

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**TUESDAY, 23 AUGUST 1932**

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**TUESDAY, 23 AUGUST, 1932.**

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

QUESTIONS.

PRICES OF FLOUR AND BREAD IN BRISBANE.

Mr. SIZER (*Sandgate*) asked the Secretary for Labour and Industry—

“What was the price of flour and bread in Brisbane on 1st May, 1st June, 1st July, and 1st August, 1932?”

The SECRETARY FOR LABOUR AND INDUSTRY (Hon. M. P. Hynes, *Townsville*) replied—

“The price of flour was £11 12s. per ton and the fixed price of bread 5d. per 2-lb. loaf, cash at bakehouse, shop, or delivered, on the dates mentioned.”

SUGGESTED EXEMPTION OF HEADS OF FAMILIES  
FROM UNEMPLOYMENT RELIEF TAX.

Mr. MAHER (*West Moreton*) asked the Secretary for Labour and Industry—

“As the increased relief taxation imposes great hardship on taxpayers having large families with several sons unemployed, will he agree to exempt entirely from relief tax heads of families where there are two or more sons unemployed depending on support from their parents?”

The SECRETARY FOR LABOUR AND INDUSTRY (Hon. M. P. Hynes, *Townsville*) replied—

“Such a scheme would be impracticable. The Government, however, is stretching its finances to the limit with the object of affording as much assistance as possible to single unemployed men.”

POSITION IN PUBLIC SERVICE HELD BY  
MR. G. LOGAN, EX-M.L.A.

Mr. WATERS (*Kelvin Grove*) asked the Secretary for Agriculture—

“1. Were applications called in the ‘Government Gazette’ for the position of Agricultural Bank inspector, now held by Mr. Logan, ex-Country Party member for Lockyer?”

“2. What is the salary of the position that Mr. Logan occupies?”

The SECRETARY FOR AGRICULTURE (Hon. F. W. Bulcock, *Barcoo*) replied—

“1. Yes.

“2. £340, less 15 per cent. reduction prescribed under ‘The Salaries Act of 1930.’”

FREE INSTRUCTION TO UNEMPLOYED BOYS  
AND GIRLS.

Mr. R. M. KING (*Logan*): I desire to ask the Secretary for Public Instruction whether he has an answer to the following questions which I addressed to him on 18th August:—

“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. (a) 671 (in manual training); (b) 367 (in manual training)."

"2. (a) 135; (b) 75."

"3. Six hundred and thirty-eight unemployed girls enrolled for free instruction in the Housecraft Training School, Brisbane, during the financial year 1931-32, and 101 of these girls, after training, secured employment."

#### PAPER.

The following paper was laid on the table:—

Regulations made under "The State Forests and National Parks Act of 1906." dated 1st April, 1932.

#### REVISION OF STANDING ORDERS.

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.35 a.m.]: I beg to move—

"That the House will, this day, resolve itself into a Committee of the Whole to consider the proposed amendments and addition to the Standing Orders as recommended by the Standing Orders Committee."

Question put and passed.

#### SUSPENSION OF STANDING ORDERS.

##### APPROPRIATION BILL, No. 1.

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.37 a.m.]: I beg to move—

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

This is the usual Supply Bill, and is in accordance with the usual practice.

Mr. MOORE (*Aubigny*) [10.38 a.m.]: I called "Not formal," although I recognise quite well that it is the usual custom; but we have very little information at the present time as to what is the position with respect to the loans for £946,000 and £630,000, and as to what conditions are to obtain in regard to each.

We also desire information as to how the Treasurer is going to reduce the deficit from £2,075,000 to £1,145,000. These are very important questions; and, as there is not any violent hurry to force this motion through to-day, because Supply which has already been granted is not yet exhausted, we should have this information. If this motion is to be put through this Chamber in one day, I trust that the Treasurer will give us full

[*Mr. Moore.*

information on the financial position of the State so that we may know what we are going to discuss. If a Bill is brought on suddenly and put through all its stages in one day, we have no information as to what the Government intend to do in regard to the financial position. I called "Not formal" because I wanted to make sure that the Treasurer, when introducing this Bill, would give us the requisite information so as to enable us to discuss the position intelligently.

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.40 a.m.]: I do not propose at this stage to deliver the Budget Speech, as detailed information regarding the financial proposals of the Government are naturally contained in the Financial Statement. When the Supply Bill is introduced all the essential information will be given at that stage, but I naturally do not propose to anticipate my Budget Speech at this juncture.

Question (*Mr. Smith's motion*) put and passed.

#### REVISION OF STANDING ORDERS.

##### COMMITTEE.

(*Mr. Hanson, Buranda, in the chair.*)

The CHAIRMAN, on taking the chair, said: Before proceeding with the business of the Committee, I desire to take this opportunity of thanking the Premier for his nomination of myself as Chairman of Committees. I also desire to thank hon. members on both sides for unanimously electing me to the position. I have been quite long enough in Parliament to recognise that the duties associated with the position are at times arduous, and certainly full of responsibility. If I can carry out the duties as capably as those many gentlemen who have preceded me in this office, I think I shall be able to give reasonable satisfaction to all hon. members.

HONOURABLE MEMBERS: Hear, hear!

Standing Order 17—"Debate on Address in Reply"—

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.43 a.m.]: I beg to move the following amendment:—

"On line 3, after the word—

'days'

insert the words—

'(unless the House otherwise determines by motion, without notice, to be decided without amendment or debate),'

This will enable the period allotted for the debate on the Address in Reply to be extended on motion, without notice, and without debate. At the present time the debate is limited to four days; but a situation may arise where, to meet the wishes of Parliament, that period should be extended; and this amendment, if carried, will enable that to be done without any cumbersome delay.

Mr. GLEDSON (*Ipswich*) [10.44 a.m.]: Does the amendment mean that, in addition to Parliament being allowed to extend the duration of the debate on the Address in Reply, it will also be allowed to curtail the period of four days already allotted?

The PREMIER: No; it only provides for an extension of the period.

Mr. GLEDSON: It will not mean that Parliament can, for example, limit the debate to one day?

The PREMIER: No.

Mr. GODFREY MORGAN (*Murilla*) [10.45 a.m.]: I regret that it is not proposed to amend the Standing Orders in such a way as to cut out the Address in Reply altogether. I have had twenty-three years' experience in Parliament, and I consider that the debate on the Address in Reply is a pure waste of time. At the present time the Government should endeavour to curtail expenditure in every possible way; and cutting out the debate on the Address in Reply would be one way in which expenditure could be curtailed without detriment to Parliament or to the people of Queensland. There is every justification for eliminating the debate on the Address in Reply.

Mr. R. M. KING (*Logan*) [10.46 a.m.]: In reply to the hon. member for Ipswich, the Premier stated that, in his opinion, the amendment would not permit of the debate on the Address in Reply being reduced to less than four days. I am rather inclined to think that the point is not at all clear, and I would like the amendment to be made perfectly clear in that regard. The proposed amendment reads "unless the House otherwise determines by motion." It may be decided by motion to curtail the debate to one day, or even to less than one day.

The SECRETARY FOR PUBLIC INSTRUCTION: Does not the word "limit" make all the difference?

Mr. R. M. KING: I do not think it does.

Hon. W. H. BARNES (*Wynnum*) [10.47 a.m.]: I do not often differ from the hon. member sitting on my left, but I entirely disagree with his suggestion that the debate on the Address in Reply should be cut out altogether. What would have been the position already during this session if that suggestion had been carried out? In that event neither hon. members nor the public outside would have had any information in regard to the communistic ideas so prevalent on the other side, and which have been stated in such a marked manner by certain hon. members. Many hon. members on the other side are among the most extreme section that has ever come to this House; and, if the debate on the Address in Reply had been cut out, they would not have an opportunity of voicing their opinions. Apparently some hon. members do not like this criticism; but it is true nevertheless; and it would be a calamity if the suggestion to cut out the debate on the Address in Reply was carried into effect. We have had exposed to us the fact that a number of hon. members on the other side are fast trying to get us into the position of Russia.

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.48 a.m.]: It is not the intention of the Standing Orders Committee to limit the debate on the Address in Reply to less than four days, the time now provided for in the Standing Order. It is fully intended in this amendment of the Standing Orders to give the House power, without unnecessary delay or cumbersome process, to extend the period of time beyond four days. It is true, however, as the hon. member for Logan points out, that the amended Standing Order could be construed to mean a curtailment as well as an extension of time. The point that the hon. member makes is one that could be

reasonably argued. I take it, however, that that is not the intention of the Standing Orders Committee.

Mr. MOORE: I do not think it is.

The PREMIER: I do not think it is the intention; and in order to make it absolutely certain, I suggest that the amendment be altered to read "unless the House otherwise determines, by motion, to extend the period." Something of that kind would meet the case.

Mr. R. M. KING: That would meet the position.

The PREMIER: I do not agree with the hon. member for Murilla that it would be desirable to curtail the debate on the Address in Reply. He argued, of course, as the result of his experience, that much of the debate on the Address in Reply is without value from the point of view of the interests of the State. That, however, is a matter of opinion. The deliberative nature of this Parliament should not be lost sight of in the preparation of the Standing Orders. If you curtail the debate on the Address in Reply and also in Committee of Supply and on the Financial Statement, private members will have little or no opportunity of stating their case. Except on private member's day Government business takes precedence over all other business; and, as a consequence, private members would be denied any opportunity of giving their ideas of reform to the House.

GOVERNMENT MEMBERS: Hear, hear!

The PREMIER: I am not prepared to take the view that members like to be curtailed in that way, and, as a consequence, the Address in Reply should be continued. The forms of procedure in the House are the result of very wide experience extending over many years; and any proposal to curtail the rights of members should be viewed very closely, and no curtailment should be agreed to unless a very excellent case can be shown. If the hon. member for Logan agrees to move the amendment I suggested I am quite agreeable.

Mr. R. M. KING (*Logan*) [10.52 a.m.]: I would like to move it, but do not want to forestall the hon. member for Ipswich.

Mr. GLEDSON: I have no objection.

Mr. R. M. KING (*Logan*): I beg to move the following amendment:—

"On line 2, after the word—  
'motion'

insert the words—

'to extend the period.'

Amendment (*Mr. R. M. King*) agreed to.

Amendment (*Mr. W. Forgan Smith*), as amended, agreed to.

Standing Order No. 109—"Time Limit of Speeches"—

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.54 a.m.]: I beg to move the following amendment:—

"Omit the last paragraph, reading—

'This shall not apply to a Minister delivering the Financial Statement, or to any member debating the same. Members debating the Financial Statement may speak for one hour, but not more than once. A reply, however, shall be allowed to the Minister who has delivered such Statement, such reply not to exceed half an hour.'

*Hon. W. Forgan Smith.]*

and insert, in lieu thereof, the following paragraph:—

‘No time limit shall apply to the Treasurer or his deputy when delivering the Financial Statement. Members debating the same may speak for one hour, but not more than once. The Leader of the Opposition (or his deputy) debating the same shall be allowed one hour and a-half. A reply shall be allowed to the Minister who has delivered the Financial Statement (or his deputy), such reply not to exceed one hour and a-half.’”

That is done apparently by the Standing Orders Committee to remove a difficulty that has been felt for some time. There has never been any doubt about the right of the House to extend the period of time for any member to finish his speech; but it was ruled in the last Parliament that the Committee, when dealing with the Financial Statement, had not the power or authority to grant an extension of time. A Financial Statement is always a very important document, and the Leader of the Opposition should have ample time at his disposal to deal with it. It has always appeared to me to be absurd that on a Bill containing perhaps only one principle about which there is no wide difference of opinion at all the Leader of the Opposition can debate the second reading of the Bill for an hour and a-half, but he is limited to one hour when speaking on the Financial Statement. That is wrong, and this amendment proposes to remedy that wrong.

With regard to the Treasurer speaking in reply, he naturally requires time to cover the ground dealt with in the debate, and previously there was no limit at all. This makes it quite clear about the time he shall be allowed.

Amendment (*Mr. Smith*) agreed to.

Standing Order No. 113—“*Reply, when allowed*”—

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.55 a.m.]: I beg to move the following amendment:—

“On line 11, after the word—  
‘reply’

insert the words—  
‘limited to forty minutes.’”

This amendment deals with the position of a member who has moved a motion or an Order of the Day, and determines what period of time shall be allowed for his reply. The existing Standing Order is somewhat obscure, and the amendment defines the position.

Amendment agreed to.

Standing Order 142—“*Motion may be made ‘That question be now put.’*”—

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.56 a.m.]: I beg to move the following amendment:—

“On line 10, omit the word—  
‘thirty’

and insert the words—  
‘twenty-five.’”

This amendment is consequential on the reduction of members from seventy-two to sixty-two. Obviously some reduction in the number required to apply the closure was necessary.

Amendment agreed to.

[*Hon. W. Forgan Smith.*

New Standing Order No. 240A—“*Introductory Motion on Bills*”—

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [10.57 a.m.]: I beg to move the insertion of the following new Standing Order, to follow Standing Order No. 240:—

“The preliminary motion for the House to resolve itself into Committee on a future day to consider of the desirableness of introducing a Bill shall be put without amendment or debate.”

