average, then I can only say that the employees of the Ipswich railway workshops are receiving very much below the average. As a matter of fact, the average wage paid there is £163 per annum; and in arriving at that average the wages of mechanics and labourers are all taken into consideration. So far as the wages of labourers are concerned, I do not suppose the average would exceed £138. I mention these facts in order that the public of Queensland may not be misled by the statement that is made that £235 per annum is the average wage paid to railway employees in Queensland. Probably that average is arrived at after taking into consideration the salaries of the Commissioner and his administrative officers.

The decreased railway traffic offering is not only due to the activities of motor transport but to the reduction in the volume of produce carried. Some produce is carried at a very low rate, and to destinations which are uneconomic. I refer particularly to cream, which in some instances is carried by the Railway Department at a very low freight rate past butter factories which normally should be the destination of that cream. For example, suppliers of cream in the West Moreton district are in some instances sending their cream right past the Booval butter factory on to the Kingston butter factory. A similar set of conditions exists in practically all dairying districts in Queensland. Recent experience has convinced me that the same trouble exists in the Beaudesert district. Something should be done to remedy that position. If people are not prepared to utilise the nearest butter factory available to treat their cream, then they should not expect the Railway Department to carry the cream the extra distance at a rate which is uneconomic. Whilst it is all right that the Railway Department should carry cream at the existing rate to the nearest factory, the department should not be expected to bear the burden of carrying the cream the unnecessary extra distance.

Mr. PLUNKETT: You would put all the cream on to the road.

Mr. GLEDSON: No; my idea is that the existing rate should operate but only to the nearest factory, and that, if suppliers desire to send their cream to a factory situated some considerable distance away, they should be called upon to pay the difference in cost.

Another matter that might help us in our reconstruction is the question of using a mixture of coal and oil in our oil-burning engines. The Railway Department has quite a number of motor trains running; and if

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something could be done along the lines adopted by the Cunard Steamship Company in Great Britain, it would help our coal industry in Queensland. The "Queensland Times" of Monday last published a very interesting extract from the "Manchester Guardian" in regard to this new fuel. As the information contained in the extract is very interesting, I shall read it to the House—

"All expectations realised,' reads a cablegram which has been received at the Liverpool office of the Cunard Steamship Company concerning the experiments which have been carried out with a new colloidal fuel, a combination of coal and oil, during the voyage of the Cunard liner 'Scythia,' now on her way back to Liverpool (writes the Liverpool correspondent of the 'Manchester Guardian' Weekly).

"The fuel consists of 60 per cent. oil and 40 per cent. coal, and is the result of research work by Mr. R. A. Adams, assistant superintendent engineer, Mr. F. C. Holmes, chemist, and Mr. A. W. Perrins, combustion engineer, all members of the Cunard staff. Experimental quantities of the new fuel were manufactured at Wallsend-on-Tyne, and in order that there should be a full scale test at sea 150 tons were taken on board the 'Scythia' and are being used to burn under one boiler.

"Among those who are taking a keen interest in the test are Admiralty, Board of Trade, and Ministry of Mines officials, in addition to coalowners, to whom its success is of such obvious importance. (A Board of Trade surveyor made a trip from Liverpool to Queenstown in the 'Scythia' in order to get first-hand knowledge.)

"The oil is mixed with very finely-powdered coal, and the new fuel can be handled and burned in existing oil fuel burning installations, provided that the boiler furnaces have already been adapted to the efficient combustion of pure oil.

"The Cunard Company are continuing their experiments and have a large staff engaged in the work.

"WHAT SUCCESS MEANS.

"Naturally the heads of the Cunard concern are delighted with the result of the long experiment; of their technical experts, and when the news from New York became generally known it was discussed eagerly in Liverpool shipping quarters.

"It opens up simply limitless possibilities,' one shipping man said."

It also points out the possibilities in Australia. If we could use 40 per cent. of coal to 60 per cent. of oil in the oil-burning vessels running along our coast, it would mean renewed life to our coal industry. The same thing applies to all internal combustion engines at present using crude oil as well as to the rail motors. I commend this matter to the consideration of the Government; and, if what I have suggested can be put into operation, it will certainly create more work in Queensland.

I congratulate the Government on the steps they have already taken to provide work at award rates of wages to the many

men who have not had the opportunity for practically three years of getting a decent fortnight's pay. It will mean a lot to the homes of those individuals to have the handling of a fortnight's pay again after living for three years on the ration scale provided by the late Government. I hope that the work that has been started by the Government will be an incentive to people in outside industries. The Government are quite prepared to help any industry that will create employment and find work for our people at decent wages. If we act on that, we shall get over the greatest difficulty that faces Queensland, Australia, and other parts of the world to-day. If we can create employment and get men back to work so that they will be able to provide for their families in a decent way, then, if we do nothing else in this Parliament, we shall be doing something that will redound to the honour and credit of the Labour Government.

GOVERNMENT MEMBERS: Hear, hear!

Question stated.

Mr. FOLEY (*Normanby*) [11.55]: We were naturally expecting some reply from the opposite side of the House; but apparently hon. members opposite have been so crushed by the remarks of hon. members on this side that there is not a reply forthcoming.

The Leader of the Opposition was at great pains, when speaking, to criticise the Premier on his attitude at the Premiers' Conference. He pointed out that in essence the Premiers' Plan was much the same as when he was in power, when it was condemned by hon. members now on this side of the House, but he failed to convey to the House and to the people of Queensland that the damage had already been done by his colleagues and himself at previous conferences, so that it was impossible for our Premier to undo at the recent conference the harm that had been previously done. Something was done by the present Premier that helped to give some measure of relief to the unfortunates in our community who are suffering through the operation of the system of society under which we are living in the way of assistance and employment that was not available to them as the result of the deliberations of the previous conferences. All credit is due to the present Premier for putting forward at the last Premiers' Conference a constructive policy which has resulted in the raising of further credit to enable development works to be pursued throughout Australia, and so create more purchasing power to enable us to carry on and make up the deficiency in various avenues of trade.

Dealing with that question, I might point out that the late Government were apparently devoid of knowledge of capitalistic economics, as was apparent from the policy they adopted while in power. Their policy appeared to be to decrease as far as possible the purchasing power of the workers of this country; and, as a result of that policy, they were bringing Queensland practically to the verge of bankruptcy. If we want evidence of that, we need only refer to practically any page of the "A B C of Queensland Statistics." In every table in that book one can see nothing but drift, from whatever angle one chooses to analyse the position.

During the period hon. members opposite were in office, for instance, unemployment

figures increased by 156 per cent.—a tremendous increase. That fact alone should be sufficient to indicate to them that they were working along wrong lines. Most political economists use unemployment figures as a basis from which to work in estimating the state of a country and discovering whether it is on the upward grade or is declining. If unemployment is on the increase, the only conclusion to which they can come is that the trade of that country is still declining. That is what prevailed during the period the late Government were in office. Their policy was, first of all, deliberately to deflate or reduce the remuneration of people in the Government service, as well as to interfere in private employment and bring about a similar state of affairs there.

Their very first act was to tamper with the existing arbitration laws. Later they used powers under the Act to remove from the ambit of the Industrial Court a whole army of employees who were then receiving what was considered to be only a fair and reasonable wage, and to reduce their wages in some cases 50 per cent. That was so in the case of station hands.

At 12.4 p.m.,

Mr. TOZER: Mr. Speaker, I beg to draw your attention to the state of the House.

Quorum formed.

Mr. FOLEY: I regret the interruption. I was dealing with the policy of the late Government with regard to the purchasing power of the people, because I consider that the circumstances of the State generally really depend upon it. If under a policy similar to that adopted by the late Government we reduce the purchasing power of our people who, in the last analysis, are our main market, disaster must naturally follow. But, if, on the other hand, the policy of the late Government was sound, they ought to be able to show some result from it.

The figures relating to unemployment furnish the best indication of the disastrous consequences of the action of the past Government. I repeat that during their term of office unemployment increased by 156 per cent. View their record from whatever angle you like, and one is met with tragic results. The finances of the State went from bad to worse. Tremendous deficits were incurred, despite the intolerable burdens imposed upon the section of the community least able to bear them. The late Government did not hesitate to impose taxation upon those who should not have been asked to carry such a burden. The late Treasurer, after anticipating a surplus of £3,000 odd, concluded with a deficit of about £2,076,000. If their policy had been sound, then we should be able to point to some good results; but no matter how we view their operations we are unable to find anything of benefit. The Bureau of Science and Industry compiled a number of indices relating to business activity; but, scan those tables as we may, we can find nothing but decline in every branch of trade and industry, with tragic depletion in the purchasing power of the people. Purchasing power created by an exchange of money at a given rate constitutes the hinge upon which all business activity must swing. If the workers are reduced to the aboriginal standard, then those industries that depend for their existence upon a stable wage fund provided by

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the workers must inevitably fall to the same deplorable standard. The late Government endeavoured to reduce the workers of this State to that deplorable standard. Of course we shall be accused of expending loan money; and no doubt the hon. member for Fassifern will not hesitate to criticise the decisions arrived at at the Premiers' Conference. If the people demand that under existing conditions we shall govern along orthodox lines, then I can see no other way of bridging the gap of unemployment than by either increasing taxation upon the wealthy section of the community or by raising loan money to absorb as many of the unemployed as possible. I defy any hon. member to point to any other alternative. I hold the view that society could be so organised as to place a large number of the unemployed in profitable work. If we are to govern along orthodox lines in conformity with the wishes of the people, then we must either increase taxation upon the wealth owners or raise the necessary money by way of loan.

Mr. TOZER: You are doing both.

Mr. FOLEY: We are, to a certain extent; but everything that we do is necessary. Why should we not do both? That is the point.

Mr. TOZER: You are killing the State.

Mr. FOLEY: We are not killing the State. We must all come to recognise that every man, woman, and child in this State has the right to live; and, whilst there is wealth in this State, it is the duty of the Labour Government to see that the wealth-owning section contributes a fair proportion to enable the State to carry on, and to find at least food, clothing, and shelter for the people. If that cannot be done, then where does this wealth go? In the final analysis, it will go up in smoke; and the people will take control in the wealth-producing agencies if that attitude is persisted in. There is no other alternative. Labour stands for the policy that those who receive protection from the State in accumulating their wealth shall contribute to the cost of government.

An OPPOSITION MEMBER: Your taxation is heavier than that in any other State in the Commonwealth.

Mr. FOLEY: It is true that our taxation is possibly a little heavier than in other States. During the reign of the late Government some glaring illustrations were witnessed of the imposition of burdensome taxation on the workers. This was done per medium of the unemployment relief tax, while at the same time the wealthy land proprietors were given a present of £140,000 per annum by the decision of the Government not to re-enact the land tax. In other words, the late Government said to one section of the workers, "It is your duty to find employment or sustenance for those workers who are unemployed, when morally and socially that is the duty of the wealth-owning sections of the community." In addition, the Moore Government reduced the income tax exemption from £250 to £150, and thus brought within the ambit of this method of taxation 150,000 new taxpayers composed of workers and working farmers, who, strictly speaking, should not pay income tax. These people were practically robbed. That is my viewpoint, and

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the viewpoint of Labour generally. Unfortunately, once a set of conditions is created such as the late Government created, it is impossible for a Labour Government immediately to rectify its evils. I hope that, as time goes on, no unemployment relief tax will be levied on any worker receiving less than £250 per annum. It is my wish that this should come about before the expiration of the present Parliament. It is morally wrong to tax that section of the people. Such a tax is equivalent to a deliberate reduction in wages. Unfortunately, the financial position of the State has been reduced to such a level that this burden cannot be removed immediately; but, as time goes on, I trust that it will be imposed only on those in receipt of higher incomes, or, in other words, on the wealth-owning sections, because, after paying that taxation, they will still have sufficient to live upon. The conditions created by the late Government have brought the State to the verge of bankruptcy, and have made it extremely difficult for Labour to remedy existing evils immediately. As time goes on, let us hope that a graduated scale of unemployment relief tax, similar to our income tax scale, working from a fraction of a penny on an income of £250 and then increasing gradually, will be imposed in lieu of the present system in order to give succour to the less fortunate sections of our community.

The capitalistic order of society has reached a point when its chaotic, unorganised state is obvious. That is a result of the anomalies of the system.

Mr. MORGAN: That position has been brought about by the fourteen years of Labour rule.

Mr. FOLEY: It is not due to the fourteen years of Labour administration. World-wide thinkers on this question recognise that the present world debacle is the result of the anomalies existing within the capitalistic system of society. The time is rapidly approaching when the average working man and woman will say that something is wrong with the present system, and will demand the right to work. When that time comes, some reorganisation or reconstruction will be essential, whether hon. member, opposite like it or not. The present position, when throughout the world over 50,000,000 are unemployed and a similar number partially unemployed, cannot continue for any length of time. The sooner Labour in this State and throughout the Commonwealth realises the position and formulates plans to meet it the better it will be for the Labour movement as a whole. The basic trouble in the world today is the result of pursuing throughout the world a policy similar to that adopted by the late Government during the three years they were in office. In other words, the wealth-owning section of the community have, in their greed and avariciousness, paid no attention to the necessity for increasing the purchasing power of the workers commensurate with the increase in productivity. If the workers had been given sufficient purchasing power to keep pace with the enormous increase in productivity of industry, the existing depression would not have taken place. I commend to hon. members opposite a most interesting article in a recent issue of "Current History," wherein Professor

Eckersley, dealing with the flaws in the Hoover plan, points out that in America—one of the highly industrialised countries of the world—the productivity per wage worker increased by 53 per cent., productive costs decreased by 24.6 per cent., and the wages of the workers decreased considerably in the period between 1919 and 1927. As that learned economist pointed out, it was impossible for the population of America to enjoy satisfactory conditions when no provision was made to increase the purchasing power in ratio to the increased productivity. It is essential that we realise a similar position in Australia, because, even if the present depression passes and industry again assumes an upward trend, the position will have to be faced in a comparatively short space of time. If it is desired to perpetuate the capitalistic order, then it is necessary, as Professor Eckersley pointed out, to make provision to absorb that great army of workers who are displaced from industry annually as the result of the application of more scientific methods in industry. That can be done by instituting a shorter working day. Furthermore, when that is done, the sum total of those employed should be given a purchasing power sufficient to enable them to keep pace with the increased productivity of industry. That is the only solution, if the capitalistic system is to continue.

I hope members of the Opposition, when they eventually come to their senses and decide to reply to the criticism of hon. members on this side, will not indulge in carping criticism of the Government, as was done by their leader, the hon. member for Aubigny. They should offer some constructive ideas, if they have any; but, judging by their record during the three years they were in power, there is not one constructive idea in the Opposition to-day. Had they possessed any constructive ideas, we should have seen some result. We left them in a favourable financial position with abundant funds. Their colleagues were in power in the Commonwealth, dominating the loan funds, and they could have been supplied with ample loan money, had they desired it. If they had received loan money, they could have put an army of workers in employment, and given them a purchasing power which would have retarded the slide in this State. In that way they could have bridged the gap caused by the falling off in the overseas trade. But we had nothing but depression in all avenues. Unemployment increased; the trade figures within the State decreased; and the financial figures showed a definite decline year after year, notwithstanding every effort that was made to balance the budget per medium of putting further burdens on the lower-paid workers in this State.

Reference is made in the Governor's Speech to the question of wool marketing. His Excellency, dealing with this matter, said—

“My advisers are keenly alive to the advantages which will accrue to the whole State if certain contemplated measures for the improved marketing of wool are instituted throughout the Commonwealth, and the matter is receiving very careful consideration.”