This also has been the subject of controversy for many years. Under the existing Standing Orders a Bill goes through certain stages. I have always taken the view that each of those stages is subject to debate. It will be noticed that at the opening of business Mr. Speaker proceeds to discover the formal business. If a motion is to be regarded as formal on which no debate is to be allowed, why should Mr. Speaker ask whether it is formal or not? I hold that, if any member of the House called “Not formal,” the House would have the right to debate that motion. If that right is denied, the whole procedure as set out in the Standing Orders is misapplied. Obviously in practice, however, debate on such a motion as that mentioned in the new Standing Order is unnecessary at that stage, having regard to the proper conduct of business; and indeed it has not been allowed for a number of years. This amendment gives the House the opportunity of saying definitely that at that stage of the introduction of a Bill there shall be no debate. It is in accordance with the rulings of the last two Speakers, and, in fact, introduced into the Standing Orders what those Speakers thought was fair.

Amendment agreed to.

Standing Order 245—“*Amendments*”—

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [11 a.m.]: I beg to move the following amendment:—

“On line 5, after the word—  
‘rejected,’

add the words—

‘A Bill so withdrawn or rejected may be reintroduced in the same session.’”

A Bill might reach the second reading stage and the House disapproved of certain principles contained in the measure, or the measure may not be sufficiently wide in its scope. For these and perhaps other reasons the Bill may be rejected. Under the present Standing Orders a Government would not have the opportunity of reintroducing a Bill dealing with the same subject during the session in which it had been rejected. It is now proposed to amend the relevant Standing Order, giving the Government the right to reintroduce the Bill during the same session.

Amendment agreed to.

The House resumed.

The CHAIRMAN reported that the Committee had agreed to certain amendments in the Standing Orders, and to a new Standing Order.

The PREMIER (Hon. W. Forgan Smith, *Mackay*): I beg to move—

“That the amendments in the Standing Orders and the new Standing Order be presented to His Excellency the Governor, by Mr. Speaker, for the Royal Assent.”

Question put and passed.

## SUPPLY.

VOTE ON ACCOUNT—£3,000,000.

MESSAGE FROM THE GOVERNOR.

Mr. SPEAKER announced the receipt from His Excellency the Governor of a message recommending that the following provision be made on account of the services of the year ending 30th June, 1935:—

From the Consolidated Revenue Fund of Queensland (exclusive of the moneys standing to the credit of the Loan Fund Account) the sum of £1,600,000;

From the Trust and Special Funds the sum of £800,000; and

From the moneys standing to the credit of the Loan Fund Account the sum of £600,000.

## COMMITTEE.

(Mr. Hanson, Buranda, in the chair.)

The TREASURER (Hon. W. Forgan Smith, Mackay) [11.5 a.m.]: I beg to move—

“That there be granted to His Majesty, on account, for the service of the year 1932-35, a further sum not exceeding £3,000,000 towards defraying the expenses of the various departments and services of the State.”

This is the usual Supply Bill that is introduced at the beginning of each session of Parliament.

The Leader of the Opposition naturally desires information in regard to certain financial aspects of the administration of this State. The amount provided for in this Bill is to be defrayed from the various public accounts, and is chiefly for the carrying on of the public service, thus enabling the departments to carry on the various services they give.

At an earlier stage the hon. gentleman asked for information regarding what is known as the Winter Relief Loan. I propose to give that information. The Winter Relief Loan of £620,000 was arranged by himself while he was Premier. It was Queensland's share of the £3,600,000 loan raised by the Loan Council, and half of the amount is to be a liability of the Commonwealth, and the other half is to be a liability of the States. Employment councils were established under the scheme, and it was their duty to consider applications for allocations under the loan, and, without the approval of these councils, no advances could be granted from this vote. On the Unemployment Council functioning in this State the Commonwealth Government have two representatives nominated by themselves. The State Government have also representatives, while the agricultural and commercial interests are also represented. A State Minister is chairman of the council. I want to take this opportunity of paying a tribute to that council for the work that has been done. The council has done its work in an excellent manner, and has indicated a desire to engage in activities which will give normal employment to the people and at the same time will add to the productivity of the State.

Mr. MAHER: Is the council still functioning?

The TREASURER: Yes.

Mr. MAHER: It has been stated that it has ceased to function.

The TREASURER: The council is only called together when there are proposals to be dealt with. Practically the whole of the £620,000 has already been allocated. The council has not been dissolved, and will not be dissolved until the whole of Queensland's share of the Winter Relief Loan has been dealt with.

Mr. SIZER: Has the council been ignored?

The TREASURER: How?

Mr. SIZER: By not being allowed to function.

The TREASURER: Who has suggested that it has been ignored?

Mr. MAHER: The hon. member for Kurilpa made a very definite statement.

The TREASURER: The hon. member misconstrued his remarks. I am quite prepared to give all the necessary information to the Committee, but I cannot answer a number of questions fired at me at the same time.

Unfortunately, after the April conference, at which this arrangement was made, certain new conditions were attached to the loan, which to some extent vitiated the arrangement made at the Premiers' Conference. The Commonwealth Government introduced a Bill providing that local authorities might borrow money under certain conditions from the Commonwealth Savings Bank. The then Government of the day in Queensland—the Moore Government—protested against the new conditions stipulated in that Bill, and their protest is one with which I entirely agree. There was a liability of 5 per cent., with a contingent liability of 6 per cent. at a certain period. Obviously no State Government could allow a local authority to borrow at that rate of interest. It would be bad business to do so, because the efforts of all Governments are in the direction of reducing, rather than increasing, the interest rate. The passage of the Commonwealth Bill has meant that no State, so far as I know, has been able to operate the Winter Relief Loan through the local authorities. The ex-Treasurer made an advance to the Brisbane City Council, anticipating that it would be a charge on the £620,000 under the winter relief scheme. The State Employment Council gave approval to that advance. Unfortunately, the passage of the Commonwealth Bill placed the grant of that money outside the scope of the State Employment Council, because the terms and conditions that were attached to the Brisbane City Council loan were not in consonance with the new conditions imposed by the Commonwealth Government under the Bill to which I have referred. Although a great deal of correspondence took place between the then Treasurer of Queensland and the Commonwealth Government, no finality was reached; and the position now is that the loan granted to the Brisbane City Council is part of the ordinary loan granted by the State to a local authority, the State having agreed to carry out the conditions on which the loan was previously offered. That is definitely the position so far as that loan is concerned.

Mr. SIZER: Didn't you pick up the negotiations where we left off?

The TREASURER: Yes.

Mr. SIZER: Where did they finally get to?

*Hon. W. Forgan Smith.]*

The TREASURER: At the last Premiers' Conference considerable debate took place as to the exact meaning of various items in the report of the previous conference; and the Commonwealth Government agreed to reconsider the representations of the various State Governments, and to advise at a subsequent conference what was proposed to be done.

Mr. MOORE: Did that 6 per cent. only apply to local authorities?

The TREASURER: Yes. There is no variation in the agreement made by the Moore Government in regard to any other allocation, but apparently the idea behind the Bill, as explained by Mr. Lyons, was to encourage local authorities to carry on their borrowing through the Commonwealth Savings Bank.

Mr. SIZER: It was just the reverse policy to that laid down when the scheme was initiated.

The TREASURER: Yes; it was a most extraordinary position. The departmental file of papers contains a telegram to the Commonwealth Prime Minister from the hon. member for Logan when he was Acting Premier, the terms of which I entirely agree with. Undoubtedly, a complete change of policy took place after the conference dispersed. The Victorian Government proposed to utilise their share of the funds available through the local authorities; but I am led to believe that they cannot use them in that way under the altered conditions. I do not know to what extent their negotiations with the Commonwealth have proceeded, but I know from statements made at the recent conference, and from information obtained from the Premier of Victoria, that the action of the Commonwealth Government has placed Victoria in a most invidious and difficult position. In any case, we are not in a position to grant money to local authorities from the Winter Relief Loan, for the reasons I have stated.

Mr. MOORE: You say the whole of the £620,000 has been allocated?

The TREASURER: Pretty well. With regard to the £940,000, it was agreed at the conference that £15,000,000 would be raised for the purpose of carrying out a three-year programme of works of value to the various States. The Government have worked on the basis of making the first quarter of that amount available—that is, the quarter for the first three months—and various works have been approved of under the scheme. It is proposed later on in the session to introduce a Bill establishing a bureau of industry which will discharge the functions of the State Employment Council and of the Bureau of Economics, and be a permanent statutory body whose duty it will be to deal with propositions of national importance where expenditure of loan money is concerned, and where matters in regard to effective employment are concerned.

Mr. GODFREY MORGAN: Have you yet received any of the £620,000 from the Commonwealth?

The TREASURER: We do not need it at present, but it is at call when we need it. With regard to the amount of money that was left, I can give that information, too, if hon. members desire it; but those who understand the methods of financing the State realise that periodically there are repayments made to the Crown by various

borrowers. There are repayments to the Loan Fund from local authorities, repayments to the State Advances Corporation, of the moneys we obtain under the Savings Bank agreement made with the Commonwealth Government some years ago, and moneys obtained from the State Insurance Commissioner.

Mr. SIZER: That is just the position you would not understand when you were in Opposition.

The TREASURER: I was never in any doubt about the position. There is no condition attached with regard to the £940,000 loan; but it is understood that the money shall be used in a manner that will give the maximum of employment, and that the work, when completed, will be of value to the State. So as far as possible the money will be spent on reproductive works.

Mr. MOORE (*Aubigny*) [11.18 a.m.]: First of all, I would like to congratulate you, Mr. Hanson, on your election to the position of Chairman of Committees of this House. You had a certain amount of experience in the chair while in opposition; and I trust that, while you occupy that position, you will see that both sides are given a fair and impartial opportunity to discuss any matters that come before Parliament. I recognise that there are times when the atmosphere becomes heated; but we shall look to you, Mr. Hanson, to preserve the rights of the Opposition, and see that the fullest discussion is allowed on all matters. I feel satisfied, from the manner in which you carried out the duties while acting as Temporary Chairman, that during your occupancy of the chair you will endeavour to be impartial; and I trust that the position will be such as we would like it to be, and that the Chairman of Committees will give both sides a fair deal.

With regard to this appropriation, I am not altogether quite clear even now about the position. In answer to a question asked the other day by the hon. member for Sandgate, the Treasurer stated—

“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.”

There were no false premises about that £600,000. That amount was adopted on a population basis at a conference which we attended; but there did arise afterwards an alteration of the terms and conditions; and it seems to be rather doubtful as to what those terms and conditions were, and whether the State will be able to avail itself of the opportunity to secure the amount of money allocated, and in regard to which the Federal Government were going to accept the responsibility for half the amount. Negotiations were in progress with the Brisbane City Council and other councils with regard to the allocation of this money. The Committee should be given the actual facts of the position so that we may know how we stand with regard to it. We are not clear about it. Either the reply which the Treasurer gave the hon. member for Sandgate was not an attempt to be facetious and to cloud the issue, or else there is something behind it that we do not know anything about.

[*Hon. W. Forgan Smith.*]

Again further on, in answer to another question, the Treasurer said—

“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.”

It was stated by Mr. Lyons on 23rd June, after the conference had adjourned to Sydney—

“In order that the public should have the fullest confidence in the character of the unemployment relief programme that it was proposed to undertake, it was decided that a special committee for each State should be established to investigate and report upon all projects to be undertaken in connection with that programme. These committees will be so constituted as to include, in addition to the official representatives, men chosen from various walks of life in the community. While these committees will be small in number, they will be of as representative a character as possible. Apart from the salaried officers of the several Governments who will be associated with the committees, it is proposed that the work shall be undertaken on an honorary basis. The public can rest assured that it is the intention of each State Government to conduct these committees of investigation without incurring more than nominal charges on the public funds. Each State Government will be free to adopt whatever procedure it deems best in the interests of its own State, and each State, subject to the limits of the finance mutually arranged, will develop its own policy. So as to achieve the best results in the common objective, it is proposed to set up a clearing house for the collection and dissemination of information as to the methods adopted by each State to deal with unemployment relief. This also will be done without involving additional expense. It is hoped that in this way it will be found possible to select from the general pool of information those methods best calculated to give the most satisfactory results. It should be pointed out that the relief expenditure contemplated will be in addition to, and not in place of, the normal works programme, which is estimated to be a net £6,000,000 for the year 1932-33. The special relief works programme to be financed is £7,000,000.”

The Federal Prime Minister definitely stated that a committee consisting of Government officials only was to be appointed in each State.

The TREASURER: You are quoting a statement made at Canberra. The final arrangements were made at the Sydney conference.

Mr. MOORE: This statement was issued in July after the Sydney conference—a considerable time after. No committee has yet been appointed in this State.

The TREASURER: We are appointing a bureau of industry, which is the basis of the principle referred to.

Mr. MOORE: The basis of the principle set out in this statement was that the members of the committee were not to be Government or paid officials but people in

other walks of life who were interested in the unemployment problem, in order to give confidence to the people that the money being contributed by the Commonwealth Bank was going to be expended in proper directions. On every other occasion there has been a statement in the press while the conference was sitting or at its termination as to what the allocation of loan expenditure for Queensland would be, but this time there was no such publication.

The TREASURER: Oh, yes, there was.

Mr. MOORE: There was a publication of the amount of the allocation of the £6,000,000 which was being distributed by the Commonwealth Bank; but, so far as I have been able to ascertain, there was no publication of the expenditure of loan funds agreed upon by the Premiers and Treasurers at the conference. That is rather important.

The TREASURER: Queensland's allocation for the year is £1,610,000.

Mr. MOORE: I am glad to get that information, because it will be of great assistance to us later when summing up the position and determining the possibility or probability of keeping within the promised reduction, which the hon. gentleman said his party were going to carry out in accordance with the plan.

I would also like to know whether, in the expenditure of money on this relief work, the principle of preference to unionists is to be insisted upon, because it seems quite wrong that such a principle should be applied in the expenditure of loan money which is being paid for by a special sinking fund contributed from the unemployment relief tax, which is imposed on everybody. Mr. Lyons said that a special sinking fund would be established. His remarks were to the following effect:—

“Special sinking fund provision is contemplated in connection with these loans, and the special taxation raised to meet the unemployment conditions will be applied to this purpose. It is believed that by spending the money in the manner indicated the burden upon the relief funds of the various States will be materially lightened; that it will be possible to pay a heavy sinking fund on unemployment relief loan expenditure, as well as meeting the interest, and yet make a very material saving in unemployment expenditure which is now used almost entirely in dole payments of various kinds, with no permanent benefit either to those receiving the dole or to the country at large.”

Evidently, therefore, there is to be such a sinking fund. It was stated in the press that the loan was to be liquidated in ten years, although I do not know whether that was finally adopted. In any case, the sinking fund contributions come from the unemployment relief tax, which is a charge on practically everybody in the community. I have seen suggestions put forward by various organisations that there should be preference to unionists on the work carried out by local authorities and the Main Roads Commission from this fund, and under such circumstances the result would be that people would be contributing something of which only a special section of the community would be able to take advantage. It is unfair to inquire whether a man is a unionist or not.

*Mr. Moore.]*

If he is out of work he is entitled to a certain amount of work. The money expended from the fund should not become an organising factor for any union. In a question such as this, if a man finds himself in such a position that he requires employment, or assistance from the fund, then he should get what he is entitled to.

The TREASURER: We are taking workers from the Labour Bureaux according to the period of time they have been registered.

Mr. MOORE: That is all right, so far as it goes. It may be quite so now, but I have recollections that under the previous administration of the Labour Party, men had to become unionists before they were able to get work. I know that men who were employed at the Exhibition grounds had to pay up their union fees before they were allowed to get work at all, and not merely their fees for the year in which they were to be employed, but also for the previous year, if they had been members of the organisation then, although they were getting quite a meagre allowance. The principle is totally wrong in the expenditure of Government funds contributed by the whole community. If a union is strong enough to secure preference in work outside Government activities, that is another thing; but in Government employment the only thing that should count is merit and capacity to do the work. The whole of the people are responsible for the contributions to the fund in question, and its expenditure should be based only on the necessitous conditions of the workers and the time they have been unemployed.

The Government have decided that the provision of public utilities shall be undertaken only by local authorities, and that private enterprise shall not be allowed to embark in this direction. The action of the Government in this matter has deprived the people in country districts of the convenience of public utilities. In many small country towns a butter factory or a sawmill is willing to supply electric energy to the town. These small industrial units have the necessary plant in operation at the present time, whereas a local authority would be called upon to instal a new plant for the supply of electric energy. Two instances were brought before my notice recently where factories were in a position to supply the necessary electric current to country towns, but were denied the opportunity because of the direction of the Government that such undertakings must be carried out by local authorities. The local authorities are not in a position to provide these conveniences, and the people are thereby denied something that they would otherwise enjoy.

Mr. MAHER: The Government are restricting avenues of employment.

Mr. MOORE: A considerable amount of employment would be given in the erection of electric light poles and providing the necessary equipment for reticulation purposes. The factories concerned would not be in a position to charge an exorbitant price for the commodity, because the Government have the right to fix the maximum price by Order in Council. I say emphatically that it is wrong for the Government to insist that no one other than a local authority shall provide such a convenience. It is merely a fetish on the part of the Government. The people should be allowed to

enjoy the convenience provided the terms and conditions are reasonable, and these can be fixed by the Government by Order in Council.

Mr. O'KEEFE: They would all starve.

Mr. MOORE: They would not starve at all. In the City of Brisbane area the City Electric Light Company is able to supply electric energy at a price and to pay a dividend, but the Brisbane City Council, operating within the same area, has had to increase the price to the public. It is not a question of starving or of making a loss; it is a question of the ability to provide the convenience.

The SECRETARY FOR MINES: It is a question of a monopoly in respect of the franchise.

Mr. MOORE: To speak of a monopoly in a small country town is ridiculous.

The SECRETARY FOR MINES: I was referring to Brisbane.

Mr. MOORE: The late Government recognised that the people were entitled to this convenience, and allowed butter factories to provide the services where the engine and boiler capacity was adequate. The action of the present Government is having a detrimental effect on employment, and is throwing the onus of providing employment upon public bodies and upon the Government. It is our urgent duty in this country to encourage private enterprise as far as possible to provide employment. We should not seek to limit the opportunities for private enterprise to provide employment and to establish new industries. Rather should we encourage private enterprise in every possible way. Unfortunately, the Government have taken a contrary view, and have insisted that the work to which I have referred shall be undertaken only by the Government or by a local authority, no doubt with the intention of achieving nationalisation as quickly as possible. They tried that policy over a considerable number of years, and got themselves into a most frightful mess.

Mr. O'KEEFE: This Government has started the Barron Falls hydro-electric scheme, which will provide that convenience.

Mr. MOORE: That is a totally different thing. That scheme will provide electric energy over a wide area; but I am referring to small country towns where the people have not the necessary capacity to carry out those works. As a small section, they do not want to borrow a large amount of money in order to establish such conveniences in their areas. They want to secure them on the best possible terms and conditions. Under the conditions operating to-day they are limited; and the Government are taking work away by preventing men who are prepared to find the necessary capital from supplying this convenience. The Government will find that capital is limited enough without taking unto themselves the right to limit work of this nature to local authorities when it should be done by private enterprise.

Another matter that is of great importance is the reinstatement of a 44-hour working week. It is stated definitely in the Government's policy speech, and by hon. members opposite, that it is intended to restore the 44-hour week. The Treasurer has given a definite undertaking to the Loan Council

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that he will curtail his expenditure in order to reduce the deficit of £2,075,000 to £1,445,000. At the Premiers' Conference held in July, 1932, the Prime Minister, Mr. Lyons, asked the representatives of the States to reaffirm a certain undertaking given at a previous conference by passing the following resolution:—

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

The Premier and Treasurer of Queensland 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."

The resolution which was finally passed unanimously reads—

"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 budgets deficits, 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 Treasurer has made the statement that any agreement he made at the Premiers' Conference will be carried out. We have to recognise, just as the Treasurer recognised at that conference, that a falling income in this State was responsible for the deficit last year of £2,075,000. In my opinion, the statement of the Treasurer that his Government will reduce the deficit to £1,445,000 is but a rose-coloured view when we come to consider the drop in the income, and there is no question that to get it down to the figure mentioned will be a matter of considerable difficulty.

One thing which is going to increase the cost of government enormously is the re-introduction of a 44-hour working week. It is all right to talk about machinery, but it is in the ordinary work of government that the extra expense of the re-introduction of this principle is going to be felt. Take the work in the Railways Department, the police, and the asylums. Can the Government see what the extra cost of a 44-hour week is going to mean in this direction to them? If that extra cost is going to be added to the cost of government, then it will have to be borne by the people, and the people to-day, it is generally recognised, are taxed up to the limit of their capacity to pay. If it is a question of adding wilfully by legislative action to the cost of government in this country, then it does not seem to me that the Premier is carrying out the pledge he gave to the Premiers' Conference when it was decided progressively to reduce budgetary deficits until they reached a satisfactory position. That means to a point at which the income will cover the expenditure. That has to be done by the end of the financial year 1933-34. We know what the cost of the 44-hour week was before. It is not as though we were embarking upon an experiment without

previous experience. In response to a question asked in this Parliament, we were told that the introduction of the 44-hour week would cost £250,000 per annum extra in respect of the railways alone, and another £90,000 per annum so far as asylums, gaols, etc., were concerned. Furthermore, many of our industries will be seriously affected, such as the Mount Isa Company, various sugar-mills, etc. The change in the working week will make all the difference between profit and loss; yet the action is being deliberately taken by the Government in face of a definite pledge that budget equilibrium will be restored by 30th June, 1934.

It is proposed also as a part of the policy of the present Government to enforce preference to unionists, which means that individuals will have to sacrifice their opinions and their money in order to become members of unions before they will be given the ordinary right to secure unemployment relief work to the cost of which they have already contributed. In the face of all these facts, it seems to me that we are going to increase expenditure rather than decrease it; and we know how difficult it will be ordinarily to redeem the promise which the Treasurer made at the last Premiers' Conference. We seem to be proceeding on the same lines as the late New South Wales Government did, when they over-anticipated their receipts from taxation, and came along later and said, "We cannot pay." In Queensland all the action which has been taken by the present Government to date will have the effect of increasing governmental expenditure. Instead of reaching budget equilibrium, to which the Premier has pledged himself, we are proceeding in the opposite direction. More information should be given hon. members as to the position. So far contradictory replies have been given to questions asked by hon. members on this side of the Committee. The Commonwealth Prime Minister made a definite statement as to the employment council that would be established; but now we have the Queensland Treasurer saying that he will not proceed on those lines, but will establish a bureau of industry.

The position is most unsatisfactory. We are entitled to know what this money will be expended upon, and under what terms and conditions it will be made available. The Prime Minister has stated definitely that a special sinking fund will be established in connection with this unemployment relief loan. More information should be given us as to how contributions will be made to that sinking fund from the unemployment relief tax which is now imposed. As a matter of fact, the funds will be severely taxed to keep going the various intermittent relief works throughout the State, irrespective of the promises made by members of the Government when they were on the hustings that, after their election to office, there would be no occasion for intermittent relief work, as everybody would have a job. Undoubtedly an extra charge is being put on the community, and that is likely to be retained for a definite period.

The bell indicated that the hon. member had exhausted the time allowed him under the Standing Orders.

Mr. SIZER (*Sandgate*) [11.44 a.m.]: I desire to offer my congratulations to you, Mr. Hanson, on your election to the important office of Chairman of Committees. I

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feel confident that you will discharge your duties with satisfaction to all hon. members.

I desire also to congratulate the Treasurer on the introduction of his first Appropriation Bill, because the hon. gentleman is surrounded with great difficulties. It must be awkward for his back-benchers to know on this occasion that the Premiers' Plan is still intact—that it has not been altered one whit, and that is not proposed to alter it one whit. The Treasurer spoke for a considerable time on the £940,000 that he received from the Premiers' Conference. That amount could not have been received by Queensland unless the Treasurer had first agreed to the Premiers' Plan. I compliment the members of the conference on successfully playing up to the vanity of the hon. gentleman on the first day, only to swallow him on the second day. Hon. members of the Government know perfectly well, despite what they may say, that the 1s. reduction in connection with the allowance for State children is still existent. The reduction in the unemployment insurance fund payments will still be there after this Appropriation Bill is passed, and, although the steps taken by the Moore Government, in agreement with the rest of Australia, were necessary to bring Australia back to equilibrium, we were loudly condemned by hon. members opposite for our action. A lot of crocodile tears were shed over the reduction of the allowance for State children. If hon. members opposite were sincere then, can one imagine that they would have allowed that state of affairs to continue for two months before abolishing that iniquitous thing?

Mr. BEDFORD interjected.

Mr. SIZER: The hon. member should not interject. I know he was disappointed.

Mr. BEDFORD: Not so disappointed as you were. You had to wait three weeks to frame your plebiscite.

Mr. SIZER: I am sorry for the disappointment of the hon. member for Warrego. According to him, he is the one man who could solve the world's financial troubles, and not those of Queensland alone.

All those economies that were introduced by the Moore Government are still in operation. The Government have taken advantage of every one of them. If they were sincere in their policy or their advocacy, they would have done the same as they did in regard to the cattlemen—they would have reversed that policy immediately. They were not long in issuing an Order in Council dealing with preference to unionists; but they are a long time taking off the economies instituted by the Moore Government. They want them all. The railwaymen are still rationed, and in some cases to a greater extent than they were previously. Although hon. members opposite condemned the Premiers' Plan and stated that it caused deflation and starvation, they are still taking advantage of it.

The next point I wish to deal with is the very unsatisfactory answer which the Leader of the Government gave me in reply to a question in regard to the £620,000. I object to his answer because it was not a statement of fact. He stated that I was £600,000 out. To-day he gave the whole story.

The TREASURER: The total Commonwealth vote was £3,600,000.