That is a matter of very great importance to the wool industry in this State as well as throughout the Commonwealth. It is no use shutting our eyes to the fact that it

will be impossible for this industry to carry on for any great length of time unless some provision is made to enable the growers to receive a greater amount for their product. In the past we had an organisation known as the British-Australian Wool Realisation Association. That association could easily have liquidated all the assets under its control and still maintained the organisation had the wool growers of this State had a proper say in the matter. But, unfortunately, as a result of the broking interests and other financial interests that dominated the various conferences to deal with the question of a continuation of that organisation, the whole thing was allowed to lapse. Now that the wool values have declined, we find the whole community, including the brokers, asking for some organisation to handle this product from the marketing side.

I sincerely hope that the Premier and his Cabinet are fully alive to this question, and that they will use all the influence they can with regard to bringing that proposal to a definite and constructive stage.

I wish now to refer to the activities of the Main Roads Commission.

AN OPPOSITION MEMBER: Tell us something about Russia.

Mr. FOLEY: I might advise the hon. member to look up some of the books on Russia in the parliamentary library, when he might get an idea or two that would be helpful in regard to helping along the interests of this State. They have at least in Russia solved the unemployment problem.

Mr. BRAND: By sweated labour.

Mr. FOLEY: I am satisfied from reading the admirable works on Russia in our parliamentary library that one thing which they have solved in Russia, and which is not solved in any capitalistic country in the world, is the unemployment problem. Further, I might mention that they have given the boy a chance. Hon. members opposite had placards printed during the election in 1929 asking the electors to give the boy a chance, and they obtained power through that. In Australia there are about 70,000 boys and girls to be placed in employment every year, and we are not able to do it, whereas in Russia they are placing 4,000,000 young people in employment every year.

Dealing with the Main Roads Commission, I would mention the admirable work that has been done while the commission has been in operation. It is pointed out in the report that it has completed 1,900 miles of road and approximately 32,000 feet of bridges up to date, while there are at present 200 miles of works under construction. I could emphasise the point that it was a Labour Administration which established the Main Roads Commission in this State. All kinds of “ifs” and “buts” were raised from the Opposition benches when the Bill was introduced. The constructiveness of Labour's policy is shown in connection with that measure, the commission having completed 1,900 miles of road, 32,000 feet of bridges, with a programme ahead of 200 miles of works under construction.

Mr. MORGAN interjected.

Mr. SPEAKER: Order! I would point out that, by continually interjecting, hon. members on my left are exhausting the

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time to which the hon. member who has the floor is entitled.

Mr. FOLEY: I have just a word to say with regard to that portion of the Governor's Speech dealing with prospectors. The unemployment relief money that has been allotted to the Mines Department for prospecting purposes has resulted in prospectors in many parts of the State prospecting the country fairly thoroughly, and some good results are accruing at the present time. In the Cracow district we have quite a boom at the present time; but, apart from that, I honestly believe that quite a lot of gold will be won in that part of the State. In the Clermont district, as a result of the money distributed to aid prospectors, a considerable amount of gold is being found. As a matter of fact, it amounts to considerably more than the total of the prospecting vote. I also believe that other new finds will be made, and I think the old Miclere diggings will put into employment a considerable number of men.

An OPPOSITION MEMBER: Then you can give us credit for that.

Mr. FOLEY: I give hon. members opposite all the credit due to them; but I give greater credit to the workers who subscribed the necessary money to the unemployment relief funds from their already reduced incomes. Credit is indeed due to them for subscribing so liberally without grumbling, realising that they had an obligation, and showing a willingness to meet that obligation. The result is that much prospecting work has been done during the last few years. The system under which it is distributed, however, is not in the best interests of prospecting. In the first place, application is made to the warden and a grant is made on his report, but for only four weeks' assistance. After going out into the bush perhaps 20 or 30 miles, the prospector has to return to town to make a further application for another month's assistance. The most he can get in any one year is assistance for three months. Throughout the State there are districts where prospecting does not proceed merely on the boundaries of a township. The prospector very often has to go into what may be termed unexplored country, although only 40 or 50 miles away from a township. Generally speaking, much of such country is unexplored from a prospecting point of view; and, once a grant is approved, the applicant should get assistance for a sufficient period to enable him to carry on his work continuously. A grant of at least three months' assistance should be given to enable him to stay on the job without interruption by reason of the necessity to return to town.

Notwithstanding any criticism that may be levelled at the Government from the Opposition benches, I feel confident that the destinies of the people of this State are safer in the hands of Labour than they were in the hands of the late Government during the past three years. At least we have constructive ideas on this side, and men capable of putting into being organisation for the employment of our manhood. Even with the limited money at our disposal, I expect at the end of three years to be able to point to some result, which cannot be said of the late Administration. I feel confident that the people of Queensland can safely leave the destinies of this State in Labour's hands for a very long time to come.

[Mr. Foley.

Mr. GAIR (*South Brisbane*) [12.34]: It is with much surprise that I observe the reluctance of hon. members opposite—members of that so-called Nationalist Party, who claim to be the only loyal political party—to contribute anything to the debate on this message of welcome and loyalty to His Excellency the Governor.

I desire to offer my contribution to this debate, and, as a Queenslander, I extend a welcome to His Excellency the Governor and trust that his stay in our State will be a very pleasant one. I regret that the late Government decided to invite His Excellency to occupy the position of Governor of Queensland at a time when economies were necessary in every direction. We are all aware of the expense incurred in maintaining Government House and in having an overseas Governor. The time is long past when all the States of the Commonwealth should have separate Governors. I hold the view that one Governor for the Commonwealth is quite sufficient; and I hope that that view will be generally approved at no far distant date. I am sure that His Excellency must feel much embarrassed at the indecent haste displayed in making his appointment. The term of the late Governor, Sir John Goodwin, had not expired when our present Governor was appointed and had arrived in this State. However, as a loyal subject of the King, I welcome the Governor, and I can assure him of the loyalty of hon. members on this side of the House.

Mr. Speaker, I offer you my congratulations on your appointment to your high office in this Assembly. For some time past you have not enjoyed good health, but I am sure I am expressing the sincere hope of every hon. member when I say that we hope that you will be rapidly restored to your former state of health.

HONOURABLE MEMBERS: Hear, hear!

Mr. GAIR: It must be very reassuring and very pleasant for you, Mr. Speaker, to know that your election to your high office was a unanimous one. I am sure that it must be very pleasing to you to know that you enjoy the confidence, not only of hon. members on this side, but also of members of the Opposition. I have no doubt that you will carry out your duties in a manner that will do credit to yourself and to the Queensland Legislative Assembly. As one born and reared in this State, and one who is always anxious to see this State prosper, I express the view that on 11th June last the people of Queensland displayed great wisdom in defeating the incompetent and reactionary Government led by the present Leader of the Opposition. It is pleasing to know that the people of this State took the first opportunity to depose that Government and to return a Labour Government with a mandate to carry out the policy of Labour from the point at which it was interrupted in 1929. We know that on that occasion the people of Queensland were misled by diabolical pledges and misstatements. They did not forget the wonderful electioneering cries which played on the feelings and the hearts of the people of the State at a time when there was a certain measure of distress and unemployment. At that time there was a measure of unemployment; but, sad to say, it has trebled since then. Well do we remember the cry of "£2,000,000 for 10,000 jobs!" The people

of Queensland had not forgotten that cry when the late Government attempted to play on their feelings again. The late Government definitely pledged themselves to make £2,000,000 available immediately they were elected; but what did they do? Did they carry out that promise? The reply is in the negative; but, as a result of their foolish policy of deflation over a period of three years, unemployment figures increased from 7.1 per cent. in 1929 to over 18 per cent. in 1932. That was one result of the policy of the late Administration. Other promises made on that occasion were no wage reductions, no increase in hours of labour, and the preservation of the principle of arbitration. All these promises were broken; and the people took the first opportunity which presented itself of disposing of this reactionary promise-breaking and incompetent Government. In its stead they returned to this Assembly a party in which they have the utmost trust, remembering that, as a Government over a period of fourteen years, they had done much for the progress of the State and for the contentment, comfort, and progress of the people.

At the dissolution of Parliament this year the Labour Party had many handicaps in going before the electors. We all know that the electoral laws were tampered with, and that many decent and worthy citizens were disfranchised. We also know that the electoral boundaries were tinkered with and rigged, with the result that a number of Labour members were deprived of electorates. With this heavy handicap Labour faced the people; but, as history has shown, no interference with electoral laws, no redistribution of boundaries of electorates, will save a Government which has been guilty of having broken its promises and pledges to the people, as the results on 11th June showed. In spite of all these handicaps and interferences, the people gave the one and only answer that was capable of being given to the Moore-Barnes Administration. We remember the remarks of Mr. Fry, the ex-member for Kurilpa, who accused the then Attorney-General, Mr. Macgroarty, of sacrificing him politically for the purpose of making his own political life secure in the electoral district of South Brisbane. We remember, too, how Mr. Fry was determined to contest the South Brisbane electorate in spite of the fact that Mr. Macgroarty had received the party endorsement; but suddenly, and perhaps suspiciously, Mr. Fry lost all his determination and calmly resolved to return to his Waterloo in Kurilpa. Mr. Macgroarty remained in what he considered to be the safe seat of South Brisbane, but once again his judgment was astray. The electors of South Brisbane took the opportunity of effectively ring-barking him, as he had ringbarked the Industrial Court. Mr. Macgroarty and Mr. Fry not only lost their seats, but the hon. member for Logan and many other hon. members opposite nearly shared the same fate in what they regarded as safe electorates. As I said, any Government who so ruthlessly break their pledges must recognise that the wrath of the people will come down upon them at the first opportunity, and that no interference with the people's privileges will save them.

The main question that is agitating the minds of members of the Government here,

as in other countries, is the solution of the unemployment problem. Under the vile administration of the Moore-Barnes Government unemployment increased to an alarming extent; so much so that the present Government on assuming office was faced with a most difficult task at one of the worse periods in the political history of Queensland. The Labour Government do not enjoy the advantages that accompanied the previous Government into power, when approximately £5,000,000 were at the disposal of the Moore Government to expend for the benefit of the people of this State. Unfortunately, the present Government take office with almost an empty Treasury, and with a difficult unemployment situation which shows an increase in unemployment from 7.1 per cent. in 1929 to 18.2 per cent. in 1932.

Much has been said about "Finance is government, and government is finance"; and considerable emphasis was laid on the Premiers' Plan providing for the creation of employment and for the balancing of budgets. A review of the record of the late Government will disclose to what extent the plan succeeded in achieving its objective. So far from creating employment, the operation of the plan under the late Administration had the effect of accentuating the unemployment problem. The late Treasurer, who now sits on the Opposition benches as the hon. member for Wynnum, prated at length on the necessity for balancing the Budget. The hon. member on numerous occasions suggested that prosperity was just around the corner. Now that we have a younger Treasurer in office it is to be hoped that he will succeed in catching up with Mr. Prosperity.

Hon. members opposite talk at length on the deficits that prevailed during previous Labour Governments; but I would remind them that those deficits sink into insignificance compared with those built up by the Moore-Barnes Government. No Government has any reason to be proud of a record which shows an accumulated deficit of over £4,000,000 in three years, or an increase of 175 per cent. in deficits over a period of twelve months. I leave the matter to the sound judgment of sensible people, who will realise to what extent the late Government succeeded in remedying the unfortunate position which prevailed during their term of office. Before and since my election to this House it has been my sad experience in the electoral district of South Brisbane to meet many cases of people on the verge of starvation. I have in my possession at the present time a certificate from a medical man which shows that a child was an inmate of the Brisbane General Hospital solely because of under-nourishment. No person should want in a State of plenty such as Queensland is; and it is to the discredit of the recent Government that this position exists to-day. While all this distress prevailed, the ex-Treasurer deliberately refused to avail himself of any financial assistance offering, and thereby lost the opportunity of alleviating the distress.

Hon. W. H. BARNES: Mr. Speaker, I rise to a point of order. The hon. member made a statement which I say is absolutely untrue. He stated that I absolutely refused to accept certain loan money. I say that is not true, and I ask that it be withdrawn.

Mr. Gair.]

Mr. SPEAKER: The hon. member for South Brisbane must accept the denial of the hon. member for Wynnum.

Mr. GAIR: We know that in the years 1929 and 1930 the people of this State subscribed over £2,000,000 by way of loans to the Commonwealth, and that between December, 1929, and December, 1931, £7,000,000 of credit was released by the Loan Council and the Commonwealth Government; and it is surprising to me to hear the denial of the late Treasurer. Evidently he was not awake to the position, and did not obtain some of that money for the benefit of the people of this State. In spite of their electioneering promises in 1929 that there would be no reduction in wages and no increase of hours we know that these things were done. We know that the Moore Government did everything they said they would not do, and did not do one thing that they said they would do. That is the record of the Moore-Barnes combination. We know that the people had to suffer a reduction of wages, increased hours, a reduction in the allowance to State children, in the unemployment insurance payments, in grants to charitable institutions such as our hospitals, that are doing so much good work for the people of Queensland; and, last, but not least, an attack was made on the scholarship facilities extended to the children of Queensland.

The PREMIER: A grave injustice to the working class children.

Mr. GAIR: While all these economies were being made, it is reasonable to assume that, instead of having a record deficit, Queensland would have had a surplus. That is the record of the Moore-Barnes Administration—a Government that was everlastingly crying about balancing the budget. The Moore Administration has never been equalled in Queensland for incompetency, promise-breaking, or reactionary legislation. The people of Queensland, in their wisdom, have succeeded in getting rid of this reactionary Government, and have restored to power a humane Government that will consider the interests of the people at all times and will do its best for the people of this State. They can depend upon it that they will receive at least consideration in that direction, and that they will not be exploited as they have been during the past three years. They know that the workers of Queensland were surrendered to the employing and exploiting classes of this State, and were robbed of their right to go to the Arbitration Court to get justice. They were just surrendered to the exploiters—to do as the masters of our opponents would direct—but I am glad to see that an Arbitration Bill is to be brought forward, under which the system of arbitration is to be amended. I trust the time is not far distant when the workers of Queensland will receive again the protection which they enjoyed so long under Labour administration.

Before concluding, let me take this opportunity of congratulating the Premier on his conduct of the affairs of the State at the recent Premiers' Conference—it was like sunshine let into a dark cell. For the years during which Messrs. Moore and Barnes had control of the State we had nothing but deflation, depression, and distress. Our present Premier went down to Canberra with many disadvantages and obstacles in his way.

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We had the Tory press of this State stating that he could do nothing except what Lang did and break up the conference, and that he could not succeed in getting one penny of loan money. We on this side are proud of the work of the Premier. The efforts he made had at least the effect of inspiring confidence in the State, and he won the support of many of his political enemies there. He quoted world authorities which proved that the policy of deflation carried out by the Moore-Barnes Government and other Governments of the Commonwealth during the last three years was all wrong, and the sooner we got away from that policy of deflation and created employment and provided wages for the workers of this great State of the Commonwealth the better it would be.

An OPPOSITION MEMBER: You had better get on with it.

Mr. GAIR: The hon. member can depend upon our doing it, and our work will be for the great benefit of Queensland. We will not do anything that will favour merely one small section of the community. Our legislation will be in the interests of the people of this State, and not in the interests of a few exploiters who have prospered and preyed on the workers of Queensland.

I note with pleasure that the relief workers of Queensland are being paid at award rates. I am also pleased to see that the Government have already taken back into society, as it were, the single men who have been penalised during the last three years, and recognised their claim to some work. Instead of having to walk a long distance in an underfed condition, as they had to do prior to the change of Government for a paltry 6s. worth of rations, they can to-day get their rations at the nearest police station; and, in addition to that, they are receiving one day's relief work per fortnight, which will enable them at least to live. I am certain that before long the conditions which now obtain will be much improved, and that the relief worker will be taken away from the slave system introduced by hon. members opposite and be given decent employment, and that the single men will also receive further consideration from the Government.

At 2 p.m.,

The CHAIRMAN OF COMMITTEES (Mr. E. J. Hanson, *Buranda*) relieved Mr. SPEAKER in the chair.