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Mr. SIZER: That is not correct. The vote was for £3,000,000, and Queensland's share was £620,000. The late Premier of this State fought Queensland's battle. We objected strongly to the terms of the loan, and maintained that the final conditions should be left to the State Employment Council, which was the original arrangement, but the Commonwealth Government attempted to introduce a system whereby the Commonwealth Bank Board would have the final say. I want to know from the Treasurer whether the Bank Board has waived or varied the condition which was imposed that it should be the final arbiter as to the allocation of these funds. That is information we badly need, because this Government objected to the variation of the rate of 6 per cent. and the roundabout method that was being pursued. The spirit of the Premiers' Conference which I attended was quite definite that these funds should be used for reproductive works, and that the money would only be advanced monthly in accordance with the approval of the various employment councils. I want to know whether the position is the same now. Apparently from the information we have had this morning regarding the £620,000—part of which we had brought to the definite stage of allocating it, and a further large proportion of which has since been finally allocated—the position seems to be that the money is like Mahomet's coffin—suspended between earth and heaven. If the Premier has agreed to adhere to the original proposal, we want to know what the allocations have been. In South Australia they have spent a considerable amount of the money granted; but I agree that it should not be spent through local authorities, which should be the last bodies to spend it, provided we can find other avenues.

It is very essential for the Treasurer to make some reassuring statement to the public of his financial policy while we are discussing this Appropriation Bill. In the one breath he is appealing to people to spend more, while his actions and his replies to questions asking for information give the definite impression that heavy taxation is coming. If heavy taxation is coming, his appeal to the people to spend more is going to fall flat. I quite understand that he cannot give us details. We do not expect that, but we want some definite information.

The TREASURER: The whole tenor of your speech is to prevent people from opening up.

Mr. SIZER: I want to know the facts. The Treasurer has agreed to come down to a deficit of £1,445,000. Judged by what he says, he is heading for a deficit of £2,700,000, or it may be £3,000,000, in the present financial year.

The TREASURER: No; I said that on the Estimates as prepared at the end of June the estimated deficit then was £2,750,000. No Government who have any idea of their responsibilities can bring in a Budget based on that deficit.

Mr. SIZER: And you have agreed to come down to £1,445,000.

The TREASURER: You are wrong in your figures.

Mr. SIZER: The fact remains that there is a gap of over £1,250,000, and the Treasurer says he will not reduce expenditure. Where is the money to come from? It can

only come from taxation. The Treasurer says he will not reduce expenditure; so there is a gap of over £1,250,000 to be bridged. If he will not reduce expenditure, where can it come from other than from taxation? That is what the public want to know; and until they know it his appeals to them to spend money are going to fall flat. It would help the community very considerably if the hon. gentleman would give an assurance that he is not going to tax further.

Furthermore, I say definitely that the increase which the Government have made in the unemployment relief tax will not cover their expenditure. I do not think I am far wrong when I say that they will not realise the amount they estimated from the tax—nearly £1,500,000. It will be considerably less; but, if they do realise that amount, they are spending at the rate of £1,800,000 a year; so there is a considerable gap in that direction. It looks as if the Government will in all probability be making a further increase in taxation; and in that connection I would like to know from the Treasurer if the Government have given any consideration to the amendment which members of their party moved last year on the Income (Unemployment Relief) Tax Act Amendment Bill and to their remarks on that occasion. On page 1010 of "Hansard" for that year will be found the amendment moved by the hon. member for Mundingburra in Committee of Ways and Means, in which that Act was initiated. It provided for the insertion of the following proviso:—

"Provided also that no tax shall be payable by any person who does not receive in the whole £2 per week."

On that the present Leader of the Government, then Leader of the Opposition, said—

"The object of the amendment is to make it clear that on and after the passing of this law an income of £2 per week, or £104 per annum, shall be exempt from this form of taxation."

Then he went on to say—

"Surely one cannot argue in favour of taxing a person whose income falls below £2 per week . . ."

In view of the increase in the relief tax to 1s. in the £1, do hon. members opposite propose to give the force of law to the opinions they expressed when they were on this side? That is a very pertinent question. They have succeeded in establishing what they call "a graduated scale," which, however, is causing enormous anomalies. For instance, they have exempted casual gardeners, so that a casual gardener earning £100 a year or even £200 a year pays no tax. On the other hand, a casual carpenter, a painter, a bricklayer, or a wharf labourer who earns only £50 a year, or even only £20, pays the tax. A wharf labourer can earn £2 on a shift but not more than £50 in a year. Yet he will pay the tax at the rate of 1s. in the £1. After the amendment I have quoted and all the advocacy of hon. members opposite that no taxation should be imposed on persons earning less than £2 a week, what do they propose to do now that they have the power? How responsibility changes them from mere irresponsibility!

The TREASURER: You are displaying a masterly example of responsibility descending to irresponsibility.

Mr. SIZER: When the hon. gentleman was on this side nobody filled more pages of "Hansard" than he with expressions of the kind I have quoted. Nobody got warmer on the subject than he. His words read like a fairy story. I remember watching him stand here and wax eloquent on the question till we on that side were fanned with the force of his breath. He was not going to subscribe to the Premiers' Plan. He was going to defy the powers that be. Yet on the very first day of the Premiers' Conference he had to eat his words; and the time will yet come when he will have to go further. He will have to reduce expenditure, irrespective of what he says, although the Premiers' Plan is coming to fruition and he will reap many of the benefits accruing from it.

I should like to know the actual amount that it is anticipated will be expended on relief work. We well remember the cry of the present Government when in opposition about the single man. The Moore Government provided single men with two days' work every quarter; and I make no apology for saying that that was the most the Government could finance. At least we can claim to have made the scheme universal in its application, and that it did apply to all unemployed persons; but the present Government have so tinkered with the scheme and hedged it round with difficulties that many people who previously obtained the benefits under this scheme cannot now avail themselves of it. The Government should not make flesh of one and fowl of another. The only qualification entitling a single man to work should be that he is unemployed, and his eligibility for work should not be based on the family income. The single man is a separate economic unit; but the Government propose to deprive him of his economic independence, and thereby deprive him of any benefit to which he is entitled under the relief scheme. I say definitely that the Government cannot afford to do the things they propose to do. If there is to be a scheme, then it should apply to everybody. The late Government refrained from introducing any scheme that did not apply to everybody, because that would not have been fair. Do the present Government intend to adhere to the present exemption of £104 per annum in connection with the payment of relief tax; and do they still propose to criticise the Moore Government for having economised, whilst at the same time continuing those economies themselves? That would not be fair. The present Government must either admit that the Moore Government possessed greater wisdom, or that the economies effected by that Government were wrong. They must either say that they are going to continue those economies, or that they were all wrong and will be withdrawn. There can be no alternative.

The statement by the Premier that there will be no further reductions is doing much harm in the community. He has stated that a deficit of £1,250,000 must be bridged, and the people are anxious to know just how it is to be bridged. The people are insisting that they shall be told the financial policy that is to be pursued during the next few months. If there are to be no further reductions, then the gap can be bridged only by additional revenue; but, on the present basis of taxation, it cannot be hoped.

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that revenue will be increased by the imposition of additional taxes. I sincerely hope that the information will be available before the close of the day.

Mr. KENNY (*Cook*) [12.5 p.m.]: I desire to congratulate you, Mr. Hanson, upon your elevation to the position of Chairman of Committees; and I also desire to congratulate the Premier and his Government upon their accession to office.

I looked forward to the debate on the Appropriation Bill in the hope of obtaining some indication from the Premier of the financial policy of the Government; but his speech lacked the information so urgently required by this Committee and so urgently required by the people. We know that the Government are fresh from an election campaign. We know that they condemned the Government of the day, whose place they took on the Treasury benches, because of the economies they effected in their attempt to balance the Budget. They also condemned the late Government Party for their adherence to the Premiers' Plan. When the Premier spoke, I looked for further information from him on this point, but he failed to furnish such information. It has been very difficult for members of this party to get information from the Government.

Mr. FOLEY: You assisted to formulate the plan.

Mr. KENNY: The Government of which the hon. member is a supporter are carrying out the plan.

Mr. SIZER: With all its reductions.

Mr. KENNY: I shall deal with some of those reductions as I proceed with my remarks.

The Leader of the Government had a lot to say after his election, with the object of endeavouring to shuffle out of statements made by him during the election campaign. He realised when he attained to the leadership of the Government the weight of the responsibilities placed on his shoulders and the duty he had to perform. He now finds it very difficult, not only to escape from the statements made by himself during the recent election, but to circumvent the statements made by members of his own party when on the hustings. I was pleased to see that the Treasurer realised his responsibilities in the matter of his allotment of portfolios. When spoken to by the press in this regard, he made the following statement:—

"What do you think about it? I led all the financial debates, did I not? Without being egotistical, I do not see anyone else about. It is essential that the Premier should sit on the treasury chest."

If proof were required that any man realised his responsibilities, does that statement not show that the Treasurer realised his responsibilities at that time? I sympathise with the hon. gentleman, especially when he looks around the Treasury benches and sees from the lack of ability there that he is the only man fit to take the portfolio of Treasurer. I am very disappointed from one angle that the Deputy Leader of the Government, the hon. member for Herbert, was not allotted the Treasury portfolio. I have very vivid recollections of the attacks made upon me during the election campaign in the Cook electorate by the Deputy Premier. He told my electors that, when his party was returned

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as the Government, he was going to be Treasurer, and that he would see that money was available to develop the Cook electorate. I am very sorry from that angle that the Deputy Leader of the Government has not been allotted that portfolio, because I would like to see money available to develop the Cook electorate.

The hon. gentleman was allotted the portfolio of Secretary for Public Lands; and one of his first acts was to alter the tenure of land settlement instituted by the previous Government, with the result that people who were selecting land in the Cooktown district under the freehold tenure system refuse to do so on a perpetual leasehold basis.

Mr. FOLEY: Rubbish!

Mr. KENNY: The hon. member who interjects is used to rubbish and mixing in it. I would ask him how it was that the trustees of the Trades Hall demanded a freehold tenure before they would build the Trades Hall on its present site?

The Premier has not given us any information to-day concerning the internal loan of £2,500,000 that he said he would raise in addition to any other loan money available through the Loan Council. He condemned the Premiers' Plan and the Loan Council, and said he would not carry out the Premiers' Plan, but would raise £2,500,000 within the State. We have no information to-day as to why his "Revival Loan" is not being proceeded with. On 26th May last the hon. gentleman had this to say at Bundaberg:—

"I am confident that the revival loan of £2,500,000 can be raised—that the money will be available, as I have information to this effect from the right quarter."

Perhaps the Treasurer will tell us the right quarter from which he received his information. Now, in order to get away from the definite promise which he made, he tells us that he has sufficient money without worrying about the £2,500,000. The fact remains that that promise, in conjunction with his definite promise to revise the Premiers' Plan, won the election for the Labour Party. The electors of Queensland were duped by the promises of hon. members opposite; and now we have the spectacle of those hon. members trying to explain away those promises.

For my own part, whilst I am a member of the Opposition, it is not my intention to condemn and criticise every proposal brought forward; I shall try to help the Government to carry out the promises which they so definitely made. At the same time, my mind goes back to the speech made by the present Treasurer on 22nd August, 1929, when he said this—

"I cannot conceive of anything more callous or more calculated to defile the public life of this State than the spectacle of a party playing upon the susceptibilities of the people in this fashion and then callously and cynically denying or evading their promises after they had obtained the votes."

Surely that statement is particularly appropriate to the hon. gentleman who leads the Government to-day! Is it any wonder that he gives no information as to the financial programme of the Government; and is it

any wonder that hon. members who form his party are trying to explain away the promises they made during the election campaign? The Treasurer is at pains to state that the "Revival Loan" of £2,500,000 is not needed, and that he revised the Premiers' Plan. My opinion is that the hon. gentleman got the policy with which he went to the country from the statement of the ex-Premier of Queensland, who, at page 15 of the report of the Premiers' Conference held in April of this year, said—

"The Queensland Government has already tackled the problem of unemployment in a practical way, and complete machinery is available to handle further constructive proposals along the lines suggested by the Prime Minister. It has already carried out many reproductive works, and has proposals to place before the conference whereby at least £2,500,000 could be profitably spent in Queensland on relieving unemployment and reviving industry."

There is the definite statement of the then Premier that he had a programme of works involving an expenditure of £2,500,000. We have the Premier to-day telling us that there is no need for the money. The unemployed are still with us, and those men are waiting for that promise to be fulfilled. We gave them a policy.

Mr. KEOGH: You gave them nothing.

Mr. KENNY: Hon. members opposite gave them words, and words only, like they did when they were in power before; they now say they do not require the money. Why? Because they know they cannot raise it. The hon. member for West Moreton says they asked for bread and were given a stone. I would give a little advice to those new members who have just entered the Chamber. They should never let themselves get excited, because it is bad for them. The Leader of the Government said, "I have revised the Premiers' Plan." What did this revision consist of? Only a few words. I shall read Mr. Lyons's resolution—

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

This is the amendment moved by the hon. gentleman who leads the Queensland Government to-day:—

"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."

Was not that the principle of the plan at all times? Will those words restore prosperity to this State? Will the addition of those words raise the world's price levels? Will the addition of those words enable us to compete on the markets of the world? Is it sufficient to say to the world, "Forgan has spoken" for every difficulty to be solved? Those words mean nothing at all. I shall quote from the report of the conference in April of this year to show hon. members that the Premier even got those words from that conference. As reported on page 1 of

the report of that conference, this is what Mr. Lyons had to say:—

"In the communication which I forwarded to the Premiers of all the States, I indicated that, in the view of the Commonwealth Government, it was desirable that the problem, so far as it can be resolved apart from a general improvement in world conditions, should be approached both from the angle of a long-distance programme having as its object the progressive reabsorption into employment of our people, and also from the angle of what steps could be taken to alleviate the immediate position."