Mr. GAIR: We know that prior to the election the single man was ostracised from society, and was required to abandon what shelter or home he had and walk 25 or 30 miles to secure a miserable 6s. worth of rations. As a result of the election, however, the new Labour Government have given these single men their rights, and, although at the present time they are unable to do as much as they would like, nevertheless these men can rest assured that in the very near future the position will be greatly improved and that they will receive the consideration they deserve, and that as many of them as possible will be placed in regular employment.

I am also glad to see on the list of measures that will be presented to this Parliament an Elections Act Amendment Bill. During the term of the last Government the Elections Acts were considerably

interfered with, inasmuch as it was made necessary for an elector to reside at one address for three months before he became qualified to vote. That I consider was most unfair, and had the effect of disfranchising many worthy citizens. Persons who were born and had lived in Queensland all their lives were unable to qualify to vote because circumstances forced them to leave their permanent addresses in search of work. The Government propose to return to the conditions that existed previously, so that it will be necessary for an elector to have only one month's residential qualification in order that he may exercise the franchise. I know that at the last election many workers in Queensland engaged in what we may call nomadic callings were disfranchised as a result of the amendment of the Acts made by the late Government.

I am also pleased that another step towards progress and democracy is intended to be made in the amendment of the City of Brisbane Act. This is another statute that was interfered with by the late Government without very much result other than loss to the Greater Brisbane Council in its administration. Adult franchise was abolished, and a property qualification adopted in its stead. The amendment of the City of Brisbane Act also provided for the creation of an executive and for the election of the Lord Mayor by aldermen assembled in general council. These amendments constituted an attack upon the democratic system that previously prevailed, and that now prevails in other parts of the Commonwealth. I am very pleased to know that we are to return to the democratic principle in connection with local authority elections. This will enable every citizen to exercise his right to choose representatives in municipal government; and it will enable the Lord Mayor to be elected by the majority vote of the people as a whole. I am sure that these proposals will receive the general approbation of the majority of the people of the metropolis.

Another important matter which will command the attention of the Government—a matter of vital importance to the housewives of Brisbane—will be amendments of the Gas Act and the Electric Light and Power Act. This will enable the Government to exercise a control over the price of these commodities. We were frequently told during the past three years that wages must be reduced and that the cost of living had declined; but the housewife knows full well that the decline in the cost of living has not been in the same ratio as the reduction in wages. No reduction has taken place in the price of gas and electricity to the consumer because the companies in control of these commodities are the friends of our political opponents, and belong to a privileged section who at all times receive consideration and protection at the hands of an anti-Labour Government. The great mass of the workers are always exploited and attacked by way of wage reductions, increased hours, and by the deprivation of many other things that tend to a comfortable and decent living. I am sure that the alteration in the law relating to gas and electricity will be received with applause by the people. Often I have been asked, "Why have the Government not taken some steps to reduce the price of gas and electricity?" Wages have been regularly

reduced over the past few years; but no alteration was ever made in the price of gas or electricity. The people can rest assured that, as soon as the law is amended, consideration will be given to the question of the control of the price of these commodities.

The Governor's Speech refers to a very important measure which will aid considerably in the solution of the evil of unemployment. I refer to a Development of Unproductive Lands Bill. I believe we are all agreed that it is highly undesirable that a very large number of our population should be compelled to pace the streets of the capital and most important cities of the State; and it is, therefore, the duty of a Government to make available to those people some of the land that is not now being used to its full economic capacity. There are such lands that could very well be brought into production for the benefit of the people and of the State as a whole. There are many undeveloped districts in this State where a sound land development policy can be embarked upon with profit. We all know that the wealth of a country lies in the development of its land; and it is only necessary to encourage the cultivation of our virgin lands in order to overcome the present unemployment evil and add wealth to the country. Up to the present no assistance has been given in this direction; and, while there has been a perpetual cry for the young man to go upon the land and settle thereon, no encouragement has been given him to do so. No man can be expected to go out and settle upon the land unless some assistance is granted him to do so, more especially if he has been out of employment for some considerable time. I trust that the amending Bill will be a liberal one, and one that will lead to the absorption of many of our unemployed workers. I feel certain that the Government will give this matter close consideration with that object in view. Queensland is a naturally prosperous State, and a sound land development policy will accomplish many things for the people. This is a matter that should appeal to the support of every hon. member.

Our greatest evil to-day is unemployment. It is a matter that is agitating the minds not only of this Government, but of every Government in the Commonwealth and the world. I feel confident that the change of Government will, after three years of aggravated depression, be welcome in this State. The policy of deflation engaged upon by the late Government aggravated the unemployment position, and created further unemployment. As the Premier said at the recent Premiers' Conference, if the wage reduction policy was continued as a further attack on the workers' wages, the purchasing power of the people would be so diminished that the business man would not make his turnover, and his diminished profits would curtail the power of money. The remarks of the Premier made the other Premiers realise that the lines along which they had been proceeding for the preceding three years were wrong, that some definite plan for the creation of avenues of employment was necessary, and that the policy of deflation would not bring about this desire. The Premier of New South Wales supported the Premier; and the result of the conference forces me to believe that a conscientious effort will be made to create avenues of

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employment. Up to the present no attempt has been made in that direction. The ex-Premier and ex-Treasurer repeatedly went South to Canberra and Melbourne, and returned with a mournful tale of depression and the need of economy, and further economy. If there had not been a change of Government, and if the Premier had not attended the Premiers' Conference in the capacity of a Labour Premier, it was intended that a further reduction in real wages to the extent of 10 per cent. would take place. The Leader of the Opposition and his colleagues may venture to contradict that statement; nevertheless it is an uncontrovertible fact. Had that reduction taken place, the present economic position would have been aggravated. Fortunately, the people of Queensland wisely decided to follow the present Leader of the Government, and, as the representative of this State at the Premiers' Conference, he succeeded in winning the representatives of other States over to his views.

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

MR. G. C. TAYLOR (*Enoggera*) [2.15 p.m.]: I offer my congratulations to Mr. Speaker on his election to his high office in this Assembly. The appointment is a wise selection. On many occasions I have had the privilege of testing his capabilities in the role of chairman, and I feel certain that he will fill the high office to which he has been called with credit to himself and to this Parliament.

The people of Queensland have been successful to the extent of being able to replace the political wreckers who have controlled the affairs of Queensland for the last three years. In their work of destroying democratic measures framed by previous Labour Governments, the late Government can be likened to the ancient wreckers of Cornwall and Wales, who were wont to lure unfortunate ships upon the rocks and thereby profit handsomely when those ships broke up. By beacons of false promises the political wreckers of Queensland who have had control during the past three years lured the ship of Queensland upon the rocks in 1929 and pillaged that ship of all the democratic measures that the Labour Party had provided during their fifteen years of office. So wild and furious were these gentlemen in their wrecking tactics that they did not look ahead. They failed completely to see the morass of financial difficulties that ensued as a result of their efforts in breaking up the democratic principles which Labour Governments, in their wisdom, had legislated for. Undoubtedly hon. members opposite have only themselves to blame for now being in opposition. They are certainly in their right place there, as the people realised after three years of the Moore Government's administration; and it is likely that they will remain there for an indefinite period. What hon. members opposite failed to realise is that the people of any country have the common citizen's right to work. By their legislation the previous Government immediately proceeded to deprive the workers of this State of the democratic conditions that existed under the Labour regime. To-day hon. members opposite are so devoid of economic acumen that they cannot understand the present position of the State. They have been the

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toadying tools of big business interests and of the high financial magnates who control their party organisation at headquarters. The party opposite accepted in their entirety the suggestions and the orders of Sir Otto Niemeyer, who came here to fasten the shackles of the financial Jews upon the workers of Australia. They know also that their Premier and Treasurer at all times upon their visits to Southern capitals to attend Premiers' conferences had to accept the dictates of the financial magnates as against the best interests of the people of this State.

The total Commonwealth debt at 30th June, 1930, was £1,100,597,198. As against that the amount of fluid currency in gold, silver, and notes in the Commonwealth to-day is only £64,845,428. That is a striking illustration of what happens in financial circles. The pilots of finance, of whom our friends opposite take notice, are to-day the best adepts at kite-flying in finance that you can find anywhere in the world. We have a fluid coinage and note issue of £64,845,428 and against it we have a debt of over £1,100,000,000. The people who understand the financial position know perfectly well that a country cannot be stable when that condition of affairs exists. That has been caused by our entry into the war. The total expenditure by the Australian people on account of the war was over £744,000,000. I want to know from those people who believe that we should take notice of these wonderful financial experts whether they consider that a war expenditure of £744,000,000 is to be made up by reductions in wages on the part of the workers; whether they expect the workers to do the fighting and the dying for them, and then expect them and their dependants in after years to pay the piper for that expenditure, and to go into the mills, factories, and workshops to work for the miserable pittance that the Moore Government said they were only entitled to in the shape of wages during the last three years? These are questions that our friends cannot answer. It is a well-known fact that finance to-day is in a very chaotic state because of the fact that the gold standard that was used prior to the war was used for the purpose of exchange, and that, as a result of the machinations of the financial group during the war period, the control of the currency of the world got into the hands of two groups—the American group and the British and French group. That shows us that Sir Otto Niemeyer's plan, which was accepted by the late Premier, was part and parcel of the big scheme that has been operating throughout the world to force down the standard of living of the workers of the world in order that they themselves shall reap financial benefit therefrom.

AN OPPOSITION MEMBER: What has Scullin done?

MR. G. C. TAYLOR: Jim Scullin fell for the Premiers' Plan in the first instance, and what happened to him? Had he fought and gone to the country on the Central Reserve Bank Bill and no acceptance of the Premiers' Plan, there would have been a Labour Party in power in the Federal arena to-day. That was one mistake which was made; but we are going to profit by the mistakes of the past, and we do not intend to fall like Scullin did. Our friends opposite state that we must pay our respects to high financing;

but I say that we shall sooner or later have to fight financial institutions to the last ditch. This country cannot go on as it has been doing during the past eleven or twelve years.

AN OPPOSITION MEMBER: Borrowing all the time.

Mr. G. C. TAYLOR: We cannot go on paying out every year in interest the huge sum involved, and continue as a happy and contented community. There is only one medium of production, and that is labour applied in the factories, workshops, and fields; that is the only system in operation throughout, not only this country but the world to-day, that can produce any wealth to meet the situation as I see it. The wealth to-day is not contained in the bank vaults, although our friends opposite would have us believe it is. It is contained in the production by the working class of the country through the labour applied to mechanical devices in the factories, workshops, and fields; yet we are told that the wealth is in the hands of the high financial geniuses who are supposed to operate affairs successfully throughout this wonderful country of ours, and then, when we want to carry on the utility services of this State, we have to go down to the Loan Council and beg for a few pounds, like the South Australian Premier had to do when he wanted a few pounds to carry on his State.

We, however, are not in the position of having to do that. We have not stooped to the position of crawling for a few measly pounds to meet local situations, knowing that under the present circumstances we cannot get out of the ditch. The position is that sooner or later the Labour Party will have to tackle the problem from another point of view; but, because of the muddle hon. members opposite left this State in through their financial policy, we are forced to compromise for the time being. Hon. members opposite know that sooner or later there is going to be a change throughout the world in connection with the present system. The capitalistic system in operation to-day is fast failing; and sooner or later it will be brought home to hon. members opposite that it has failed, and they will leave their present psychology behind. The realisation will be forced upon them by stern measures taken on behalf of the workers in industry. Hon. members opposite will recognise when the time comes that what I am saying to-day is correct.

We in this State are not in any way responsible for the position in which we find ourselves. We know that we are part and parcel of the British Empire, and that the Empire entered into the war of 1914-18 with the idea of stopping the expansion of Germany and her allies with respect to the world's trade. No other conclusion can be drawn with respect to the cause of the Great War. The result is that the British Empire is to-day on the verge of bankruptcy, and all the remedial measures possible in connection with the financial laws of the Empire are being utilised to bolster up the tottering system of capitalism. The Bank of England recently issued a huge fiduciary note issue in order to put some fluid credits, as it were, into circulation, so as to stop the advocates of working-class

activities in England by giving employment to the discontented workers there.

We are adopting the same tactics in Australia to-day. By going to the Loan Council and getting a few pounds here and a few pounds there, and pouring it into the avenues where employment can be found or putting it into industry wherever it is possible, we are endeavouring to stop the rising tide of the economic might of the workers. We are fearful that those workers will use on us the strength that we know perfectly well they possess. Our friends opposite recognise the fact, if they would only admit the truth.

Why is it that during the past twelve months we have had no fewer than three conferences affecting the British Empire alone—a conference on disarmament, a conference on the unemployment question, and now at Ottawa a conference on finance and trade stimulation? Why is it that the so-called geniuses of this wonderful system have had to go into conference every few months? Is it not a fact that they recognise that growing up around them is a seething mass of discontented workers? Do they not recognise that in countries outside the British Empire drastic changes are taking place in the economic structure? We must recognise these things if we are going to get anywhere. The Labour Party to-day has started out on the right track, although it has not gone as far as I would like to see it go. Believe me, the unemployment relief tax has not advanced as far in the higher range of taxation as I would like to see it. The mere fact that we cannot offer single men and women enough work every week to keep them from starving proves to me that even the taxation proposals laid down by the Premier in his policy speech are not advanced enough to finance what is a legitimate charge on the community, situated as it is; but we know that we have to mark time—we have to go slowly. The mess the Opposition left us in could only be compared to the state of a china shop after a Hereford bull had been in it for a few hours. There is not the slightest doubt that hon. members opposite made a wonderful mess of the Treasury during the past three years, and there is not the slightest doubt either that their confères in the Australian Parliament will make a wonderful mess there, too. They are moving fast towards economic destruction, and it is evident that the people realise the position. They are like a man standing with the button on his rapier watching to see if the other fellow is going to take the button off his weapon. Although they know what they will have to fight for, they hesitate, because they are fearful of the wounds that might follow. We are suffering to-day in respect of unemployment because we do not realise our true economic position, and do not admit economic fundamentals.

Mr. TOZER: We agree that you do not.

Mr. G. C. TAYLOR: Hon. members opposite never did, because psychologically they are incapable of doing it. Their reasoning faculties are not sufficiently developed, and their tutorship in the past has not been such as to give them the outlook necessary to cope with the position as we see it to-day. Let me place before hon. members the remarks of one of the leading economists of the day, Dr. Nicholas Murray Butler,

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President of Columbia University, United States of America—

"The economic, the social, and the political convulsions which are shaking the whole world are without a parallel in history. It is quite futile to draw curves and to make charts of how earlier depressions and economic crises in the world have developed and how they have led the way to recovery. This procedure is wholly futile, because conditions are entirely without precedent, and the remedies for these conditions will have to be without precedent as well."

That is the opinion of a well-known economist, who recognised that different measures must be employed to-day to deal with the problems that confront us; but hon. members opposite would go back to the horse instead of using the aeroplane in the solution of our difficulties. Hon. members opposite would probably wonder what had happened in other countries if they were informed that in some of the countries of the world employers are compelled to give employment to a certain number of people, whether they like it or not.

Mr. BRAND: Do you believe in that?

Mr. G. C. TAYLOR: The slaves in ancient England had to be kept by the barons; but the slave machines of to-day are cast aside when their masters do not require them for production. They can now starve on the outskirts of the factories, fields, and workshops. The Spanish Government of to-day have adopted an unusually stiff unemployment policy. I wonder what hon. members opposite would say if a similar policy were adopted here. The policy provides that each landholder must employ a certain number of people, and that, if the required number are not given work, the land can be regarded as abandoned, and possession taken of it in the name of the workers, and organised under a local agricultural committee. Hon. members opposite do not appreciate the economic progress that is being made. (Opposition laughter.) Hon. members opposite may sit there and giggle inanely as long as they like; they cannot disturb my equanimity. We understand the working-class position, which is the true position, a reflex of which can be found throughout the world. It is no wonder that throes have crashed, or are tottering to their doom, because the countries have failed to recognise the true economic position so far as it relates to the unemployment of the working class. We must place the people back in employment; and, if we cannot achieve that end by means of an equitable taxation impost, then sufficient money will have to be found to put them back to work under the capitalistic system until they can change the system for themselves.