So that we had the same words that the hon. member uttered—no difference at all—spoken in April last before the election campaign.

An OPPOSITION MEMBER: He must have copied it all.

Mr. KENNY: He copied it from that conference report. I hope the hon. gentleman will bear with me a little. It may be unpalatable to him, but the fact remains that it is part of his own policy. On page 8 of the same report, Mr. Lyons said this:—

"The Premiers' Plan contemplated the progressive reduction in deficits until the point of balanced budgets was achieved. Under the plan the deficit for 1931-32 was determined at a figure just short of £13,000,000. For reasons which I will not deal with an increase in this amount has taken place, and the probable deficit for the present year will be in the region of £18,000,000. While this is a very substantial reduction, brought about by the Premiers' Plan, from the figure of £41,000,000 which was estimated for the present year, it is a departure from the plan and a failure to give effect to what we set out to do. A further substantial reduction in the deficit must be brought about for the year 1932-33, or all the efforts that we have made and all the sacrifices that we have subjected ourselves to will be rendered vain. While at this conference it is impossible, owing to the tentative nature of the figures available, to deal with this question in detail, the Commonwealth Government considers it imperative that we should again affirm the principle of reducing the deficit year by year"—

Again the same words—

"until balanced budgets are achieved. I suggest that the maximum deficit for the year 1932-33 that can be contemplated is the amount of £12,000,000 referred to in the Committee's report, and every effort must be directed towards bringing it to a still lower figure."

There we have at that conference in April, when Mr. Moore was present as Leader of the Queensland Government, a proposal to bring the deficits of the Australian Governments down to £12,000,000. We had the Leader of the present Queensland Government stating that he was not going to carry out that plan, and we have him agreeing to a deficit of £9,000,000—not £12,000,000.

Mr. WATERS: What is worrying you?

Mr. KENNY: I represent 8,000 people. What is worrying me is as to whether the

*Mr. Kenny.]*

promise is going to be kept; and before six months have elapsed I can imagine a lot of worry on the part of hon. members opposite when the promises they gave to the electors are not fulfilled, or are not capable of being fulfilled.

At 12.20 p.m.,

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

Mr. KENNY: Looking through the statement as to how that deficit of £9,000,000 is to be made up, I find that Queensland has to reduce her deficit to £1,445,000. We have not been told by the Treasurer how that is to be done. He has not indicated any line of action contemplated by the Government. We know that the late Government were condemned by the same hon. gentleman because their deficit for 1931-32 was £2,075,000. Not only have the present Government to share in the burden of the £9,000,000 deficits shouldered by the different States, but they have to reduce the deficit of £2,075,000 to £1,445,000. Let me tell hon. members opposite who are young in politics that they will be very worried about their troubles six months hence. Let me point out that taxation fell in the State from £4,272,566 in 1930-31 to £3,100,103 in 1931-32. A fall last year in taxation alone of roughly £1,000,000! Then take the fall in revenue:—Total revenue, 1930-31, £15,172,652; 1931-32, £12,994,112. A fall of nearly £3,000,000 in the total revenue of the State! Yet hon. members opposite are to budget for a deficit of £1,445,000. I would like to know how they are going to do it, because the wealth production of Queensland is falling so fast that they are not going to collect anywhere near the same amount of taxation or revenue generally as was collected last year. The wealth production of Queensland in the peak year was £69,966,000, and in 1931 it had fallen to £54,435,000, whilst during the current financial year it will be less. The taxation on the people who are producing that wealth has reached the high ratio of 27½ per cent. of the 1930-31 production, or 5s. 6d. in the £1. Yet hon. members opposite are now forecasting further taxation! Is further taxation going to help us? Is it going to put more men into work? Further taxation is going to cripple industry, like the statement of hon. members on the back benches opposite that they are going to "deal with" the squatters, the exploiters, the parasites who are employing labour and developing industry! What we require to-day more than at any other time is most certainly not a Government with members behind it who advocate such measures. Confidence cannot be created by speeches such as those we have heard from the other side; nor can it be created by further taxation, because industry must be able to make profits.

Mr. WATERS: Do you believe in low wages?

Mr. KENNY: I believe in a decent wage for every man and woman who is working; but I believe that industry must be able to afford to pay that wage; and, if you attack industry, you attack the men whom you are aiming to help, because only when industry is profitable can men be absorbed in employment.

[*Mr. Kenny.*

The objective of any Labour Party should be the encouragement of private enterprise to develop the State—not the abolition of private ownership. The aim of the Leader of a Government, especially a Labour Government, ought to be to encourage industry to expand. If hon. members will do that and follow a policy of conciliation, if they will try to assist people who are employing labour, they will be helping the cause of employment. The Treasurer's cynical laugh gets him nowhere.

The TREASURER: I beg your pardon. I was not laughing. I was merely yawning.

Mr. KENNY: The hon. gentleman was yawning the other day when some of his back-benchers were speaking. He wished that he could go off and have a sleep and forget things. The hon. gentleman now has the opportunity to tell us what he is going to do to overcome these difficulties, and why he is carrying out the Premiers' Plan. Does he say he is not? Then let me refer him to a quotation from a speech of one of the railway leaders, Mr. O'Brien, at Gympie, yesterday—

"Mr. O'Brien trenchantly criticised Mr. Smith for 'being a tool in the hands of Mr. Lyons, who in turn was only a puppet used by Messrs. Bruce and Latham.' Arbitration had failed and was useless to the railwaymen. Industrial action was their only weapon. If they allowed things to go on as they were at present they would be in for another 10 per cent. reduction. Mr. Forgan Smith had no choice but to agree, because if he did not he would be dealt with by the Lyons Government. Their only redress was to alter the laws of society and to control production, distribution, and exchange."

The bell indicated that the hon. member had exhausted the time allowed him under the Standing Orders.

Mr. NIMMO (*Oxley*) [12.29 p.m.]: I congratulate the Government on resuming office in this State; but I cannot congratulate them on the dubious methods by which they secured the reins of power. There is no question that a confidence trick was put over the people of Queensland; but they will soon discover it, and hurl from office the party that got there by making promises they have no intention of fulfilling. I regret the result of the election, but the majority of hon. members opposite was very small. A few hundred votes would have made all the difference in the world; and I think the Government must recognise that the opinions of the people were pretty equally divided.

The people have not given the Government a mandate to bring about very radical changes. It is a great pity the Moore Government were defeated at a time when the State was beginning to rehabilitate itself and show marked improvement in conditions generally. The depression crisis had not occurred in Queensland when the Moore Government assumed office in 1929; but the State was in a parlous condition, and it was recognised that very distasteful economies would have to be effected. This unpleasant task was carried out and prosperity was in sight when the late Government were defeated at the polls. At the Premiers' Conference the present Premier stated that conditions were improving in Queensland. In

fact, there had been a very noticeable improvement in May last; and I hope the present Government will not jeopardise those improved conditions in any way. Had the Moore Government remained in office, the conditions in Queensland would have continued to improve. I am very perturbed indeed at some of the actions already taken by the new Government. They have added to the pay roll of public utilities, thereby seriously affecting the finances of the State. The Railway Department and other services in this State are so much over-staffed that pooling and rationing have had to be resorted to; but, in the face of these circumstances, the new Government have seen fit to add to the already swollen pay roll. Naturally, I appreciate the increased benefit extended to the intermittent relief worker, who has had to carry a very great burden; but I regret to note that the benefit has been granted at the expense of those workers who received £3 per week from the Moore Government. The present Government undertook to pay the relief workers the basic wage rate of pay, but I deplore their action in reducing the maximum period of work from twelve weeks to eight weeks, and even to six weeks, as in the case of work provided at Gympie. A terrible thing has been done. The Moore Government provided work for twelve weeks for these poor unfortunate people at a wage of £3 per week, but the alleged saviours of the workers, who undertook to pay the basic wage rate, have seen fit to reduce the period of work to eight weeks, and even to six weeks. Only yesterday the workers who were engaged by the Brisbane City Council had to be "dinkum" unionists before they were entitled to a job. In addition, unemployed workers resident in Norman Park and other adjacent areas must proceed to Wilston and other distant suburbs to carry out their work, instead of work being provided for them in the neighbourhood of their suburb.

I am surprised that the Treasurer should lead his followers to imagine that he was the great man at the Premiers' Conference. He calmly sits and takes unto himself the whole of the credit by allowing it to be assumed that he was the man.

The TREASURER: I am the meekest man in this Parliament.

Mr. NIMMO: Listening to the speeches delivered by his supporters on the back benches, one would believe that he was the most wonderful man who ever went to a Premiers' Conference; that the Premiers of the other States instantly fell on their knees, crying, "Mr. Smith, tell us what we are to do to overcome these difficulties!" Perhaps the followers of the Treasurer would liken him to the Master to whom the disciples came saying, "Master, tell us what we are to do!" Mr. Hill, the Labour Premier of South Australia, brought the Queensland Premier to his bearings. Mr. Hill deserves the greatest credit possible for his action. He did not look for any political kudos, but carried out what he conceived to be his simple duty to the people of his State.

What are the facts regarding the Treasurer's attitude towards the Premiers' Plan? Speaking at Babinda on 5th June, 1932, the hon. gentleman said—

"The Premiers' Plan had not improved the position of Queensland, which had simply become worse under it. It was conceived in a time of political

turmoil and antagonisms. Labour, if returned to power, proposed to review the Premiers' Plan in the interests of the community."

Then, speaking at Walkerton, in the Mackay district, on 10th May, 1932, he said—

"Labour was confident that it could, and would, devise an alternative to the Premiers' Plan that would result in a speedy reconstruction of the State's finances."

This is the beauty of the lot, and was uttered by the Premier at the City Hall, Brisbane, on 19th May, 1932—

"On behalf of his party he wished to emphasise that on no account would they accept such a policy as the Premiers' Plan. (Loud applause.) On the contrary, they would use everything at their command to prevent such a policy becoming operative. If they wanted such a policy, they should vote for Mr. Moore, and they would get everything they deserved."

Is it to be wondered at that the Premiers, when they assembled in conference, expected to get something wonderful from this Premier who had come from the North like the wild man from Borneo? (Laughter.) They fully expected that another Lang was about to take part in the proceedings. It was not to be, however, for this man, who said that he would not accept the Premiers' Plan, who would prevent it from becoming operative, and who would have nothing to do with it until the people's budget was balanced, ultimately accepted it *holus bolus*. I have in my hand a cartoon showing the Premiers assembled in conference. They are seated around a table, upon which their plan is spread. The Premier of Queensland is seen with a magnifying glass to his eye examining it. Then he exclaims, "Yes, put in a comma or two, and the plan will suit me down to the ground." (Opposition laughter.) What a wonderful financier he proved to be! The Premiers from the other States expected that the Premier of Queensland would be antagonistic to the plan adopted by them; but he simply took the plan and swallowed it in its entirety after asking that there be inserted in it the reasons for which it was formulated. It was formulated originally with the idea of putting our unemployed citizens back into work. All will agree that the plan has done wonderful work. It was evolved from the combined brains of the Labour and Nationalist Premiers of the Commonwealth at a period when conditions in Australia looked particularly dark, and when it seemed as if it was impossible for Australia to emerge from the depression. Although we are not yet out of the wood, we can see daylight ahead of us. Australia did not sink to the level of an insignificant nation and sacrifice her status among the nations of the world, because signs of the restoration of confidence in her stability are already in evidence on the other side of the world. Confidence is the only basis on which Australia will be able to function and carry on.

The Treasurer also agreed at the Premiers' Conference to reduce the anticipated deficit by £1,000,000. The Premiers of all the other States also agreed to reduce their deficits.

The TREASURER: Remember your Treasurer budgeted for a surplus one year, and finished with a record deficit.

Mr. Nimmo.]

Mr. NIMMO: By reducing the deficits still further to come within the ambit of the plan, the Premiers recognised that further unemployment would be created; and, in order to assist in providing for this additional unemployment, they agreed to allocate a certain sum of money to each State to help it over this difficulty. The Premiers' Conference set aside £7,000,000, of which Queensland secured £940,000. How much better was that than the success which attended the efforts of the ex-Premier a few months earlier, when he secured £620,000 from a total amount of £3,000,000 available? If the present Treasurer had fought for the interests of his State in the fine manner that the ex-Premier had done, he would have secured—not £940,000, but £1,400,000 for Queensland. Unfortunately, the Treasurer sat back and took only £940,000; yet we have people who are loudly proclaiming that the present Treasurer was a most wonderful man to have representing Queensland at the Premiers' Conference! Probably there was no more egotistical gentleman at that conference, unless, of course, it was the Secretary for Public Lands. We heard nothing of the efforts of that hon. gentleman, but we do know that his leader, the present Treasurer, took £940,000 for Queensland when he should have received £1,400,000.

The Premiers' Conference also decided that £6,000,000 would be made available for loan works throughout the Commonwealth. Our Treasurer received nothing of that £6,000,000. Perhaps I had better quote this report, which discusses the position—

“Canberra, July 1.

“It is understood that Queensland will not share in the £6,000,000 loan for public works which the Governments will seek from banks in Sydney next week, but will devote £2,200,000 of its own money to this purpose during the coming year. The Moore Government left £850,000 in cash balances, and £1,250,000 will be received from local governing bodies as repayment for loans during the year, which will be added to the loan fund, while there will also be £100,000 coming in under the Commonwealth Bank ratification agreement. The £6,000,000, if the banks advance it, will all go to the other States, since the Commonwealth Government does not intend to participate in the following proportions:—New South Wales, £3,050,000; West Australia, £1,180,000; Victoria, £800,000; South Australia, £800,000; Tasmania, £170,000.”

At 12.43 p.m.,

The CHAIRMAN resumed the chair.

Mr. NIMMO: When we were the Government of the day, we had to listen to the present Treasurer telling the Government, and particularly the then Treasurer, that the interests of the State were being neglected because sufficient money was not being obtained from the Loan Council. We remember also how the hon. gentleman ridiculed the explanation given by the then Treasurer on the matter; and how he went to the country and said he would get the money if the electors of Queensland placed him at the head of the Government. I am pleased that the hon. gentleman has agreed to the Premiers' Plan. It is all very well for the hon. member for Cairns to laugh; but he would do well to remember that he

and his colleagues did not scruple to play on the misery of the people in order to attain seats on the Treasury benches. The Moore Government and the Secretary for Labour and Industry in that Government did a very fine thing for the unemployed people of this State when they put over the intermittent relief scheme. When we came into power, we found that the poor unfortunate unemployed were getting a few rations in a bag. When the Moore Government instituted the intermittent relief scheme, they were very perturbed as to how it would work. They wondered whether the men employed would take the money home to their wives and children; but they risked it; and I thank God that those men did take the money home, and that the wives and children benefited. Hon. members get £10 a week, and it would be possible that some of their wives and children could be starving. It does not follow that because a man gets money his wife and children benefit. The Premier stated that, if returned to power, he would restore to the full all those moneys which he said had been stolen from the State children, from the ambulance, from the hospitals, and from the fire brigades. He and his Government have been over two months in office, and no effort has yet been made to restore those moneys. If they were sincere and had any desire to help the working man, those amounts would have been restored right away. But they have no idea of helping the working man. All they were concerned about was to get the reins of power. In Mr. Moore we had a leader who was prepared to do his best to bring the State back to that prosperity to which it is entitled. Certain irksome things had to be done; and, in order to secure the reins of power, hon. members opposite played on the miseries of the people. The people were told that all the misery had been brought about by the Moore Government, and that the Moore Government should be wiped out. Any Government who assume office under those conditions are likely to be hurled from office within a few months of attaining control. The Premier may think he has done a wonderful thing in attaining power and becoming Premier of this State; but I am satisfied, after listening to some of the new members sitting behind him, that he is going to have a lot of trouble in holding the rank and file of his party together. It will not be long before he will wish to deport some of them to the Islands, because those hon. members have no more respect for him than they have for the electors. The Premier made certain promises, and he must fulfil them. I am looking forward to the time when he will have to face the electors and meet the wrath of the people.

The unemployment relief tax has been increased. This is a distinct breach of faith on the part of the Government. They distinctly stated that they were not going to put fresh taxation on the people. What have they done? They have put further iniquitous taxation on the people. Take the case of a man working for 13s. 6d. a day. The first pamphlet issued giving the scale of taxes shows how callous the party opposite are. Paragraph 4 reads—

“When calculating the amount of tax deductible, first classify the individual into his tax rate group—that is, determine whether his rate of payment places

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him in the 3d., 6d., 9d., or 1s. in the £1 tax group. It is immaterial to the employer whether the employee may earn in excess of £208 or £499 in a full year; the rate of payment for the time worked governs the matter."

That means that, if a man is earning only 13s. 6d. for two days per week—a total of 27s. per week—he is taxed at the rate of 9d. in the £1. Suppose a working man is getting 1s. 11d. an hour, and works only six hours per week, earning 11s. 6d., which is all he takes home to his family for the week, he is taxed 9d. in the £1. Men working on the waterfront may be working only one, two, or three days per week, but they have to pay 9d. in the £1 taxation. It must not be thought that we as a party did not go into that aspect of the question. We went into the matter of raising unemployment relief taxation; but we found that, if we increased the tax, we were going to cause more unemployment. What is happening to-day? There is more unemployment in this city to-day than there was two months ago. Owing to the fear of increased taxation, people are saving up in order to be able to pay that taxation; they are not spending money to-day. This is going to be a terrific impost on the people. I have struck dozens of men who have put off their gardeners and other employees, and these things are going to hit very hard. The Leader of the Government is in for a very bad time. There is only one thing for him to do; and that is to announce that he has now found that the Moore Government were a splendid Government, that he judged them wrongly, and has found that they were doing everything humanly possible for the people of Queensland.

MR. G. C. TAYLOR: They lowered the standard of living.

MR. NIMMO: He should compliment the ex-Premier now that he finds he cannot restore all the men to work but has to ration them; that he cannot restore the ambulance subsidy, or the former hospital allowance; that he cannot restore the 1s. a week taken from the State children. He should admit that our Government had done the right thing. Then the public service automatic increases, as the president of the Queensland State Service Union, the hon. member for Bulimba, said when speaking the other day, cannot be given; yet, if the present Government had not got into office, that hon. member would have been one of the first to say they should have been granted. They know that they have no hope of granting them, and that the poor, unfortunate teachers who started on a low salary cannot be given their increases; yet some hon. members opposite got into this Parliament through the promises they made to the public servants. When a member comes here under false pretences by saying at the election that automatic increases should be given, he should resign his seat and go to his electors and tell them he made a mistake and ask them if they will let him off.

HON. W. H. BARNES (*Wynnum*) [12.54 p.m.]: Before I deal with the question before the Committee, I would like to congratulate the Treasurer on his conversion. It is always pleasing to know that a man who has been proceeding along wrong lines which are very much against the best interests of the State has been led to see the light and has become a convert. There is no

doubt that, when the hon. gentleman went South to Canberra, he went as a great "I am," saying, "There is no possible chance of influencing me in regard to the Loan Council; it is an abomination, and I am going to see that Queensland is made entirely different from any other State, although we were parties to it and initiated it ourselves when we were previously in power." He said, "I am going to see that distinct alterations are made; there is no possibility of my being soft, and I am not going to become a convert. With the great body of the people behind me I shall be able to get through." It seems to me that, because of what the present Secretary for Public Lands said on one occasion here, his leader must have said to him on this occasion, "Look here, Mr. Deputy, if you please, keep your mouth closed, whatever you do. There is a grave danger that, if you open your mouth, you will somehow or other get out of hand." Hon. members will remember the unfortunate utterances that hon. gentleman made previously in this Chamber. He must have been trapped—there is no need for me to tell how it is done—into making an unwise statement. He said, "We, the Labour Party, go step by step. We are not going to leap from one extreme to the other, but proceed gradually step by step up to what we want." The hon. gentleman gave the show away when he said, "We, the Labour Party, are going to do certain things."

However, I started to congratulate the Leader of the Government. There is no doubt that he has certainly won what we may term a little lollipop; but he has come back from the conference, and already he has been whipped up in some quarters for having swallowed the Premiers' Plan. I repeat what I said before the election—that unless he had swallowed the plan he would not have got £1. So he has swallowed it, to some little advantage. It was certainly not very big. Incidentally, I have been interested to hear some of the interjections from hon. members opposite. Somebody—I think it was the hon. member for Merthyr—referred to Mr. Hill, the Premier of South Australia, as a Labour rat.

MR. MAHER: A Labour scab.

A GOVERNMENT MEMBER: So he is.

HON. W. H. BARNES: I would not be a bit surprised if the present Premier of Queensland, before the end of his term, becomes a Labour scab or a Labour rat. Never at a Loan Council meeting did I hear Mr. Hill say one word against his Labour principles. I have said outside that Mr. Hill put Australia first rather than party; and any hon. member who says that he is a Labour rat or a Labour scab discloses his poor mentality. He is not that. He is a man who has exerted every effort for Australia; and, when the history of Australia comes to be written, it will be found that, with his Labour principles, he played the game, did his work, and aided very materially the best interests of Australia. I should be false to my convictions if I did not make that statement.

The public generally have formed an entirely wrong conclusion with respect to single men and their having to walk for rations. It is generally assumed that the late Government were responsible for making single men walk; but that is not correct at

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all. The walking business was established before we took office.

MR. FOLEY: Then they had a chance to get work.

HON. W. H. BARNES: The hon. member does not like being assailed in regard to something that does the Labour Party no credit whatever. The credit really belongs to the Moore Government. One of the things that we did was to see that, whilst walking was continued, the amount of cash was increased. A person would have a very hard soul indeed if he were to say that it was a nice thing to see young fellows walking for rations. It is due to the late Government that I should emphasise the fact that the walking was made part of the policy of the Labour Government. They instituted it. They are supposed never to have done anything hard on the individual. The Premier was one who had to do with it. They were responsible for the walking business on the part of the young fellows. I have heard from reliable quarters that the relaxation of that rule by the present Government is causing a considerable amount of trouble. This morning the hon. member for Sandgate stated that a number of single men who previously obtained a benefit under the late Government are now being excluded from benefits. I can foresee very great trouble in that direction. Applications are made again and again by young fellows who are out of work, but they are told, "Your parents are well-to-do, and we are not going to give you anything." I was amazed when told by a ticket checker on the Cleveland line that at one period 500 people came in from New South Wales weekly—I presume, in an endeavour to "jump the rattler." I want to say here and now that, if I was out of work and found it very hard to get a job, I would not be against trying to "jump the rattler."

MR. LLEWELYN: You put them in gaol for doing it.

HON. W. H. BARNES: We can leave that to the Labour Government; no doubt they will do it most effectively. You know, Mr. Hanson, from your association with hon. members opposite, that they will say that they have never done an unpleasant thing, and that they might be converted along certain lines, but that they had not done anything of that kind. Why, they are right up to their necks in it. There is no doubt that proceedings will be taken in such cases, notwithstanding the previous utterances of hon. members opposite.

The Governments of Australia were informed that certain economies had to be effected in the financial interests of the country. We were told over and over again by hon. members opposite when they sat in opposition that they would soon re-establish things for those poor people who were being cut down. It is wonderful to note how slow they have been since attaining office. Probably it is because the Premier has not been well, or has been otherwise indisposed. I do not know the actual reason, but it strikes me that probably that is so. Somehow or other, it is unfortunate that at a critical period like this the hon. gentleman should become the Leader of the Government.

THE MINISTER FOR TRANSPORT: You are labouring all right.

HON. W. H. BARNES: I am not; I am giving some home truths, which the hon.

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gentleman does not like. A very estimable gentleman, now deceased, who was in charge of the Labour Government in the past—I refer to the late Hon. T. J. Ryan—on one occasion said that, when you have a good thing to say, you should say it over and over again. That is my motto now. I am letting the Government get the full benefit of their actions, and I am not hesitating to do so.

The hon. member for Sandgate has made a very awkward suggestion to me. He has reminded me that the Government have not yet attached trucks to trains for the benefit of single men who have been forced to travel. I recognise that the Government cannot do all things at once, and in this respect I must defend the Government. We must give them a chance to get the trucks manufactured; and, when they do so, there will be no difficulty in putting their previous suggestion into operation. I recognise, too, that this work will be a slow job, because I understand that the Government have given certain instructions that, although the basic rate of wage is to operate in connection with the work which has been created for the unemployed, their period of labour, which was formerly three days per week, has now been restricted to two; therefore, time must be given the Government to adjust things.

Generally speaking, the Government are up against a pretty big difficulty. How is the Treasurer going to balance his budget? Very ugly rumours are going about. One of them is that the income tax will be doubled on incomes above £500. It has always been the policy of the Labour Government to do the doubling business in the taxation line. I am not referring to any other way, Mr. Hanson, because I recognise that it would be unparliamentary to do so.

THE TREASURER: It would be descriptive of some of the actions of your party's supporters.

HON. W. H. BARNES: I recall that the hon. gentleman interjected in this Chamber something about £9,000, and, referring to myself, said, "You know all about it."

THE TREASURER: What £9,000?

HON. W. H. BARNES: I do not know; that is exactly what I am seeking to know.

THE TREASURER: You must have been dreaming about that.

MR. R. M. KING: No, the statement was made.

HON. W. H. BARNES: The Treasurer was referring to the flour question, and said that I knew about it. I denied it at the time.

THE TREASURER: I do not know what you are talking about; you must have been dreaming.

HON. W. H. BARNES: I do not want to infer that the hon. gentleman came into this Chamber and said something about which he did not know anything; but I and my colleagues distinctly heard him say something about £9,000. I said that was distinctly untrue, for I had no connection with any £9,000.

MR. LLEWELYN: The matter referred to was the millers' profit of £9,000 on the flour transactions.

MR. SIZER: That is not correct.

HON. W. H. BARNES: I know that I appealed to the Treasurer, and he mentioned my name deliberately. I am glad that he has denied it, because I want to say that the implication is not true.

The TREASURER: I do not know what you are talking about.