Mr. BRAND: What about the Douglas social credit system?

Mr. G. C. TAYLOR: The Douglas social credit system will merely assist to bring further chaos. That system would be quite all right if we could all conduct our business by means of barter. That would be all right if the hon. member was a farmer and I was a bootmaker, and, when he required a pair of boots, I could take them to him in exchange for wheat, which I could grind into flour. That system is impossible. The Douglas social credit system could not

operate unless barter was possible by all countries in the world. The figures that I have given clearly indicate that there is less fluid credit running through the channels of industry in the Commonwealth than would meet the debt of any one State. It is impossible to carry on industry unless the necessary fluid credits are released into the proper channels to carry industry to a successful conclusion. There must inevitably be a proper system to direct the fluid credits into those channels where they are required, so that the past chaotic system will not continue. We must not continue the old system, which enabled a few people to obtain cheap use of that credit and to skim off the profits from investment in gilt edged securities merely to bank the profit again as fixed deposits. We must regulate industry, not only on the financial side but also on the productive side.

I hope that, when the Government set up the Bureau of Economics, we shall have a body that will be able to find out where it is possible to create production, and that production shall be created in such a manner as not to cause over-production either in the markets of this State or in the export trade market. We cannot allow the present chaotic conditions to become more acute. To-day the wool industry is suffering because during the war, when the British-Australian Wool Realisation Association was controlling the affairs of the woolgrowers, prices were inflated, and they got huge rake-offs when wool attained the price of 3s. 10d. and 4s. per lb. To-day, when a reaction has set in, woolgrowers are finding that they cannot secure for their product sufficient to pay the cost of production. Why? Because, when conditions were good, they never attempted to secure a solution of the difficulty. They never looked ahead. The result is that the wool industry to-day cannot do anything to help itself. That is because they talk about a price level for external trade. Price levels are things which are created by the banking institutions and a falling trade balance. The falling trade balance is bolstered up by a higher exchange rate. Consequently, when the overseas buyer comes here to buy our wool, for which he might pay 1s. per lb. in normal times, he, in collusion with the brokers, offers 9d. per lb. only because of the adverse rate of exchange. The woolgrower has to take that offer whether he likes it or not because there is no competition among the buyers. They have a gentlemen's understanding, such as the hon. members opposite believe in. The difference between 1s. and 9d. per lb. represents something which the growers of wool should have received, but did not because of this honourable understanding. The rehabilitation of this State will not arise from palliative measures. It will only come about by the fixed determination on the part of the people to get from the financial Jews the necessary amount of fluid currency to put into industry. By putting that fluid currency into industry and controlling the product of the industry we shall be able to make good. It is a positive fact that people who read only the "Courier" or "Daily Mail" cannot get a good grip of what is happening in other countries. We are called on to face post-war problems later than did European countries. We are asked to pay in full the war debts of this country which accrued during the 1914-18 period. We have been asked to pay the total of

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£104,000,000 in pensions from the year 1919 to the year 1931. We are also asked to pay £7,800,000 a year in war pensions, and meet the interest on the total war debt, including the cost of pensions and commitments to soldiers of close on £900,000,000, and of a total national debt of £1,100,000,000. We who are part and parcel of the British Empire are asked to meet those obligations to the last penny.

Yet, upon perusing the columns of the "Financial Digest" we read that the United States of America has had to remit a huge sum of money to the various countries which are debtor to her in respect of war loans. Because it was burgled by repudiatory methods, that country has had to remit 53.5 per cent. of the total war debt of Belgium, 25.1 per cent. in respect of Czech-Slovakia, 52.8 per cent. for France, 19.7 per cent. for Britain, and 75.4 per cent. in respect of Italy's war debt. Mussolini is the greatest repudiatorist that the world has ever seen; yet hon. members opposite believe in Facism! Furthermore, Poland gets a remittance of 19.5 per cent., Roumania 25 per cent., and Yugo-Slavia 69.1 per cent. of its total war debt. Being the greatest creditor nation, the United States of America has had to give to these people—Great Britain included—a huge sum of money approximating £2,000,000,000. That has been due to the one fact that these countries will not pay. A great financial writer has stated that it would be better if the United States of America wiped the slate clean, because not only have they given the remittances that I have stated, but they have had to pour into Germany and other parts of Europe 12,000,000 gold marks per annum with which to stave off the tide of Bolshevism. Those are facts stated by men who are reputed through the world to know what they are talking about. To-day we find that Germany is not paying her war reparations. In 1914, 1915, and 1916 we were led to believe that we were going to participate in the war reparations; that we were going to have a wonderful country; that the country would be made fit for heroes to live in. In order to stabilise her financial position Germany has borrowed more from the United States of America and Britain than she owes to these countries. £240,000,000 was spent in the rationalisation of the Ruhr from 1924 to 1927; but that did no good. To-day Germany is on the eve either of Facistic control or of Bolshevism; yet hon. members opposite believe in the perpetuation of the system which makes these conditions possible.

Hon. members opposite believe in low wages. Their idea is that the worker should be beaten economically into the ground; that the worker should have no opportunity to obtain a higher standard of living, although that standard was promised to him when he went away to fight for the country that we live in to-day. We ask that we be given some relief from the huge payment of interest that we are committed to in this country. Nay, we demand that in the interests of the worker because we cannot find the money. It is useless to say that the Australian people can pay a debt of £170 18s. 7d. per head. I ask hon. members opposite to use their economic faculties, if they possess any, and tell me whether during their regime it was possible for any working man to commit himself and his family

to a debt of £170 18s. 7d. per head with any prospect of being able to repay it. We had the spectacle during the last three years of single men travelling the country starving. Fancy a single man walking around this country starving, and knowing that he owes £170 18s. 7d.!

Mr. BRAND: He wouldn't worry about it.

Mr. G. C. TAYLOR: But hon. members opposite would worry about it immediately the man secured work. Sir Otto Niemeyer worried about it, because that was one of the reasons why he visited this country. That was why we had the Premiers' Plan forced down our necks. Hon. members opposite believe that that debt should be paid to the last penny; but they do not know in what manner it should be met. The fact remains that we cannot meet that debt and treat the workers of this country as they should be treated. The Labour Party says that the time will arrive when we cannot meet that debt.

OPPOSITION MEMBERS: Repudiation!

Mr. G. C. TAYLOR: We know that Great Britain has repudiated a debt. The gentleman who provided the outline of the Premiers' Plan is a director of the Bank of England—a private institution with a charter from the British Government, which has been handling the finances of the British Empire, in many cases through the Rothchild group in France and the Morgan group in America. If we had our just dues, we would not have to pay a penny of that war debt to the people concerned.

We in the Labour Party know the position, while hon. members opposite do not know it. We are endeavouring to the best of our ability to put the working class on a decent plane. The programme of the Labour Party will not bring about the millennium, but it will improve the conditions of the worker. We can do better than hon. members opposite did. We are going to lift them out of the morass they are in, and give them better conditions of employment and more food and clothing for the children. In their present position the industries of Australia will not provide for any great amelioration of conditions because of the fact that many people who follow the party of hon. members opposite are behind Mr. Bruce and his policy, and the policy of the Nationalist Party is not to build up secondary industries, not to create trade in this country, and not to create a home market which, after all, is the only market that will prove to be any good to the primary producers of this country. We have to get down to bedrock on this question, whether we like it or not. We must stimulate our local industries. The purchasing power of the working class must be increased, and an effective demand must be created—not a false demand. An effective demand must be created in the home market in order to stabilise the industries of this country. Unless that is done, we are not going to make any great headway. The Labour Party know that they are only building from the bottom up. We know that the £150,000 that is to be put into the building trade will prove beneficial to that industry. The loans to farmers and settlers will prove to be good to those people; and the works programme of the Labour Party will provide work for many unemployed workers for whom hon. members opposite had no

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consideration in the past. The programme of the Labour Party, as laid down for this session, is one that can be commended to the people; not that it is going to accomplish the millennium. We do not believe it will; but we know it will put us back on the road leading towards stabilisation; and that is the main thing. We know that it will accomplish something by filling the stomachs of the children that to-day are empty. Our friends on the Opposition benches took no notice of hungry children, of the single man, or of the married man who had a wife and five children because they believed he could live and pay rent on 32s. a week. We are to-day expecting to get out of that position; and we can only get out of it by accomplishing what I have pointed out, and getting down to bedrock, discussing the economic factors before us, and doing something of a nature that will afford stability and not only temporary relief.

In the Governor's Speech there is included a Bill entitled "A Metropolitan Milk Supply Bill." That is a Bill which I can commend to the members of this House, because I know the primary producers who will operate under that measure.

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

The PREMIER (Hon. W. Forgan Smith, Mackay) [2.55 p.m.]: I have listened very carefully to the various speeches that have been made since the commencement of this debate. I want to take this opportunity of congratulating the new members of the House on the speeches they have made. They indicate that they are men who are in earnest—men who have made a study of the subjects they have dealt with, and men who, with experience and training in this Parliament, will become worthy representatives of the people.

I listened yesterday to the speech of the Leader of the Opposition; but it was a speech which contained no inspiration of any kind, no idea of a constructive character, and made no contribution to the solution of the problems of the present time. The hon. gentleman contented himself largely with a tirade against the present Government, who have only been in office for a few weeks. With a flourish of his hand he passed over the failures of the past three years, and never attempted to deal with the real problems with which this Parliament is called together to deal.

What is the situation to-day? We know that the position of Queensland and Australia is very critical, and that the problems of finance and employment transcend anything else. What were the contributions made by the past Government in regard to these two important matters? We know that the period during which the State finances were handled by the ex-Treasurer was the most tragic in Queensland's history since we first obtained self-government. The record of the past Government was one of deficits, amounting in the aggregate to almost the entire deficits Queensland has had from the beginning—record deficits, record unemployment, record despair and difficulty for the people carrying on the industries of the State. We realise that on account of the fall in price levels the national income of Australia has been seri-

ously affected, and there has been less income to distribute. That required very careful readjustment and handling; but I claim that, with the resources at the disposal of the past Government, the severity of the blow upon the people should have been considerably diminished and normal conditions continued. We know that immediately that Government obtained power they pursued a policy of retrenchment and deflation—not as a result primarily of what is known as the Premiers' Plan, or the Niemeyer plan, or any other plan, but because they followed that course instinctively as a result of the conservative traditions of their party. They believe in a policy of low wages and high profits. They believe in a policy which has as its final result profits for the few, enrichment for the few, and want and general poverty for the many. Expressed in terms of the Nationalist Party, or under any other name, we know that it is basically and instinctively the policy which the Moore Government and their supporters pursued, with the result that not only did we have a piling-up of record deficits but also record unemployment. Unemployment exactly trebled during the period the past Government were in power. Hon. members opposite claim that unemployment has increased in other States. That is true. They claim also that unemployment is a world-wide problem. That also is true. But I say very definitely that the policies of Governments can either aggravate unemployment and intensify the people's sufferings, or diminish the amount of unemployment and alleviate the distress which economic conditions cause to certain of the less fortunate members of the community.

The policy which hon. members opposite pursued was one which had the result I described; and, as a consequence, the Government which had such great opportunities, the Government which made so many attractive promises, were dealt with by the people in a manner which is finally the lot of all those who betray a trust. No Government made more attractive promises than the Moore Government; no body of men more cynically, callously, and brutally betrayed the people who put them in their position of trust.

The Leader of the Opposition referred to my policy speech, and made reference to what is known as the Premiers' Plan and the attitude of this party thereto. I have no wish to burke the issue in any way. Every act of this Government is in accordance with its general policy as outlined in the interests of the people of Queensland. If we are not in a position to do all that we desire, we shall certainly take every opportunity to do everything we possibly can for the welfare of the people of this country. This is what I said on behalf of my colleagues in Labour's policy speech—

"Various projects have been embarked upon from time to time in reference to the finances of Australia. We had the Niemeyer plan, accepted by the Moore Government, and later on, when that failed, the Premiers' Plan was adopted and imposed by the Government as part of its policy. The Labour Party opposed that part of the Premiers' Plan which provided for arbitrary reductions in wages, pensions, and social services. It has already been disclosed that this scheme has also failed to produce the results that its sponsors claimed for it,

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and Labour criticism generally has been amply justified. Not only has it failed to achieve budget equilibrium, but further unemployment has resulted with general business stagnation. The policy adopted by the Moore-Barnes Government in this respect can best be described as a poverty competition between the nations, each seeking to work its people for less wages and longer hours than any of its competitors. When stated in this fashion, the fallacy of such methods is revealed in all its hideous nakedness.

"While the Government have been extremely zealous in reducing wages and social services, they have shown a very tender regard for that section of the community having fixed-money claims on the product of industry. Whilst wages were arbitrarily reduced, a reduction in interest rates can only be effected for a limited period, and then only by cumbersome appeals to the Law Courts. The principal of equality of sacrifice comes glibly from the lips of the apologists of the late Government; but it is obvious that there can be no equality of sacrifice where inequality of income exists. It will be Labour's duty to review the conditions of the Premiers' Plan, and where necessary, give relief from the interest burden where it is too great for industries or individuals to successfully carry. Under modern conditions in industry production outpaces solvent demands. It is obvious, therefore, that the remedy for existing evils must be sought in the direction of increasing the capacity of the people to purchase and consume more—instead of less—goods, and also ensure that the results of modern machinery and science applied to industry and agriculture are utilised in improving the amenities of civilisation rather than in enriching the few and further impoverishing the many."

In the course of my policy speech I said—

"The Premiers' Plan was conceived during a period of bitter and intense political controversy. The depression complex was widespread amongst the people, and deflation and retrenchment were the order of the day. The Federal Labour Government did excellent work in effectively restoring a favourable trade balance for Australia, and the time is now opportune for a policy to be pursued free from hysteria and devised to stabilise and rehabilitate our industries. It will be Labour's duty and privilege to pursue a policy which will promote stabilisation in our internal economy, and to support every effort that may be made in the Council of the Nations to bring about normal conditions in trade and commerce."

At 3.6 p.m.,

MR. SPEAKER resumed the chair.

The PREMIER: It will be seen from the foregoing that Labour was fully alive to the situation, and realised the gravity of its responsibilities and placed a constructive programme before the people, which, if carried out in its entirety, will restore the people to that prosperity the loss of which we so much deplore. There is nothing in the nature of wild-cat speculation or wild promises in such a policy. It is the policy that must be followed sooner or later, if

this country and the people of this country are to obtain those conditions in life which are the right of free citizens who are industrious in any community.

What is the position to-day? For a period a feeling of despair pervaded the entire community as a result of the depression policy to which I have alluded. Every time the late Premier and Treasurer returned from Canberra they told a pitiful and doleful tale. They gave long statements to the press about the necessity for more and more economy; of how the people would be called upon to live on less; and how they would have to be prepared to make greater sacrifices than ever. The press that supported the then Government took up the cry, with the consequence that even normal expenditure was seriously curtailed, and that, in turn, had a detrimental effect upon trade and commerce generally. We had the paradoxical spectacle of newspapers writing leading articles inspired by the then Premier and Treasurer advising the people to curtail their normal expenditure whilst at the same time in other columns in the same newspapers business houses were asking the people to purchase their manufactures and wares. So difficult did the position become that a large and responsible section of the trading community representing the advertisers waited upon the associated newspapers protesting against this policy, which they said was destroying their business, and demanded that a continuation of the ex-Treasurer's doleful tale should not be permitted. That was the position.