HON. W. H. BARNES: At any rate, the Treasurer mentioned it, and I am defending myself on the floor of this Chamber. Perhaps the hon. gentleman will tell us how he proposes to raise the increased taxation that will be necessary if he is to get into line so far as budget equilibrium is concerned. The Treasurer knows as well as I do that last year the taxation receipts decreased considerably; and, unless something unforeseen happens, they must be even less this year. If there is a shrinkage of over £1,000,000 in two years, the Treasurer's difficulty will be greatly accentuated. In those circumstances, what is he prepared to do?

Whilst none of us can be very definite regarding the exchange rate, there is a possibility that the exchange rate may be reduced.

The TREASURER: Do you think it will?

HON. W. H. BARNES: I do not; rather do I think it may increase. If it is reduced, it will assist the Government; but, if it is increased, it will have a reverse effect. I know that it is often argued that the Government get the money back in another form. That may be so in respect of a portion of the amount; but even then it is very slow in coming in. The effect of the exchange rate must vary considerably, and that may materially hamper the Treasurer in preparing his Budget. At the same time, when the hon. gentleman sat on the Opposition benches, he did not want to wait until the Budget Speech was delivered before he received the information he asked for.

The TREASURER: You did not give any information.

HON. W. H. BARNES: I think the hon. gentleman will concede that I was the most informative Minister in the House.

The TREASURER: Your attitude was, "If I could only tell you all I know."

HON. W. H. BARNES: And, if the hon. gentleman could only tell us how he proposes to deal with the present position, it would be most interesting. How does the Treasurer propose to reduce the deficit to the amount he has mentioned?

The TREASURER: What do you suggest?

HON. W. H. BARNES: I leave that to the Government. The hon. gentleman is so inflated with his own importance that, if we did tell him, he would suggest that we were mere children trying to direct the "big leader." Does the hon. gentleman expect the receipts from the land tax to be increased this year?

The TREASURER: What do you think?

HON. W. H. BARNES: I think they must be less than last year, because country conditions are in many respects most unsatisfactory. The conditions just now are generally unsatisfactory. No man can rejoice at that. I sincerely hope that the conditions of the country may change and help the Government in that regard, because they will have a very difficult row to hoe. We should be

Australians first in connection with all matters.

The conditions under which men are working to-day are very unsatisfactory. The man who is allowed to work to-day must have a particular brand. I would like to put it to you, Mr. Hanson, if a man comes to you hungry, you do not ask him whether he is a unionist, or whether he is something else. I know the big heart you have, and feel certain that you never ask a man whether he is a Labour supporter or a Nationalist supporter. You say, "You are hungry, and I want to help you." But what is the position now so far as the Government are concerned? It seems to me that people may be very hard up; but, unless they are prepared to join some union, they are told they are not going to get relief. They must show the brand, and that is an entirely unsatisfactory position. Behind it all is the idea of getting people into certain positions in which they will be controlled by others and told what to do; and, if they do not do it, they will be sacked. Since the Government came into office we have had cases where men have been discharged because they were Nationalist supporters. Apparently the object of the Government is to see that every person employed shall be brought into a union, and, in addition to being servants of the Crown, they are to go round as advocates for the Government. That is a position that is contemptible; but it is going on in Queensland. I am surprised at some members of the party permitting such things to be done, because it is absolutely unfair, and has no right to exist in a free State like Queensland. It is likely to bring about the Government's Waterloo, and the longer it continues the more likely they are to come to grief.

Mr. WIENHOLT' (*Fassifern*) [2.19]: I only want to touch on one particular phase of the debate, and very shortly on that—that is, the whole question of the expenditure of further loan money. Judging by some of the questions that have been asked since the House met and some of the speeches—particularly that of the hon. member for Oxley—it appears that we are to judge a Treasurer by the amount of money he may be able to borrow, or the proportion he may obtain of further loans that may be issued. I should prefer to judge a Treasurer by the amount by which he can reduce the public debt rather than by the amount of new loans and the increased interest he may put on the people of the State. It seems to me that we are going the wrong way again, and that the right way to get out of the bog is not to go further into the same trouble.

I think the Treasurer said that sooner or later we must live within our means. That seems to me to be the important point. I put it to the hon. gentleman whether we are not going the wrong way in now putting further debt to a considerable amount on the people of Queensland. I quite realise that the Treasurer in borrowing this money is imbued with a genuine and perfectly honest desire to give more employment; but, speaking generally on the whole question of loan money and unemployment, I fear that for every man we put into temporary employment with loan money we shall put one man out of permanent employment later on.

*Mr. Wienholt.]*

The hon. member for Warrego, when speaking the other day—and I entirely agree with him—said that what is badly needed is cheap money. I am with him in impressing the fact that cheap money with a low rate of interest will help to revitalise and to renew primary and other industries. I quite agree with the hon. member, and I think plentiful supplies of money at a low rate of interest will be a tremendous help to the country; but, while we are hoping for money at cheap interest rates, we are at the same time increasing the borrowings of the Governments, and to my mind those two things do not go together.

With regard to the unemployment relief tax, a question which has arisen is to my mind a very vital and important one. I believe that the very first and truest duty of parliamentary government is the raising of money by taxation and expending it through Appropriation Acts. Either by oversight or intentionally, we now hear that the Government—and I speak in no party sense in this respect—have obtained power themselves to raise the unemployment relief tax to any extent. I see no limit on any Government raising what money they like, because the raising of a tax to relieve unemployment will cover any possible expenditure; and the most vital power that Parliament should hold has now been handed over to whatever Government may be in power.

The TREASURER: You supported that clause when the Bill was in Committee.

Mr. WIENHOLT: I believe the thing was an oversight.

The TREASURER: It was not; it was deliberately put there by the last Government.

Mr. WIENHOLT: It was certainly an oversight so far as I am concerned; and I think—I speak in no party sense—that it would be well to refuse any appropriation, whatever party may be in power, till Parliament has regained the power of holding the control of taxation in its own hands. I go further—and perhaps the Treasurer will remember that I have continually raised this question—and say that the Loans Guarantee Act also gives the Government power to commit the country indefinitely and to any amount without the sanction of Parliament. These things are of great importance. I believe the principal new suggestion of the Treasurer at the Premiers' Conference was an idea of capitalising the unemployment relief tax fund so as to be able to borrow against it. The danger of that seems to be plain; and I am afraid that it would place the unemployment relief tax permanently on the shoulders of the people.

The Premier has told us in connection with this expenditure that there is to be a bureau of industry—the old Bureau of Economics will now more or less be changed into a bureau of industry.

The TREASURER: It will be given much wider functions.

Mr. WIENHOLT: I think I was the only member of this Chamber who opposed the Bureau of Economics. I think that at that time the present Premier supported it, and said that it could be made useful in a proper form. I disagreed with him entirely, and would have voted against it

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had I been assured of support. I am opposed to any bureau of this kind.

The TREASURER: You are not opposing any Bill that you have not seen, are you?

Mr. WIENHOLT: I am opposing putting any more bureaux of statistics, or regulations, or any of these further restrictions upon our shoulders than we have at the present time. I really think there is no advantage in adding any further to our expenditure in this way.

Before I sit down I want to make at least one suggestion to the Premier and his Government towards absorbing the unemployed. I believe that there is no virtue in borrowing money for this purpose; and I therefore suggest that the Government might consider the allowance as deductions from income for the purpose of assessment of income tax and land tax of all amounts bona fide spent in effecting any genuine improvements, or at least to the extent of the labour costs of any new improvements. There is here a clear division of thought between myself and hon. members opposite. They believe that the solution of the unemployment problem lies in the expenditure of Government loan money.

The TREASURER: They have never said that. That is only a palliative.

An OPPOSITION MEMBER: They call it the "Revival Loan."

Mr. WIENHOLT: I think anybody who will look at the records, not only of the present Government when in power previously, but also of the various Governments, will come to the conclusion that it would not be unreasonable for anyone to say that these Governments thought unemployment could be cured by the expenditure of Government money.

Mr. MOORE: That is the idea behind the £2,500,000 revival loan.

Mr. WIENHOLT: That is not my idea, at any rate, so there is a clear division of thought between us there. We want our men employed; and the only way by which we can get them into permanent employment is by an increase in our industries, enterprise, and development.

Mr. GODFREY MORGAN (*Murilla*) [2.29 p.m.]: I desire to enter an emphatic protest against the way in which the unemployed in the country districts are being treated as a result of the system adopted of engaging those registered in the large centres of population. In an electorate such as mine bush workers are being victimised because they do not register when they are occasionally unemployed, and because other men are being sent from centres of population such as Toowoomba and Brisbane to do the work that these men have been doing for the last twenty or thirty years. The same thing applies to the adjoining electorate—and indeed to every other country electorate in Queensland. Those of us who represent bush workers know that these men live with their wives and families in some little settlement, and work for a few weeks for the graziers and other settlers who can afford to employ them at ringbarking, fencing, and other work. Then they may be unemployed for a week or two, waiting for other jobs; but they do not immediately run away and record their names at the nearest place of registration. To-day a system has been imposed upon them by the Government

which rules that, unless they have been registered before a certain date, they are not eligible for work.

The SECRETARY FOR LABOUR AND INDUSTRY: How do you know that they were unemployed? To what centres do you refer?

Mr. GODFREY MORGAN: I shall give a sufficient number of illustrations before I conclude my speech. What applies to the Murilla electorate applies with equal force to other electorates. Recently the Government decided to advance money for ringbarking, scrub-felling, and work of that nature. A number of settlers applied, and their applications were approved; but, when they sought to employ local men—men who had been born and reared in the district—they were told that they must accept labour sent from Dalby, Toowoomba, Brisbane, and other places. Although advances up to £500 had been approved, the applicant declined to proceed any further if the labour conditions set out above were insisted upon. The applicant was called upon to pay 3 per cent. for the use of the money; but he refused to employ labour that was not experienced in ringbarking and bush work generally, because it would mean failure.

The SECRETARY FOR LABOUR AND INDUSTRY: That obtained under your Government. Why did you not alter it?

Mr. GODFREY MORGAN: The scheme was put into operation only two or three days before the Moore Government went to the country. I have endeavoured to have these anomalies rectified. It is an absolute disgrace to think that men have to leave their homes in the country to register for employment in the larger centres of population, and to remain idle for many weeks before they can obtain work in those centres in which they have lived practically all their lives. That merely encourages people to flock to the large centres of population. They must do this before they can become entitled to work in their own districts.

Immediately the present Government attained office railway freights and fares on certain items of primary production were increased on the ground that the reductions made by the Moore Government as from 1st May, 1932, were made for political purposes only. I emphatically deny that accusation. When I, with other Ministers, was in Melbourne for the purpose of attending the Premiers' Conference prior to the last election, a number of persons interested in this State waited upon the Premier and myself. They pointed out that they were interested in the production of wool, sheep, cattle, etc.; and they requested a further reduction in the freight rates on wool and livestock on the ground that the industry was in a serious condition. Particularly did this apply to those interested in far-northern and north-western properties. They were able to receive only 12s. per 100 lb. for prime cattle at the meatworks in the northern districts. Deputations from those interested and from those who had money invested in this State waited upon me in New South Wales; and long before I went to Melbourne I received deputations from graziers and other interests in Queensland requesting a further reduction in the freight on these commodities. They pointed out that the price received was below the cost of production. The reductions granted by the Moore Government were not granted for political

purposes at all, but were granted because we deemed it our bounden duty to give whatever assistance we could. We realised that these people were entitled to a reduction in railway freights, and we also realised that the finances of the railways were in such a position that we could afford to grant that reduction and still greater reductions. When the financial position of the railways is published, it will be seen, according to the figures at my disposal, which were obtained on 11th June—immediately after the elections—that the loss on the railways during the last financial year was £100,000 or less.

OPPOSITION MEMBERS: Hear, hear!

The SECRETARY FOR AGRICULTURE: That was due to your Government writing down the capital.

Mr. GODFREY MORGAN: That is the position that will be shown if the figures have not been altered in any way. My point is that, through the writing down of the capital, and by reason of the fact that the late Government reduced the expenditure on the railways by £4,000,000 in three years, this result was brought about. The Ministry and myself considered that we had a right to pass some of that benefit on to the users of the railways; and, in the face of this favourable position, we could not continue charging the exorbitant rates imposed by the previous Labour Government. Had we remained in office, we would have been able still further to reduce fares and freights this financial year, and, without further reducing the number of railway employees, have ended the year with a credit balance of between £200,000 and £300,000. That result can be achieved by the present Government, if they desire.

I want to make a complaint that may seem a bit trivial, but is, nevertheless, an important one. Yesterday I went to the Railway Department with a view to interviewing the Commissioner for the purpose of obtaining information to refresh my memory on one or two matters that occurred during my administration of the department. Mr. Davidson was away, and I asked the secretary, Mr. Murton, if I could obtain certain information pertaining to the Mount Isa guarantee. I first told him that I did not desire him to furnish me with the information without first consulting the Minister. He said he would do so. This morning I received a telephonic message informing me that the Minister preferred that I should seek the information by way of question on the floor of the House. Why should I, the ex-Minister, be treated in that way? When I was in charge of the department and hon. members opposite sought certain information, I never in one instance refused it. I instructed Mr. Davidson and Mr. Murton to give hon. members opposite all the information they desired. My attitude was in contradistinction to the attitude assumed yesterday by the present Minister towards me. I would not think of treating the hon. gentleman in that manner if he should become the ex-Minister.