The depression is as much psychological as it is economic. The fall in the national income means that there is less to distribute; but, if at the same time the people are caused to lose courage and faith in their country and their capacity to make a livelihood, that fact has a snowball effect. The result is that industry is curtailed in other directions, unemployment is created, and that very attitude of mind created that is finally destructive of the nation. That was the position as we found it. The Moore Government that entered office with such great opportunities, after having made such attractive promises, failed miserably to carry out their ordinary normal duties to the State; and the people at the first opportunity overthrew them. They thereby expressed their contempt for the line of policy that had been pursued. The people also, by the support of the sound and sane policy enunciated by Labour, indicated their desire and their determination to fight their way out of their difficulties and out of the present depression, and thus be true to the pioneers who built up the industries of this country, thereby making it possible for our institutions to continue to exist. Generally speaking, there is throughout Queensland to-day a better atmosphere. The people look forward to the future with more satisfaction than they did three months ago; and there is a desire among most good citizens of the State to help the Government in any effort they may make to revive and restore our industries. Whilst the Opposition may sneer at my statement, it is something which they cannot cause to disappear. The problem of unemployment can only be dealt with in a national way. It is a matter which affects every citizen in the community, and affects the life of the whole of our people. If it is going to be

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tackled effectively at all, then those who love their country and have some regard for their fellow citizens will co-operate in every effort that is made to relieve the difficulty. Instead of that attitude permeating the Opposition and some of their newspapers, they are doing everything possible to continue to discourage the people. Being devoid of certain moral attributes themselves, they attribute to others their own ethical defects. In addition, they are fearful of others succeeding where they failed so miserably; consequently, immediately the present Government obtained power, they endeavoured to set the stage so that the Government could not continue to carry on and give effect to the mandate they received from the people.

Mr. BRAND: You know that is not true.

The PREMIER: I do not propose to take much notice of the hon. member for Isis, whose attitude towards the unemployed in this country can be gauged by the fact that he invested Australian money in securities abroad in order to exploit coloured labour. That is typical of the attitude of an hon. member who is a shareholder in such a concern.

However, be that as it may, the position as I have stated it cannot be denied. Every effort that could be made by the depraved type of politician was made to prevent this Government, not only from carrying out its mandate to the people but from acting in the interests of the State at conferences called by the Commonwealth Government and attended by all the State Governments in Australia. That type of person hoped that the conferences would be abortive; that, in effect, the Premier of this State would not be able to accomplish anything, and that a financial result would accrue that would prevent the Government from pursuing their activities. That method is not new to the party to which hon. members opposite belong. We remember that the people who were associated with a delegation that a few years ago went to London with the aim and object of preventing the Labour Government from carrying on. We know also that some of these people were associated with a movement to cause a run on the Government Savings Bank of this country. So purblind are they in their hatred of Labour and everything that Labour stands for that these people will not hesitate to injure the State if by so doing they can injure the Labour Party or some representative of that party. What was accomplished at the Premiers' Conference? A most noteworthy fact at the conference was the different attitude adopted by other Premiers to that which was shown by them to the Government who hitherto had represented Queensland. Compared with gentlemen like the ex-Premier and the ex-Treasurer, the present New South Wales Ministry are red radicals. They are apparently a somewhat different type. They demonstrated that essentially at the conference, where, instead of a desire being manifested to boycott and isolate Queensland, it was apparent that other Governments were anxious to hear Queensland's case and to co-operate with this State, if at all possible, in solving the problems that were common to the whole of Australia. I have already quoted from Labour's policy speech, and have indicated Labour's attitude towards what was known as the Premiers' Plan. From the conference that

was recently held has emerged a scheme of national rehabilitation which is in striking contrast to the negative inaction which had been the trend of public policy under the Moore Government.

At the Premiers' Conference the first resolution was submitted by the Prime Minister. It read—

“That this conference affirms its adherence to the Premiers' Plan, and undertakes to meet interest obligations and to continue progressively to reduce budget deficits.”

To that I moved the following amendment:—

“That this conference of Premiers affirms its determination to meet all interest obligations, to continue progressively to reduce budget deficits, and to conduct public policy with a view to reviving industry so as to restore normal employment to those of our citizens who have neither work nor wages.”

Hon. members will note the essential difference between the amendment and the motion, which is the difference between deflation and sustenance. After all, a policy may be pursued in the direction of economy which in the ultimate result, as the hon. member for Rockhampton remarked, brings about a balanced budget with the figure “0” on either side. That is economy carried to its absurd end. The policy that was followed on previous occasions was that cuts in every form of adjustable expenditure should be made, irrespective of the effect of those cuts. Everyone must realise that necessary economies are essential. No country or individual can continue indefinitely to spend more than it earns; but any policy of national economy must ultimately fail if it has not as part of its essence the giving of an opportunity to people to earn their livelihood under normal and decent conditions. That was the new note that was definitely struck at the conference—that economies of themselves were not enough; that cuts of themselves were not enough; but that the restoration of Australia was dependent on a policy being pursued that gave work and wages to those of our people who now have neither. That was a position that had never been stressed before—one that was ignored by the Moore Government, who took pride in the fact that they had reduced wages more and sacked more men in proportion than any other Government had done. As a matter of fact, the result of that attitude is shown in the figures that I previously quoted—an accumulated deficit of approximately £4,000,000; unemployment trebled during the period they were in power; a deficit of over £2,000,000 last financial year on the Estimates. When we attained office, we found a deficit of £2,750,000—a situation which was very largely of the late Government's own making. They did not appear to realise that they must frequently spend money in order to earn it. They did not realise the elementary essential that, before a State budget can be balanced, the people who comprise the State must be in a position to balance their own budgets. The final resolution that was carried by the conference read—

“That this conference affirms its adherence to the principles of the Premiers' Plan of 1931, and undertakes to meet interest obligations, to continue progressively to reduce budget deficits,

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and to conduct a public policy with a view to reviving industry so as to restore normal employment to those of our citizens who have neither work nor wages."

The expression of opinion of competent observers is set out in the daily press under the following captions. For instance, the Sydney "Daily Telegraph" of 30th June, 1932, had this:—

"NEW EXPRESSION OF AIMS OF UNITED GOVERNMENTS."

The Melbourne "Age" of the same day had this:—

"LABOUR PREMIER DESIRES A CONSTRUCTIVE PUBLIC POLICY."

The Canberra "Times" of 1st July, 1932, said this:—

"The adoption of the conference resolution constituted a victory for the Queensland Premier, Mr. W. Forgan Smith. Mr. Forgan Smith's amendment altered the resolution submitted by Mr. Lyons so as to include the provision that all the Governments of the Commonwealth should pursue a vigorous policy to revive industry and absorb the unemployed."

Now, the essential difference involved in the adoption of that attitude must have as a result an improved outlook for the people of this country. The methods hitherto employed by the Moore Government were in the nature of the old method of bleeding the patient whatever ailment he might be suffering from. That was known as phlebotomy. If the patient did not escape from such type of doctors, he invariably died; and that is the analogy which obtained in regard to the ex-Treasurer's policy. The people were being gradually affected by an anæmic condition which was likely to destroy the patient. Fortunately for the people, they were able to escape from "Dr. Barnes" and adopt the open-air and health-giving policy of a Labour Government, which gives the natural resources of the State an opportunity to be used in the interests of the people.

In addition to that, I would call attention to the significance of the year "1931" in the amended resolution. That was placed there deliberately to exclude from the resolution any decisions arrived at at the April conference, at which the ex-Premier, Mr. Moore, and the ex-Treasurer, Mr. Barnes, represented this State. It was proposed at that conference—

"That the State Parliaments take the necessary action to empower arbitration courts and wages boards to fix wages in accordance with economic conditions."

Mr. KENNY: What is wrong with that?

The PREMIER: What is wrong with that is what they considered to be economic conditions. The people who ask what is wrong with that belong to that class of people who can bear with great equanimity the sacrifices that are forced on others so long as they themselves are unaffected thereby. The proposal was that all wage-fixing authorities should complete the reduction of real wages by reducing them 10 per cent. below the level of 1923 where that had not been done.

Mr. KENNY: The court would have done that.

The PREMIER: The political bantling on the other side who persists in interjecting says that the court would have done it. We know that the court would have done it. The proposal really was to hand over to the Commonwealth Arbitration Court supreme jurisdiction in regard to the basic wage and standard hours. That court had laid down as the principle of fixing wages in accordance with economic conditions a basic wage 10 per cent. below the "Harvester" standard. The "Harvester" standard was established in 1907, and was described by the late Judge Higgins as a rough and ready approximation to justice, enabling men to live like human beings in a free community. The present Federal Arbitration Court, owing to the adjustments in accordance with what they call economic conditions, has reduced that standard by 10 per cent.; and the proposal, as pointed out by the hon. member for Cook, was to hand over the power of wage-fixing to the court, so that the standard wage of Queensland, in common with all other States, would have been the "Harvester" standard, less 10 per cent.

Mr. KENNY: That is not right.

The PREMIER: That is the position in its entirety, so that the changed view expressed in the resolution—

Mr. KENNY: That is deliberately untrue.

Mr. SPEAKER: Order! I have already had to warn the hon. member for Cook. I ask him to withdraw the expression "That is deliberately untrue."

Mr. KENNY: In deference to you, Mr. Speaker, I withdraw the statement, but the fact remains.

Mr. SPEAKER: Order! The hon. member must withdraw the statement unreservedly.

Mr. KENNY: I have no desire to leave the Chamber, and I will withdraw the statement.

The PREMIER: An hon. member who cannot be loyal to his own leader during a general election cannot be expected to behave himself with the necessary decorum in this House. As an indication of the changed conditions following on the recent conference, not only has the menace of that general wages cut throughout Australia been averted, at least for the present, but a new and healthier outlook is evident amongst the community generally. This was recognised; and a recognition of the change in policy was set out by Mr. Stevens, the Premier of New South Wales, when he said—

"I would stress at this stage that a continuance of the relatively buoyant conditions in certain industries, of which there has already been some evidence, and an expansion in other directions, are almost solely dependent upon the adoption by this conference, and by the various Governments of Australia, of a sound economic policy of reconstruction that goes beyond the sole consideration of the technical balancing of Government budgets, though, of course, we recognise that that is essential to national recovery. . . .

"We have, however, to look ahead and be sure that the sources from which we derive essential revenues shall not be impaired by excessive economies. If that happened, we should set up a new

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vicious circle in which the economies of one year would create occasion for fresh economies in the next—rendering budget balance more remote.”

The conference favoured the flotation of a national recovery loan of £15,000,000, to be raised over a period of three years for the undertaking of public and private works of a permanent and reproductive character. That is definitely part of the policy that has been accepted by all the Governments in Australia—a policy of providing work and wages for our people, and recognising the need for the revival of our own industries and the conditions which must precede complete restoration and budget equilibrium.

The loan is referred to as a “National Recovery Loan of £15,000,000.” We do not suggest that the spending of borrowed money in this direction is going to be the means of solving the unemployment problem; but it should be the means, if carefully used, of providing useful work for our people during the transition period that appears to be with us at the present time.

We realise that it is much easier to destroy than it is to build. The “Wrecker” Government which has just disappeared has left much debris behind it. In some cases through its political malevolence, and in other cases through its basic ignorance, it created a set of conditions from which it may take the people some time to recover; but a commencement must be made; and a commencement is made by stopping the rot that had set in and using the resources of the State to provide useful work for our people under normal conditions. That has already been achieved to a certain extent. We cannot contemplate the indefinite existence of a large body of men forced to work under intermittent relief conditions. I do not think the Moore Government realised the implication of what now exists in that respect. I say definitely and with all the emphasis at my disposal that, if intermittent relief continues indefinitely, the morale of the nation is going to be destroyed, and the country will be heading to final and complete national bankruptcy. The best that can be said for intermittent relief work is that it provides sustenance for the people who cannot get it in other directions. To some extent it provides work for those people, but, apart altogether from its economic implications, what of the effect of this system on the people who are carrying it out? It is a form of employment which they recognise in many cases is only employment provided for the purpose, giving no useful service to the community—something in which they can take little or no interest. It is a form of employment in which opportunity is not given for the display of initiative or the natural ambitions of men. It holds no future for those who desire to have a suitable future. Under those conditions the effect upon the men concerned is very serious indeed.

A few years ago a most exhaustive inquiry into poverty and unemployment was made by a Royal Commission appointed by the Balfour Government in Great Britain. That commission presented both a minority and a majority report, with recommendations. This document, which is to be found in the parliamentary library, should be read by every member of Parliament. The inquiry was the most complete investigation of the problem that has yet been made. Both

the majority and minority reports agree that the problem was not one of how to deal with the unemployable; but the problem was how to prevent the unemployed from becoming unemployable.

That is the problem of to-day. Throughout the length and breadth of Queensland organisations have been built up for the purpose of providing suitable work to enable Australian citizens to earn enough to keep body and soul together. This is costing in the vicinity of £1,750,000, for which expenditure in the past very little real return was secured. It is the objective of the Government to discontinue the system that now obtains at the earliest possible moment. Every effort will be made to put the unemployed back into useful work—work in which they can take an interest whilst it is progressing. In that endeavour we invite the co-operation of all local authorities and of all public bodies of every description to assist the Government so that we can cut out the social cancer which is so rapidly eating out the very vitals of the nation.

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

Mr. WILSON (*Fortitude Valley*): I beg to move—

“That the Premier be granted an extension of time to enable him to complete his speech.”

Mr. SPEAKER: Is it the will of the House that the Premier be granted an extension of time to enable him to complete his speech?

HONOURABLE MEMBERS: Hear, hear!

The PREMIER: I thank hon. members for their courtesy. Our people are capable and industrious. All that they require is the opportunity to earn their own livelihood in a manner which will be beneficial to themselves and to this great Commonwealth of ours. The Government will not hesitate to do everything necessary to bring about that result.

Dealing with the revival loan, I should like to point out that 1,400 additional men have already been directly employed. I am now dealing with the number of additional men that have been employed since this Government came into power. I repeat, 1,400 additional men have been employed; 667 additional men have been employed by the Main Roads Commission, and it is anticipated that an additional 270 will be employed by the end of the present month. There are 303 additional men employed on public estate improvement road work as compared with the middle of June. Under the winter relief scheme approximately 1,900 men are engaged on productive work initiated by the Land Administration Board. The sum of £200,000 has been advanced to local authorities to enable them to carry out works and services of value to their people, and which will afford employment to a large number of men.

The situation, as I see it, is a very difficult one. No one can ever claim to be able to perform miracles in this regard; but I do say that the attitude taken up by the Premiers' Conference and the decisions arrived at—I refer to all members of that conference—together with the policy they are

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carrying out, must bring a definite improvement in the conditions of the people of this country and lead to restored hope and help people into employment.

Another phase of the speech delivered by the Leader of the Opposition is that relating to the sugar industry. The reason why the Government made reference to the sugar industry in the Speech delivered by His Excellency was to call public attention to the need of something being done to protect the existing arrangements in that industry. I have always taken the view that the public interest transcends that of any private individual, whether he be a member of Parliament, the Leader of the Opposition, or anyone else; consequently, when any industry in Queensland is being attacked—and unfairly attacked—we should endeavour to secure the support and co-operation of all sections of the people.

I regret, however, to note in this regard that the ex-Premier attempted to put the blame for the existing position on Mr. Scullin, whom the hon. gentleman charged with having failed to ratify the existing agreement. The Leader of the Opposition has made some deplorable statements in his time, but none so deplorable and inaccurate as that. The agreement as it exists to-day was an agreement between the Federal Government and the Government of Queensland. It was approved of by the Government of which Mr. Scullin was the leader. It was approved also and signed by the Leader of the Opposition as the head of the Government of Queensland. That agreement set out conditions which were to prevail for a term of years. It set out the price of sugar, the rebates which were to be given, and provided for a review of the prices and conditions at the end of 1934; but the embargo was to be continued for a further period of two years. No question of the ratification of an agreement in connection with the industry has ever previously arisen. Who has ever suggested that an agreement between Governments requires ratification? Surely Governments have a right to enter into contracts one with another for and on behalf of their people! It is an everyday practice. International law is dependent on agreements being made and carried out as between Governments representing different countries throughout the civilised world. A contract was entered into between the Commonwealth Government of the day and the Government of Queensland. In effect, it provided that conditional on the Queensland Government doing certain things within their ambit and within their power of control, the Commonwealth Government in their turn should place an embargo on the importation of sugar, and do other things within their scope, power, and control.

Now it is proposed to review that agreement, and the question of ratification has been raised by the Leader of the Opposition. How does this question of ratification arise? It is due to the fact that a member of the Senate has moved an amendment to a measure now before the Federal Parliament. Such a question never arose before, and it is only brought to light now by an amendment moved by a member of the same political complexion as hon. members opposite. Yet the Leader of the Country Party has the temerity to say that Mr. Scullin should have ratified the agreement! The agreement which was entered into pro-

perly and honourably by the Federal Government and the Queensland Government constitutes a contract between two Governments, and, so far as the Queensland Government are concerned, we hold that the contract should stand.

HONOURABLE MEMBERS: Hear, hear!

The PREMIER: We do not propose to adopt the doctrine of the scrap of paper—the doctrine which was proclaimed by General Bernhardt in 1914—that a contract only binds a nation so long as it is to its interest to observe that contract. To follow such a policy would be destructive of all sound principles of government, and would have reactions of a most serious nature. I hope, however, that in this matter wise and sane counsels will prevail. The case for the sugar industry is one that can be clearly and definitely stated. It is wrong to assume that the sugar industry has been granted advantages in excess of other industries. The Queensland sugar-grower is receiving slightly less for last year's crop than was given by this Parliament as far back as 1915. Three reductions in wages have taken place among those who work for wages in the industry, and they, in common with all other sections of the community, have their difficulties due to the existing fall in price levels.

I do not desire to extend my speech unduly, but shall content myself with saying that the policy enunciated in the Governor's Speech is in accord with the mandate which we received from the people. To the fullest extent of our powers and opportunities we will pursue that mandate legislatively, and administratively will give effect to the pledges which we solemnly gave to the people.

HON. W. H. BARNES (*Wynnum*) [3.48]: I am sure that every hon. member was delighted to have the pleasure of listening to the Speech of His Excellency the Governor at the opening of Parliament. Moreover, I am sure I am voicing the sentiments of all hon. members when I say that we are exceedingly pleased to have a gentleman of His Excellency's standing and connection associated with the government of this country.

I take this opportunity of congratulating you on your appointment, Mr. Speaker, and to express the very sincere hope that your health may be fully restored. Whilst we are very keen indeed in fighting for our different sides, there is something bigger in party politics than that which has to do with a wish that one associated with any party should suffer by illness; and I sincerely trust that you, Mr. Speaker, may soon be restored to perfect health and strength.

As an outcome of some of the speeches delivered to-day—I am referring more particularly to the speech of the hon. member for Normanby—I would not be at all surprised if we did not hear of a resignation so far as his electorate is concerned, because it does seem to me that Russia has such charms for the hon. member that he ought to pack up his traps and leave for that country. If Russia has the wonderful advantages that the hon. member suggests, surely he will immediately feel it to be his duty to join his comrades there and partake of all the blessings that Russia can produce! I feel that that resignation is sure to take place. If it does, we may be perfectly sure that the hon. member would not be there

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very long before he did as someone else did in the history of this country—ask to be brought back again—because, after all, there is no place like a British community.

From the speeches delivered by hon. members on the Government side it would appear that the Premier is going to have a troublesome time in keeping his men in order.

MR. O'KEEFE: They were wonderful speeches.

HON. W. H. BARNES: In certain directions they were most wonderful speeches; but I am perfectly certain that the Premier will have trouble in keeping some of his supporters in order, because they will want to kick over the traces when they realise the difficult position that exists to-day.

Before proceeding to reply to some of the comments which have been made to-day, as ex-Treasurer, I want to say that it will be idle for anyone to get up on this side and say that the financing of the country is going to be easy. No man in his senses could truthfully make such a statement. There are some things even in that connection which are bigger than party politics. It is the duty of every hon. member and of every man in public life to do what he can to assist in the restoration of the finances and the balancing of the Budget. I shall have a word to say in connection with the balancing of budgets later on. It is undoubtedly essential that our best should be given in order that we may be enabled to live within our means. We may talk as we like; but, after all, the government of any country is very much like the private individual. They must live within their means; if they do not there is going to be disaster. That is going to be the position so far as this State is concerned, no matter who may be in charge.

MR. O'KEEFE: Don't you ever get away from that doleful spirit?

HON. W. H. BARNES: Is it doleful to pay your way? It is not doleful. It is our duty to the country; and the Government should lead the way in that regard. I was amused at the way the Premier tried to dodge, and say he did not follow the Premiers' Plan. We listened to him as he read those numerous quotations and acted the way in which, somehow or another, he sweetened them up a bit. But he did not alter the principle one bit. The principle was there just the same. No one ever said the hon. gentleman would not get money; but we did say that unless he adopted the Premiers' Plan he would not get any money. Well, the Premiers' Plan has been adopted by him; and he got a lolly at the end that sweetened it up a bit. I can imagine how his fellow representatives from the other States smiled, and how the Leader of the Commonwealth Government smiled, as he yielded to the request of the hon. gentleman in order to make the position easier for him. I do not know whether it will be remembered that a message came from Canberra—I venture to say a correct message—telling the public that in the early stages of the proceedings Mr. Hill had to whip up the Premier to do his job. Mr. Hill, the Premier of South Australia, and a Labour Premier, too, had to tell the hon. gentleman to do his job. (Government interruption.)

MR. O'KEEFE: Mr. Hill is not a Labour man.

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HON. W. H. BARNES: While the Premier was speaking, I never once interjected; and it is only a fair thing that, when dealing with important matters, we on this side should be allowed to speak without interruption.

We have to face a position to-day which has been brought about by borrowing to such a great extent. We have only to turn up the various statements made, especially by the head of the Commonwealth Bank, to find that the banks themselves are realising that they have to put on the brake in regard to advancing money. At the commencement of the Premiers' Plan certain steps had to be taken; the anticipated deficits approximated about £40,000,000. The Commonwealth Bank wrote stating "We have been finding money again and again for you. We cannot find any more, and you will have to reduce the amount"; and a reduction was made by about £25,000,000. One speaker to-day suggested that Liberal Governments were responsible for the action that was taken. Liberal Governments represented there must accept their responsibility for the position; but what was the real position in that regard? Australia was up against it. Mr. Scullin said—

"No one would welcome a practical alternative to this plan more readily than I would, and I should be exceedingly glad if any hon. member could submit a practical method of overcoming our immediate difficulties.

"Those who advocate the rejection of this policy must put forward a practical alternative, or declare to the world that Australia will go on as at present until July, and then default, paying to its servants, its pensioners, and its bondholders less than 12s. in the £1. Such a policy would not reflect much glory upon them. I know that they declare that the talk of default is nonsense, and that the banks will come to our rescue. They have a sublime, childlike faith in banking institutions; but bankers will not risk the solvency of the institution they control to save any Government or individual from default."

I want to quote the remarks of another gentleman well known to Queensland—Mr. Forde, the representative of Capricornia in the Federal Parliament. Would anyone say that Mr. Forde is not in sympathy with the Labour Party? I have been told to-day that Mr. Hill has lost his standing with the Labour Party in South Australia. Would anyone say that Mr. Forde has lost his standing with the Labour Party in Queensland? I venture to say that, if anyone said that, it would be called "a lie." Mr. Forde said—

"Critics overlook that the deficits of Australian Governments will total £70,000,000 next year at the present rate of expenditure. Federal public servants' salaries are to be reduced, but better the substantial return for Labour under the plan than no salaries and wages if default had come. Better reduce pensions along the lines urged by the soldiers themselves than pay nothing or something far less than what is proposed under the plan. Better preserve to the old-age and invalid pensioners at least 17s. 6d. a week than leave them with 10s. or 12s. a week."

Surely no one would go so far as to say that Mr. Forde would be an advocate of a policy of which Labour did not approve! Let me emphasise that the decisions come to were unanimous, by reason of the position that was faced by every individual at that time. We have been twitted by hon. members on the other side with not caring for the worker. I say unhesitatingly that that is a libel. As a matter of fact, no Government has cared for the worker so much as the Moore Government; and the evidences are here to prove it completely. I venture to say that many of us on this side of the House—and I include myself in that number—would not be here if it were not for the confidence of the workers.

A GOVERNMENT MEMBER: What about your party as a whole?

HON. W. H. BARNES: The party as a whole are like myself—they support every measure to help the worker. I notice, too, that nearly every speaker on the other side has kept the revival loan in the forefront of his speech. I find, however, that somehow or other the revival loan they talk about is not altogether what we were told the revival loan was going to be. It was to be a loan that was to be raised in Queensland by Queensland people. We were told, in addition—told in honeyed words—that they had the assurance that they were going to get the money. But somehow or other, although we have not lost the word “revival”—any more than we have lost the words “Moore and Barnes” in connection with their criticism of the late Government—we do not hear so much of how it is to be raised or where it is to be raised. Although it is wonderful how hon. members opposite try to make a great deal of the revival loan, it seems to have got a wrong name. I notice that the name varies. It is called “The Revival Loan.” Then we get a little bit further, and we have “The Queensland Revival Loan.” Later on I suppose we shall get as far as “The British-American Revival Loan,” with the emphasis on the “American.”

Now I want to touch on one fact to show how the Government themselves have blocked the way to getting a revival loan. Were you not surprised, Mr. Speaker—and yet you would not be surprised, because, if there is anyone in this House who has any better knowledge of men than yourself, we would have some difficulty in finding him—were you not surprised that the hon. member for Herbert was not Treasurer? Why was it that he was dropped? I will tell you why he was dropped. These are some of the utterances to which he gave voice. He did not believe in the payment of interest, and he used the word “we,” thereby involving his Government. He said, “We do not believe in doing that.” Not a word was said in the press about the matter whilst the hon. member was in Melbourne. Even after he had uttered that unfortunate phrase, he kept perfectly quiet. Somehow or other he seemed to have been muzzled, and told that he was not to say anything more. Do hon. members remember when the hon. gentleman returned from an historic election contest in New South Wales? I do not know whether he then wore a bell-topper, but I think he did. He had assisted to return Mr. Lang to power; and I well remember how he threw out his chest, and

said that he was honoured in being able to help Mr. Lang back to power. But why was he dropped as he has been? Speaking in this House on 23rd June, 1931, the hon. gentleman said—

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

He also said—

“If the Premiers’ Conference had done the right thing, they would have devised a plan to wipe out the whole interest burden.”

Did he do the right thing when he went to Melbourne?

MR. BEDFORD: Did he say that?

HON. W. H. BARNES: Yes. I quote from “Hansard.”

MR. BEDFORD: Well, you shock me.

HON. W. H. BARNES: The hon. member was shocked when a certain incident occurred in the far North on one occasion. I want to know if the present Secretary for Public Lands advocated his policy at the last Premiers’ Conference. Did he say that his Government were going to raise a Queensland Revival Loan of £2,500,000, and that they were not going to pay any interest? Does that principle still dominate the “we” on the other side of the House?

THE SECRETARY FOR PUBLIC LANDS: Sir James Mitchell said that that rum was very nice.

HON. W. H. BARNES: The hon. gentleman is trying to sidetrack a very unfortunate position. I repeat that, speaking in this House on 23rd June, 1931, the hon. gentleman said—

“If the Premiers’ Conference had done the right thing, they would have devised plans to wipe out the whole interest burden.”

He also said—

“If we on this side”—

with emphasis on the “we”—

“had power to do so, we would reduce the burden of interest payment to nil.”

Will the Queensland Revival Loan embody those terms? (Interruption.)

MR. SPEAKER: Order! The same rules of debate apply to both sides of the House.

HON. W. H. BARNES: The Moore Government have been criticised for loaning money to the other States, and that matter calls for some reply. The Loan Council could not exercise any control over the manner in which money was expended in the respective States, but it did exercise a very important control over the amount that would be made available. When the Premier and myself attended our first Premiers’ Conference in 1929, we held a fairly large cash balance. I have never denied that. We put in a claim for the expenditure of over £4,000,000. It was whittled down. They said, “You have got your money, and we will only give you about £262,000.” South Australia, which had a very big deficit, made application for a like amount, and got £4,000,000. The bankers took up the attitude that where money was held by a State they would not advance further sums until the amount held was expended.

THE SECRETARY FOR PUBLIC INSTRUCTION: Did you say “the bankers”?

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HON. W. H. BARNES: I said the Commonwealth Bank, which was doing the business of the Commonwealth Government and some of the other States. During the recent election campaign it was said by Labour candidates—and the hon. member for South Brisbane has repeated the statement—that it was true the Moore Government had received back the money which they lent to the other States; but they lent it at a rate of interest less than it was costing the Government. That is absolutely untrue, for such was not the case. The money was lent through the Loan Council on three occasions, and the rate of interest was fixed by the Loan Council. As a matter of fact, we got more for that money than it was costing us. The late Government honourably entered into those transactions. They were told that they could not spend the money; so was it not better to lend it to other States in Australia than permit it to lie in the Commonwealth Bank and allow that institution possibly to finance other States? The policy which my Government followed in this matter was the proper business policy, and we earned on that money £104,000 without diminishing the principal. I shall be able to show later on that every penny of this money was repaid. There is no doubt that every penny of it was returned to Queensland. This fact must not be forgotten when we are charged with lending money to other States; but hon. members opposite who held the reins of government prior to our advent to office lent hundreds of thousands of pounds to the other States themselves.

Mr. O'KEEFE: We did not do so when our own people were starving.

HON. W. H. BARNES: In justice to those States, I am bound to say that they repaid the money, together with their interest obligations. As a matter of fact, the money was not primarily lent to other States; it was lent through the Loan Council, which dictated to which State it should go.

We are told that, when we took office, we had ever so much money on hand. I admit the fact. We are told that, if we had only spent that money, certain things would have happened. The fact was overlooked that we could not spend that money, as we were not allowed to do so; but during our term of office we spent more than the amount of money that was left in the Treasury for us. The amounts we expended from loan account were—

	£
1929	2,811,967
1930-31	1,852,921
1931-32	1,700,771
	<hr/>
	£6,365,659

With respect to the 1931-32 period, I am taking the estimated amount—I may not be right so far as the actual sum is concerned. That shows that most of the money was spent on works that were necessary. I would remind hon. members on the Government side that the repayments which have been made under the auspices of the Agricultural Bank, etc., were commenced by the late Government. Hon. members on the Government side may take credit for that, but they cannot overlook the fact that the Moore Government were responsible for carrying out the work. Who, I ask, was responsible for opening up land and for

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the rush of applicants for land, even in the district represented by the Secretary for Public Lands? The Moore Government, of course!

The SECRETARY FOR PUBLIC LANDS: You did nothing.

HON. W. H. BARNES: Even if that were so—and it is not—I would prefer to be associated with my own party to being associated with the hon. gentleman, who stated that he was not prepared to honour his obligations.

It has been stated that the present position in Queensland has been brought about by the actions of the late Government. That is incorrect. The financial position in Australia has been largely due to the facility with which Governments were able to borrow money. A most respected member of the community, and a member of the Labour Party, the late Mr. David Bowman, once said that we should be very careful in our borrowing. Our trouble has been brought about because in the past we borrowed too freely. In the sphere of local authority work we looked on and encouraged the spending of money when money was plentiful. Now, when we have to do so, we do not like to foot the bill.

The present Government will require to be very careful lest they rush into another big loan expenditure which will only add to the interest burden of the State. We effected a reduction in the interest burden during our term of office. The figures which I am about to quote state the position explicitly. When Labour assumed office in 1915, taxation receipts amounted to £954,457, or £1 8s. 2d. per capita. When Labour relinquished office in 1928-29, taxation receipts totalled £4,571,652, or £5 1s. 11d. per capita. I have put my finger upon what is partly the cause of unemployment. Government members may scoff to their hearts' content at people who employ labour, but it is a fact that, when taxation becomes onerous, people have to effect economies, and in doing so have to dismiss employees. No hon. member likes to be associated with the dismissal of an employee, but if you have no money with which to pay him you have no alternative but to dismiss him, for you cannot ask him to work for nothing. In 1930-31 the taxation receipts amounted to £4,272,566, or £4 10s. 1d. per capita, which was a reduction of 11s. 10d. per capita on the figure under the Labour regime.

The SECRETARY FOR PUBLIC LANDS: You increased the incidence of taxation.

HON. W. H. BARNES: The hon. gentleman will have an opportunity of speaking in this debate. I urge him to be careful what he does say.

In discussing the revenue position of the State, the Government have made a reference in the Governor's Speech to the question of the exchange rate, for which probably £1,000,000 will be required this year. Let me trace the position during our tenure of office. In the first year there was a small deficit; but that was handed down to us by our predecessors. In our first year of office the exchange only amounted to £10,000—I am speaking from memory. In the second year—again speaking from memory—the exchange amounted to £540,000; and in the last year the exchange

was £1,037,000. That is the position; and that money had to come from—where?

THE SECRETARY FOR PUBLIC WORKS: It was left overseas by the Labour Government.

HON. W. H. BARNES: That shows how much the hon. member knows about finance. The position of the wool industry has a very big bearing on Queensland and on Australia generally. It is not a party matter. Anything that we can do to help that industry or the sugar industry it is our duty to do; and we should work hand in hand and heart to heart in that regard. But what is the position? The amount of income tax received from the pastoralists in 1924-25 was £725,476; in 1930-31 the amount was only £91,114, or a shrinkage of over £600,000. Then we know the terrible shrinkage there was in income tax generally; and we know the shrinkage there was in connection with railways. As a matter of fact, we had to face a position which was unique in the history of Queensland. I say the position in Queensland to-day has been brought about by the recklessness of the Labour Government when they were in office, which will be absolutely proved by the following figures:—

Year.	Interest on Public Debt.	Return from Loan Works and Services.	Percentage.
	£	£	
1914-15..	1,975,581	1,707,729	86·4
1928-29..	5,175,948	2,552,210	49·3

In the year 1928-29—the last year of the Labour Government—the loan expenditure did not earn half the amount required to pay interest on the money borrowed. I am not opposed to borrowing provided the money is expended on services that will return interest. During their term of fourteen years the Labour Government borrowed £55,293,157.

THE SECRETARY FOR PUBLIC LANDS: How did they spend it?

HON. W. H. BARNES: They threw a lot of it away.

THE SECRETARY FOR PUBLIC LANDS: No, they did not.

HON. W. H. BARNES: Oh, yes, they did. I want to remind hon. members about some of those State enterprises—some of those “crook” things they put the money into.

THE SECRETARY FOR PUBLIC WORKS: What about the abattoirs?

HON. W. H. BARNES: We never found one penny for the abattoirs. The hon. member ought to go to school again. The policy of his Government lashed the country with a load of debt, which the hon. member was a party to.

THE SECRETARY FOR PUBLIC WORKS: What about separators?

HON. W. H. BARNES: Evidently the hon. member knows something about separators.

THE SECRETARY FOR PUBLIC WORKS: I read the paper and saw it; and your colleagues knew something about it.

HON. W. H. BARNES: I am here to-day to answer for myself, and hon. members can follow up every detail of my career.

Earlier in my speech this afternoon I made some reference to what the Premier was told by Mr. Hill. Let me quote the printed report of the incident to show just what Mr. Hill said to the hon. gentleman at the Premiers' Conference—

“Mr. Forgan Smith (interjecting): It extends the plan in a most important direction.

“Mr. Hill: Well, no one has ever contended that the plan was unalterable and hidebound. Mr. Forgan Smith should go back to Queensland and tell his people the facts about the sacrifices that had to be made and position that had to be faced. There was no escape. The only thing to do was to face up to it and be frank with the people.”

AN OPPOSITION MEMBER: Who said that—a Labour Premier!

HON. W. H. BARNES: That was our friend, Mr. Hill.

THE SECRETARY FOR PUBLIC WORKS: A Labour “rat,” who was prepared to throw Australia to the National Party.

HON. W. H. BARNES: I take it that, where big Australian affairs are concerned, it should not be Mr. Hill, a Labour Premier, or Mr. Smith, a Labour Premier, or a Nationalist Premier, but a man who is out to serve Australia.

THE SECRETARY FOR PUBLIC WORKS: These butter sales seem to have hit you a bit.

MR. SPEAKER: Order! I expect Ministers to set an example by refraining from interruption.

HON. W. H. BARNES: I said a little while ago that very largely the previous Labour Governments were responsible for Australia's deficits. In 1930-31 the total deficits of Australia were £30,662,947, of which amount two Labour Governments were responsible for £23,530,514—namely, the Commonwealth Government and the New South Wales Government.

Our total loan expenditure in 1923-29 was £3,248,429; the amount allocated to us was £251,471.

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

MR. DEACON (Cunningham): I beg to move—

“That the hon. member for Wynnum be granted an extension of time to enable him to complete his speech.”

MR. SPEAKER: Is it the pleasure of the House that the hon. member be granted an extension of time to enable him to complete his speech?

HONOURABLE MEMBERS: Hear, hear!

HON. W. H. BARNES: I am deeply obliged to hon. members for granting me this extension of time. The total loan expenditure in connection with the Agricultural Bank in 1931-32 was £1,700,771, and the amount allocated was £300,000.

Now I want to draw attention to statements which have been made by hon. members opposite to the effect that the Moore Government were responsible for cutting down the payment for services which are rendered by the people in the community, and generally for a reduction of wages and

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purchasing power. On 6th October last the present Premier said—

“By the drastic and sudden curtailment of expenditure, by the dismissal of thousands of employees and the repercussion of that policy on the general community, there has been a considerable shrinkage in revenue which has increased the deficits of the present Government.”

Those statements are refuted by facts. Let hon. members consider these figures, which show how State revenues decreased in the period indicated—

Year ended 30th June.	New South Wales. £ Millions.	Victoria. £ Millions.	Queensland. £ Millions.
1929	50.44	28.15	16.73
1931	40.92	25.57	15.07
Reduction in revenue	9.52	2.58	1.66

I have taken the figures for the three largest States. I admit that South Australia appears to the best advantage, and that Western Australia appears to a slight advantage also; but the figures I have quoted prove that the statements of hon. members opposite were altogether unsatisfactory and unfair. I want to point out also that, whilst we have been accused of having incurred the greatest deficits, as a matter of fact the State that departed from the Premiers' Plan—New South Wales, under Mr. Lang—came out worse than any other State in Australia. It has had a tremendous debit balance, and the position was altogether unsatisfactory.

On the other hand, what is Queensland's position in regard to floating debt? The following statement shows the floating (unfunded) debt of each Government on account of overdraft (deficits) and Treasury bills:—

	Dec., 1930.	Dec., 1931.
	£	£
Commonwealth ...	10,000,000	18,445,000
New South Wales...	18,565,000	31,004,000
Victoria	8,726,000	12,736,000
Queensland	—	—

The pleasing fact is that, although the total unfunded debt of the Commonwealth and States increased from £48,250,000 to £77,535,000 during that period, the Moore Government so guarded the finances of this State that not one penny of that amount was attributable to Queensland.

The SECRETARY FOR PUBLIC LANDS: What about the deficit you left? It was £2,076,000 last year. You never paid your way.

HON. W. H. BARNES: The hon. gentleman will be able to tell us what was done when he has the opportunity. What does the Commonwealth Auditor-General say in regard to the position?—

“Such borrowing is only a modified form of inflation, but, like all Government borrowing, reduces the amount available for productive industry Altogether, the position is very disquieting and emphasises how imperative it is that all necessary steps, however drastic or difficult, shall be taken to ensure the balancing of the budgets. To wipe off these accumulated deficiencies and to keep current expenditure within the

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available is a stupendous task, demanding not only sound financial administration, but the earnest co-operation and ready sacrifice of the people as a whole.”

Hon. members opposite have said that certain action was not taken by the late Moore Government because we preferred not to take it. In reply to that, let me quote this extract from a letter from Professor L. G. Melville, Economist to the Commonwealth Bank Board, to the Queensland Treasurer, on 31st October, 1931:—

“In the case of Queensland, the Commonwealth Bank Board would be prepared to provide money, if required, to finance a revenue deficit not exceeding £760,000, and an expenditure on loan works up to the end of December of £188,200. As Queensland held cash balances at 1st July, 1931, amounting to approximately £1,980,000, the Board of the Commonwealth Bank has inferred that no financial assistance will be required by Queensland this financial year.”

Hon. members opposite have referred to Mr. Theodore again and again. Are hon. members opposite going to doubt some of his statements? This is an extract from a letter from him when he was Commonwealth Treasurer to the Queensland Treasurer under date 18th November, 1931:—

“Apparently it is your desire that Queensland should have the right to receive advances this year so that it may maintain a reserve of cash. The Loan Council has, however, never issued Treasury bills to enable any Government to hold a reserve of cash. To do this in present circumstances would be placing an unnecessary strain on the banks. I do not think the Loan Council would be justified in approaching the banks for moneys for this purpose, nor do I think the banks would be prepared to make an advance in such a case. This view appears to have been adopted also by the Economist of the Commonwealth Bank in his letter to the Under Secretary to the Treasury, Brisbane, a copy of which accompanied your letter to me.”

It has been said that we did not try to get this money. The Leader of the Opposition referred to a resolution moved by me at the Loan Council. This is the resolution:—

“That the Commonwealth Treasurer, when applying to the Commonwealth Bank for further supplies of loan money, include the proportion allotted to Queensland for the half-year ended 31st December, 1931, also that State's proportion of any amount which may be made available for the half-year ending 30th June, 1932; such sums to be provided by the bank as and when required by the State.”

That resolution was rejected by a majority. In fact, the only persons who voted for it were the representatives from Queensland. It is absolutely incorrect to say that we did not try to get the money. That statement has no foundation in fact, and is made purely for political purposes. Speaking as the ex-Treasurer, I realise the gravity of the present position. It is the duty of every public man, whether he be on this side or on the other side of the House, to do his best to assist this country. That will be the

policy that will be pursued by me, and I believe will be adopted by the party on this side of the House. Queensland is bigger than personal ambition. Queensland is an important part of Australia; but, even if it were the least attractive part instead of being the most attractive part, it would be our duty as representatives of the people to assist the State in every possible way. We must lift Queensland. The policy pursued by our Government had commenced to lift Queensland. Hon. members opposite may take some credit for any improvement brought about by us, but we shall all rejoice because Queensland is improving. May the day soon come.

Mr. BEDFORD (*Warrego*) [4.39]: After nine months suspension of Parliament it seems almost like old times to hear the hon. member for Wynnum excusing his political stupidity and getting rid of his political venom with the deprecatory air of a curate at a mothers' meeting. He quoted a quantity of meaningless figures—meaningless when divorced from any attempt at comparison. To hear millions juggled with by a man with an eighteen-penny mind cannot impose upon this House or upon the country. Having been left with money by the out-going Labour Government, and while local authorities, the Agricultural Bank, and the State Advances Corporation, which advances money for the construction of workers' homes, were clamouring for the use of that money, the hon. gentleman's Government saw fit to put us deeper into the depression that was beginning by lending the money in the South. No excuse can wipe out that fact.

Mr. MOORE: We wanted to get our money back when we wanted it ourselves. That is why we lent it.

Mr. BEDFORD: Why couldn't you get it back the other way?

Mr. MOORE: We got it back.

Mr. BEDFORD: As a matter of fact, the Moore Government said, by their action, that they believed that the local authorities and other borrowing authorities in Queensland offered them less security than the people in other States, particularly because they were lending the money to Governments of their own political faith.

Mr. MOORE: They were not.

Mr. BEDFORD: They were.

Mr. MOORE: Some of the money was lent to South Australia.

Mr. BEDFORD: It was also lent to Victoria.

Mr. MOORE: Mr. Hogan was the Premier of Victoria.

Mr. BEDFORD: I wish to congratulate you, Mr. Speaker, on your accession to the highest office in Parliament. I hope your health will improve, and that you will be long spared successfully to fill the Speaker's chair. I am quite sure from your gruelling experience for the last three years in opposition that you will show more kindness and tolerance to the Opposition than was given to us by the then authorities in the House. In any case, it is certain that you will not throw out four members for exposing a placard showing that the Moore Government had broken its promises into a million fragments. Neither do I think that the new Chairman of Committees, Mr. Hanson, whom I wish to congratulate also, will be guilty of

silencing me for having used geological terms, or that he will not permit me to use the words "marine tertiary," apparently believing that it should have been brought up on the Estimates of the Health Department.

The present Government have already been charged with having broken promises. In that respect I wish to read the statement of a great, good, and glorious statesman, made in 1926, as reported in "Hansard," vol. cxxvii., page 24—

"It seems extraordinary to me that people should go out before an election and make absolutely definite statements and put them over the signatures of reliable and authoritative campaign directors, and then immediately they are returned go back on what they said they would do. That is the thing to which I take exception. If we are to have honesty of government, if we are to have the people voting for what they believe they want, surely Governments should faithfully carry out what they say they will do!"

That great statesman was the present Leader of the Opposition. Then he promised £2,000,000 and 10,000 jobs, and promptly forgot the whole business. The Opposition attack us for having strayed from the Premiers' Plan, but I believe that the last delegation from this Government did great work in altering the whole appearance of that plan from what it was, for it was merely a plan for the chopping of wages, the cutting down of the purchasing power of money, and the deepening of the depression. As to its incidence, we have to take the statement of Mr. Tunnecliffe, the then Acting Premier of Victoria, as reported in the Melbourne "Argus" on 27th April last—

"At this stage Mr. Tunnecliffe referred to the discussions at the Premiers' Conference. He spoke of the manner in which the other States, notably Queensland, Western Australia, and Tasmania had observed the Premiers' Plan.

"The Premier of Western Australia (Sir James Mitchell), he asserted, had said quite plainly that his State could not meet its obligations.

"The press was not present when that statement had been made, but only the publicity agent of the Federal Ministry.

"The Queensland representatives had also asked: 'What is the use of undertaking to carry out these proposals when we know we are not able to do it?'

"For half an hour the Prime Minister and the Assistant Minister, Mr. Bruce, had pleaded with the representatives of these States to vote for the continuance of the Premiers' Plan, because they must preserve solidarity.

"Both the Premier of Queensland (Mr. Moore) and Sir James Mitchell had shrugged their shoulders and said:

'We cannot meet our obligations.'

Mr. MOORE: Quite untrue.

Mr. BEDFORD:

"Subsequently Mr. Bruce asked Mr. Moore if he would vote for a continuance of the plan, and Mr. Moore nodded.

"Mr. Lyons then asked Sir James Mitchell, who also nodded, but almost

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at the same time said, 'I have to vote for it'—

"'But I know damn well we cannot do it.'"

Mr. MOORE: I said I could not say we would carry it out with an election coming on in Queensland, because we did not know who would be in power.

Mr. BEDFORD: I am glad of that interjection, because the continuance or the extension of the Premiers' Plan was dependent on another cut in wages recommended by these alleged experts.

Mr. MOORE: That was turned down by all of us.

Mr. BEDFORD: Turned down because there was an election coming on in Queensland—

"The representatives of these States told Mr. Bruce candidly that they could not meet their obligations unless they had loan money.

"Acting Premier Tunnecliffe, in a statement to the press, exposed the real intentions of the Tory Premiers and their so-called experts.

"The proposals put forward, he said, were for all States to set aside all Arbitration Court awards, and that single unemployed men should be given employment in the rural industries at 5s. a week and their tucker."

The position prior to this Government coming into power was not much better.

Mr. MOORE: Mr. Tunnecliffe left the conference before that took place, so that what you are reading is pure imagination.

Mr. BEDFORD: It cannot be pure imagination. Either it is true or the man is a liar.

At page 24 of "Hansard" for 1926 the ex-Premier said—

"If we are to have honesty of government, if we are to have the people voting for what they believe they want, surely Governments should faithfully carry out what they say they will do. . . . Before I make a promise I want to see that I have the ability to carry it out."

And then the hon. gentleman who is now Leader of the Opposition promised £2,000,000 for 10,000 jobs, and then he did not carry out his promise.

During the speech delivered by the Premier the hon. member for Cook interjected that something was a deliberate untruth. I am open to correction, but I believe the statement was made by the Premier that a further cut was intended. The statement that it is a deliberate untruth is disproved by this—

"WHAT ARE 'REAL WAGES'?"

"The term 'real wages' used by the committee of economists in their recommendations to the Premiers' Conference, now in session, having perplexed many of its readers, the Melbourne 'Age' made inquiry of the Commonwealth Statistician, Professor Giblin, who is also a member of the economists' committee. Giblin said the idea was that the cost-of-living adjustment should be applied to wages as was done in most cases by the Arbitration Court. When the 'real wage' was thus arrived at, a further reduction of 10 per cent. would be made.

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He explained that if the wage or salary was £6 a week, and the cost-of-living adjustment was 17½ per cent. (as it is computed to be in Victoria) there would be a deduction of £1 ls., bringing down the wage to £4 19s. This £4 19s. would be regarded as the 'real wage.' Then the 10 per cent. would be applied, reducing it to £4 9s."

Of course, there are very few people getting £6 a week in Australia to-day, so that the position on the present debased basic wage rate, if it had been subjected to the continued Premiers' Plan as suggested by this tremendously important economists' committee, would have meant a wage slightly above the present relief rates.

Mr. KENNY: The Premier said that I advocated that. That is what I said was untrue.

Mr. BEDFORD: The better you advocate it the worse it will get on.

Mr. KENNY: Tell us why you did not get into the Cabinet?

Mr. BEDFORD: I will tell the hon. member, but I pledge him to the utmost secrecy—I did not get sufficient votes! I may tell the hon. member, however, that I have never asked anyone for any political support; and I resent very much the attempt of the hon. member to make a grievance of any apparent ingratitude for good service.

I am glad to know that the Governor's Speech contains a cheerful statement about the number employed in gold prospecting. I have often said in this House that Australia is a country of such tremendous resources that practically only the sun-burned gold has yet been discovered, which happened at the worst times as at Kalgoorlie after the tyranny of the banking system, which then temporarily ruined Australia. Just as Kalgoorlie and Coolgardie were discovered to bring Australia back to prosperity, and incidentally to show us what a stupid thing confidence or the revival of it is when we know that no new fields are now in the making. £16,000,000 having been lost in the banking smash of '95, a few months later, Kalgoorlie and Coolgardie having been discovered and produced 4,000 oz. of gold worth £16,000, that was sufficient to cancel out the £16,000,000.

Although commercially gold is one of the least valuable of metals, being used for wedding rings, false teeth, and the squaring of international obligations, the fact remains that gold is coming back again both in Western Australia and Queensland to give this country a new prosperity and at the same time give it a prosperity with, I hope, no loss of memory of the depression we have passed through, that loss of memory is directly traceable to the optimism of the people in the country. After a three years' drought if you took two squatters standing in the rain and asked if they had forgotten the lesson of the drought just finished, they would say, "Which drought?" Similarly Australia will rapidly come out of its present condition of becalmedness—becalmness in industry—but the fact remains we should not forget the things which brought us there. We should recognise it is dear money and consequently low prices of commodities which brought us where we are. No country of this kind can stand the luxury of a war that cost £900,000,000. Later on I shall have

a little more to say on the general condition of Australian finance, but meantime it is well to say that it is to be hoped that none of this prosperity, which I believe is coming, will cause us to forget the trouble we have been in so that there will be a possible recurrence of it.

The promised Mortgages and Debtors Relief Bill comes as a welcome relief to quite a lot of people in this State. There are firms here that I know of with assets of £200,000; and a firm which has paid £70,000 in ten years in overdrafts and mortgage interest is now faced with the destruction of all its assets for a sum which does not amount to 16 per cent. of those assets, and it is the duty of the Government to give full relief—not the half relief given by the Moore Government, under which it was necessary for the mortgagor to go to the court and explain why he could not pay interest. Instead of doing this, the amending Bill proposes to make the relief to the mortgagor automatic; and, if there is any hardship to the mortgagor, let him go into the court and explain it. When that Bill was going through, I asked the present Leader of the Opposition at the second reading stage if it were intended to apply to overdrafts. We have cases from one end of Queensland to the other of primary producers suffering. Hon. members opposite talk of their tremendous solicitude for the primary producer, and this is what happened: The big pastoralists got relief by reduced rates and by an extension of leases totalling 14,000,000 acres. The selectors got no relief, because they could not get a reduction of interest; and they could not get a reduction of interest because the Government did not insist that they should get a reduction of interest. On the second reading of that Bill I asked the hon. gentleman if he intended to apply it to floating debits and whether he would bring selectors and farmers within the scope of the Bill. He said "Yes"; and later he found that he had been wrong, and the selector, the farmer, and the business men were left without any protection at all.

They talk a great deal about taxation being high. The high cost of money to Governments and to local authorities is such that high taxes are necessary. For instance, we have this overgrown Brisbane City Council, with its £1,000,000 town hall, built on a duck swamp, and with a disproportionate tower put on it so that it can be seen. We have all these tremendous expenses of the Brisbane City Council going hand in hand with a high assessment rate and high rate of taxation. We have also got these people charging 8 per cent. on arrears of rates. They should come automatically under the scope of this Bill.

The taxation and the result of it have been such that on the property formerly occupied by Foy and Gibson, in the Valley, the unimproved taxation for municipal purposes is £27,000. The Land Tax Department, of course, takes a further cut, and values it for taxation purposes at £37,000, while, when the property was put up for sale the other day, the best bid was only £25,000. It is useless to say that this has no effect on unemployment. If the rates of interest had been automatically reduced, as they should have been long ago, it would automatically have put men back to work. It operates in this way: Why did the gold boom start? It was because interest rates

were coming down, so that even the most cold-footed bondholders or fixed depositors saw that it was not possible to make bread and butter out of interest earnings, and therefore they took the money out of the bank and stuck it into gold mining shares; and on very slight provocation they would see that industrial shares in concerns from which some results are being obtained would increase in value, which would mean that men would be put back to work. But there is no hope while you have foreign banks telling you what interest you must pay; while you have men quarrelling over unessentials instead of agreeing on essentials; condemning inflation, and then supporting inflation—which is connoted by a high rate of exchange; while you have men saying for political purposes that that which Mr. Scullin said was wrong when he said it, but that it was right when Mr. Bruce said it. You cannot do much when you have people taking notice of press economists who change their opinions with every change of Government, who two years ago were roaring that inflation was repudiation, and whom you now find cheerfully talking, as the ex-Treasurer does, about millions like cherubim singing the interest tables in the usurers' heaven. The interest burden to selectors was 8 per cent. until last September; now it is 7 per cent.; and that is to be taken in conjunction with the fact that men will not even take sheep as a gift whilst it costs 3s. 3d. per head to bring them to market. The Queensland Government by their abattoir arrangements almost wiped out the competition which existed among butchers to purchase from the growers. In the days before Redbank and other meat companies were controlling the meat supply of this city, there were fifty or sixty butchers competing for the purchase of meat.

Mr. MOORE: There are fifty-three now.

Mr. BEDFORD: How is it, then, that meat is now higher in price and the return to the producer is lower than before the abattoir was built. If we cannot get it in the one way immediately, we can doubtless relieve the producer from this tremendous burden of interest.

On 21st June, ten days after the election, the hon. member for Wynnum, the Treasurer in the late Government, ventured to tell us some home truths—

"The late Government had not gone in for heavy borrowing . . . but we felt that the banks in such a time of crisis might have helped more than they have. This might be disagreed with, but he sincerely believed it to be correct, and, had this been done, he claimed the position in Australia would have been better to-day."

Of course, the position would have been better. The trouble is that, whereas we told the people clearly two or three years ago to get the business started, nothing was done. Nothing was done, although we could show that the whole history of money in Australia proved that it was a system of banking by a few people for their own private benefit to the detriment of the general public; although we could show that in bad times the banks made more money than in good times; and although we could show clearly that the old law of supply and demand had absolutely refused

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to work. When we could show these things, surely the time had arrived when something drastic should be done in the direction that we proposed.

To-day we have Mr. Bridgen, who, when he was appointed by Mr. Moore, would have nothing of repudiation in the way of reduction of interest, saying this—

“A world crisis is following painfully the normal sequence of crises. It has now reached the stage of cheap money.”

It has, because the world is two and a-half years more sensible; because Australia, which learns slowly, knows more than it did two and a-half years ago, perhaps because Mr. Bridgen, in the interests of that gentleman, now sees the Labour Government on these benches. They all come to it when the right Government is in power.

Now, we generally find that with low prices comes cheap money. In Australia we got cheap money when wool in particular was cheap. Before we had the financing of £900,000,000 of war costs from the general finances of the country, whenever low wool prices came along we had cheap money. For instance, there were low wool prices in 1906; and these were then the values of some of our stocks on the market—

	Per cent.	£	s.	d.
New South Wales	3½	100	0	0
Queensland ...	3½	100	0	0
South Australia ...	3½	101	15	0
Tasmania ...	3½	100	0	0
Victoria ...	3½	101	0	0

In 1920, Queensland 6½ per cents. were at £98. There is the fact that money can go cheap, as commodities go cheap and as wages go cheap; and that in itself is an argument in favour of interest having its own Arbitration Court, of the wages of money being fixed with due regard to all the interests concerned in it in the same way as the wages of labour are fixed.

The position in regard to the wool business is that, despite the fact that the growers are paying more for carriage of wool overseas than they have earned, despite the low prices and bad times, only one man in the industry is talking common sense. That man is James Clark. He wants to go back to the B.A.W.R.A. expedient, whereby there is collective marketing; but a few people in New South Wales have formed an association whose one idea of making wool dearer seems to be to prevent people from wearing more of it by cutting down the wages of the workers in Australia and the spending power of those who are related to them.

Mr. James Clark is the only man who proposes to return to the B.A.W.R.A. system of collective marketing, which will also assist in pulling down overseas freight charges. It is patently much more feasible for one shipper to fix a freight charge than to have one hundred or one hundred and fifty small competitive shippers. When the Commonwealth steamship line was in existence when times were better and wages higher, the oversea freight on wool was 3d. per lb. Then Bruce sold the shipping line to Lord Kylsant, who is now in gaol, and we have neither the money nor the ships, and the freight on wool skied to 13/16d. per lb. That is one reason why the Government in this State should take a

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hand and insist upon a wool pool. If they cannot insist upon a wool pool in the other States, at least they can insist upon a wool pool in this State. The Government owe that duty not only to the small grower but also to the worker in the industry. The small grower is being penalised out of existence. The wrong-headed idea of charging the same railway freight on greasy as on scoured wool should be altered. On the one day scoured wool was quoted at 24d. per lb. and greasy at 9d. per lb. That means that the grower is losing a great deal of that difference of 15d. per lb. in order that the stuff can be sent overseas, where most of the work is done. Local scouring would give a large amount of work, and to that extent would relieve the labour market, thereby wiping out the necessity for intermittent relief.

It is no good saying that the railways must pay in these circumstances. The railways would have to pay if they were privately owned; but they are the working plant of the great public estate. The State is a beneficent landlord, and the Government should wipe out this anomaly in respect of railway freights on scoured and greasy wool, even if it means a loss of revenue. It should insist upon the work being carried out at a scour within our borders and as near as possible to the point of production. I firmly believe that, when all the talk of politician against politician is done, the people in Australia will want to see Australia back to its old prosperous times; but it cannot go back to those old prosperous times for any length of time if we still leave the causes which produced the present position. We went into a war which cost Australia £900,000,000, and our total indebtedness amounts to £1,100,000,000. We should now decide to fund that amount by the flotation of 2½ per cent. irredeemable consols. We should decide that the fixed deposit rate should be 2½ per cent., the mortgage rate 4 per cent., and the overdraft rate 4½ per cent. That would give the banks a 2 per cent. spread. The banks complain that they are in possession of fixed deposit money until August on which they are paying 5½ per cent.; but they are paying that rate on very little money. They leave out of consideration altogether their reserves; their capital, and the money of the public which they turn over and over again and for which they receive the higher rate. It has been said that such action would result in the flight of capital from Queensland. Everybody knows that capital, although very timid, is also very slow to move, and becomes afflicted with rheumatoid arthritis immediately it begins its flight. Capital cannot get outside Australia because of the present exchange position being against it; and it is unlikely to go from the best State in the country to the other States not so good down below. Further, wealth does not exist in the shape of money which can be put in a trunk and carted away. It exists in the shape of credits, in the shape of working plant, land, and other things. To say that capital will flee because we decide to put interest in its place and to fix a just and equitable wage for money is a figment of the imagination, or at least a dream based on no premises at all.

I congratulate the Government on the Governor's Speech. They have a good workable programme for the session; and

if, as I believe, they intend with the Mortgagors and Debtors Relief Bill to do just what the previous Government did not do—that is, to bring the overdrafts and floating debts of farmers and grazing selectors under its provisions—they will earn the gratitude of many. I wish they would go further, and make this enactment one of the most momentous things ever done in the history of Australia by laying down this fact—that, just as the wages of labour change, so should the wages of money change: and for three years ahead the wages of money should be fixed at $2\frac{1}{2}$ per cent. on fixed deposits, 4 per cent. for mortgages, and $4\frac{1}{2}$ per cent. for overdrafts. I thoroughly believe that, if that be not done, it will only be a question of time before Australia will go through this vicious circle again. First of all, Australia, by digging up a lot of gold, will make everything prosperous and easy. If a freetrade Government is then returned—we could not have a more freetrade Government than the present Federal Government—it could seek to make the gold that is exported hurtful to Australia's secondary industries, by borrowing more and thus making it easy for imports to enter Australia. The result would be as before, and that was that, after we opened up goldfields like Ballarat, Bendigo, Kalgoorlie, Charters Towers, and all the great goldfields of this country, we dug up all the gold and sent it away and imported shoddy goods in return.

Mr. O'KEEFE (*Cairns*): I beg to move the adjournment of the debate.

Question put and passed.

Resumption of debate made an Order of the Day for Tuesday next.

STANDING ORDERS COMMITTEE.

PRESENTATION OF REPORT.

The PREMIER (Hon. W. Forgan Smith, *Mackay*): On behalf of Mr. Speaker, as Chairman of the Committee, I present the report of the Standing Orders Committee, and move—

“That the report be printed.”

Question put and passed.

Consideration of the report, by leave, made an Order of the Day for Tuesday next.

PERSONAL EXPLANATION.

Mr. LARCOMBE (*Rockhampton*) [5.13], by leave: I wish to make a personal explanation. In its report of the speech which I delivered yesterday the “Telegraph” credits me with saying—

“Mr. Scullin is not a Labour man.”

That report is absolutely incorrect. I never made any such remark. When I was speaking there were numerous interjections, and it was almost impossible for my remarks at the time to be correctly heard in the press gallery, hence the error I have mentioned. The report of my speech otherwise was excellent; but I wish to make this personal explanation in justice to Mr. Scullin, for whom I have the highest personal and political regard.

The House adjourned at 5.15 p.m.