The MINISTER FOR TRANSPORT: Ask a question and I will answer it.

Mr. GODFREY MORGAN: I will get the information in some way, and the Minister will not prevent me. The hon. gentleman should have shown me a little of that courtesy which I had always shown to him and the members of his party, especially in view

*Mr. Morgan.]*

of the fact that I was the ex-Minister. In fact, any hon. member has a right to secure information on public matters without asking for that information on the floor of this Chamber.

Another complaint I have relates to the increase in fares and freights made by this Government. The Minister in a public announcement said that this increase had been made because the decrease made by the ex-Minister savoured of political bait to the electors. In the opinion of hon. members opposite it was political to make an all-round reduction in fares and freights; but it was not political when a Labour Government increased them and made them applicable only to the country areas. The late Government allowed the city and country to benefit equally by the reductions they made. It has always been possible to travel 5 miles in the metropolitan area at half the cost charged to travel the same distance in the country. When the Moore Government made reductions in fares and freights on three different occasions, they made the reductions general throughout the State; but, when the present Government assumed office, they made increases in railway freights and fares in the country, but not so in the city. Apparently the country, which was loyal to the Moore Government, received differential treatment from that extended to the city and suburban areas, which had voted for the return of the Labour Party.

Soon after taking over the reins of office the Labour Government have discovered that it is necessary to increase the railway freights on wool and live stock, although they know perfectly well that wool is being produced at a loss, and that thousands of people are experiencing the greatest difficulty in carrying on these two industries, which are more important in every respect than all the mining industries of Queensland. We find, however, that, when it comes to dealing with the Mount Isa Company—a wealthy company, with shareholders in other countries—the present Government are prepared to extend relief by granting a considerable reduction in freights and by forgoing the guarantee given by the company of its liability for loss incurred on the Mount Isa Branch Railway. It was in respect of that matter that I desired information at the office of the Commissioner for Railways. We know that the Mount Isa Company entered into an agreement with the Government, by Act of Parliament, to carry out certain work. The company received certain concessions, which were the most liberal concessions ever granted to any company in Australia or in any other part of the world. After the construction of the Mount Isa Branch Railway, certain guarantees were necessary. The Mount Isa Company guaranteed that, in the event of the railway not meeting its liability, it would pay to the Commissioner for Railways £13,000 per annum for ten years. For the financial year ended 30th June, 1930, the company had to pay £13,000 under that guarantee. I was approached by deputation and asked to wipe off the amount; but the deputation did not place before me one fact or figure that I considered was a justification for asking for the remission of that guarantee. I insisted on the amount being paid, and it was paid. For the following year ended 30th June, 1931, £13,000 was also due; and, before relinquishing office, I insisted that the Commissioner for Railways should collect that

[*Mr. Morgan.*

amount before the end of the financial year. Whether the amount was collected or not I endeavoured to find out yesterday; but the information was refused me. I do know, however, that, in answer to a question asked in this Chamber, the Government stated that they had agreed to forgo the guarantee by the company of its liability for loss incurred on the Mount Isa Branch Railway for the last financial year. That means that, if the company has not already paid the £13,000, it still owes the Government that amount; and it appears that at the end of last financial year it owed the Government another £13,000. So evidently the Government have either made the Mount Isa Company a present of £13,000 or a present of £26,000. It is either one or the other, but I could not get definite information. Not only have the Government allowed the company to escape in that regard, but they have given it considerable reductions in freights. Before these fresh concessions were granted, the company had an agreement with the Commissioner whereby it paid 30s. 4d. per ton railage on concentrates conveyed on the railway line for a distance of over 600 miles. In other words, before the new agreement was entered into, the Mount Isa Company got its concentrates conveyed at less than 2d. per ton per mile, which is lower than any other rate in Queensland or in any other part of Australia, and perhaps lower than any freight in the world. Had the company shown me by facts and figures that it was entitled to this reduction I would have been justified in submitting the question to Cabinet, but after submitting it to Cabinet I would not have been justified in allowing the company to escape the payment of £13,000 until it had been reported on by the Auditor-General. No Government have a right, with one stroke of the pen, to allow any individual or company to escape payment of its just dues without due investigation by competent authorities. Had Mount Isa been able to show that it was imperative that it should escape payment of that money, why was the Auditor-General not asked to make a full investigation into the books of the company? It is not right that the Government should make the company a present of that amount. Perhaps it was owing to the letter which Mr. Webster, the principal of the Mount Isa Company, sent to the present Premier, and which that hon. gentleman wirelessly throughout the State a few days before the election. No doubt the Treasurer kept this as a titbit. It was a great vote-catching concern, and on several occasions the hon. gentleman made use of it. At the time Mr. Webster was on a visit to England, and this letter no doubt accounts for the fact that the Government, immediately on obtaining control, decided to relieve the Mount Isa Company, without any investigation, of an amount due to the Government of £13,000 or £26,000. This is the letter I refer to:—

“Lennon’s Hotel, Brisbane.

“26th November, 1931.

“W. Forgan Smith, Esq.,  
“Parliament House,  
“Brisbane,

“Dear Mr. Forgan Smith,—

“I have read the copy of ‘Hansard’ which you gave me in regard to the statements that the Mount Isa Company has asked for the re-establishment of the Legislative Council. Will you please

take it from me that there is no authority for such statements.

"Our London finance group acquired their interest in Mount Isa and became responsible for the finance of that undertaking mainly due to the promises and assurances given by the late Government, which realised, in common with us, that exceptional facilities would have to be granted if Mount Isa were to be properly developed and equipped to return adequate profits and to bring to Queensland those benefits which are now becoming apparent.

"During the remainder of your term of office you carried out those promises and accorded those facilities; and the present Government, by continuing this policy initiated by you has enabled us to find for Mount Isa that unforeseen and very considerable amount of additional capital which the development and equipment of the mine has necessitated.

"But at no time, as you know, did the Mount Isa Company or its London associates make to the late Government any representations in regard to the Upper House or in regard to any governmental or legislative matters other than those enactments which required amendment or extension in order to carry out the agreed arrangements; and no such representations to the present Government have been authorised.

"Please let me say quite definitely that neither the Mount Isa Company nor its overseas associates, representing a total of some 50,000 investors, have at any time interested themselves in, or given support to, party politics, nor do they intend to depart from this principle; and while, as trustees for the investment in Queensland of their shareholders' money, they naturally welcome any steps directed towards the security of investments, they refuse to identify themselves in any way with contentious legislation.

"Yours sincerely,

"J. P. B. WEBSTER."

That letter was used as a vote-catching stunt by the Treasurer; and, although I had refused to allow the Mount Isa Company to escape from its just liability, yet the moment the Labour Government got in they grant the company concessions in the shape of still further reduced freights, although its freight is perhaps the lowest in the world, and that particular line is losing between £30,000 and £35,000 a year. Owing to the fact that interest on the cost of construction on that line has not been met, the public of Queensland are contributing from £30,000 to £35,000 a year to keep the men at Mount Isa in employment. When it was a matter of getting relief for the woolgrowers and the grazing industry generally—an industry in which there are many more thousands of people interested—the Government refuse to give any assistance, yet they were prepared to relieve a proprietary company of its just and due responsibility.

Mr. TOZER (*Gympie*) [2.54 p.m.]: Whilst I desire to congratulate you, Mr. Hanson, on your appointment as Chairman of Committees, I cannot also felicitate the Government on securing possession of the Treasury benches, because I consider that they have obtained office on false representations.

I would just like to refer to the policy speech of the Leader of the present Government. He said, in connection with the Moore Government—

"The Government's record has been one of cynical repudiation and callous infidelity to their pledges."

That is absolutely false, which I think I shall be able to prove. Then he went on—

"Immediately on attaining office the Moore Government commenced a ruthless policy of deflation under the plea of balancing the Budget. Wages were arbitrarily reduced, employees withdrawn from the protection of Industrial Court awards."

That is absolutely untrue also. Then it states—

"So far from confidence being restored and prosperity increased, countless homes have been blighted with poverty and despair, thousands are unemployed, and no prospects are offering for satisfactorily absorbing our growing youth in useful industry."

What are the facts? The facts are that in 1915 Labour came in on a rising revenue, with taxation yielding only £1 8s. 2d. per head, when unemployment sustenance cost only about £5,000 a year, and the national debt was £56,000,000. After fourteen years—and the Labour Party who were in for fourteen years are the same as the Labour Party who are in to-day—they had increased the public debt to practically £112,000,000; they had raised taxation from £1 8s. 2d. to £5 1s. 11d. per head; and unemployment, with unemployment insurance, was costing £450,000. In the face of those figures they say that there was less unemployment under Labour's regime than in the time of the Moore Government. When the Moore Government came in, what did they find?

Mr. WATERS: They did not find 10,000 jobs.

Mr. TOZER: They found not only 10,000 jobs but 30,000 jobs; and their successors are under a promise to find £2,500,000 for a revival loan. The hon. member for Rockhampton says, "Yes, but we have three years to do it." Fancy the unemployed waiting three years! What chance have people got under those circumstances? In May, 1929, there was a conference of Premiers at Canberra, and Mr. Theodore pointed out that no more money was coming from overseas, and very little could be got in Australia. In September of the same year, a few months after the Moore Government came in, there was a financial crisis.

The SECRETARY FOR PUBLIC WORKS: Due to the Moore Government coming in.

Mr. TOZER: Has the hon. gentleman not got more sense than to say that? He is one of those who were responsible for the position; and now he and his colleagues are travelling along the same road as they did for fourteen years. Evidently they think that all they have to do is to borrow money. If they borrow money, they are borrowing under false pretences, because they have no intention of repaying it. They have borrowed to such an extent already that the interest bill amounts to over £5,000,000 a year, on top of which they have to pay exchange of over £1,000,000, so that practically £6,000,000 goes to meet our interest bill overseas. Three-fifths of that interest bill was incurred by the Labour Party.

*Mr. Tozer.]*

We have been told that unemployment is like a cancer eating out the very vitals of the country; but the strength of this country is being seriously undermined by the interest burden incurred by the Labour Government. The present Government believe that all they need do is to borrow money; but I agree with the hon. member for Fassifern that continual borrowing is the curse of this country. The more we borrow the greater will become the burden of this State. It stands to the credit of the Moore Government that they did not borrow one penny during their term of office. The Premier has stated that the vanity of the ex-Premier prevented his insisting upon a fair quota for this State at the Loan Council. Whom are we to believe? In the last Parliament the present Premier, who had attended a meeting of the Loan Council some years ago, criticised the ex-Premier and ex-Treasurer from his place on the opposition side of the House, claiming that the Moore Government had not insisted upon obtaining the quota of loan money due to Queensland. He said that, if he attended the Loan Council, he would see that Queensland got her rights and her just quota. He has since attended a meeting of the Loan Council; but did he obtain the just quota to which Queensland was entitled? He did not receive any money at all by way of allocation from the first amount of £6,000,000; and from the second sum made available he received a smaller allocation in proportion to the amount made available than that received by the present Leader of the Opposition when Leader of the Government. Yet we were told that, if the present Premier attended the Loan Council, he would be the giant who would see that Queensland got her rights. Throughout the election campaign supporters of the Moore Government were met with howls for daring to refer to the Premiers' Plan. At the Labour Convention held in January of this year it was pointed out that there were two plans—the Premiers' Plan and the Lang Plan—and, if one cares to compare the Lang Plan and the policy speech of the present Premier, one is at once struck with the similarity of the two plans. In six clauses there is an exact similarity; and, whilst there is a slight departure as the comparison proceeds, still I feel sure that the policy of the present Premier was taken practically from the Lang Plan. When it was stated at the Labour Convention that there were only two plans, the chairman of the convention pointed out that there was a third plan; and that, so far as the Labour Party were concerned, their plan was socialisation of the means of production, distribution, and exchange. The Premier was in entire accord with that plan.

Mr. WATERS: What is wrong with it?

Mr. TOZER: It is absolute madness. No man with any common sense at all would approve for one moment of the socialisation of the means of production, distribution, and exchange. The Labour Party will not get anywhere with such a policy, for, from the beginning of the world, Socialism has been proved an absolute failure wherever it has been practised. Such a policy is only an attempt to gull the people. The Premier has said that he thoroughly believes in such a policy, but the time is not ripe to put it into operation; the people must first be educated up to it, and, when the time is ripe, it should become the policy of the

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country. The present Speaker has stated that the guiding star of the Labour movement is Socialism. If that is so, then why has the matter not been referred to in the policy speech? Nothing has been told us about this matter.

Let me hark back again to what was said in connection with the Loan Council. It has been claimed that, when the Moore Government assumed office, they found £5,000,000 in the Treasury which was left by the previous Labour Government, whereas, in fact, when all commitments were met, the amount was only £3,000,000. It has also been stated—and the late Government were condemned for this policy—that the Moore Government lent money to help Mr. Lang to build the Sydney Harbour Bridge. These statements were made so often that the people were gulled into believing them. Let us look at the actual facts. The minutes of the meeting of the Loan Council in May, 1926, state—

“States in need of temporary assistance pending flotation of loans should endeavour to secure advances from States having excess cash, the Federal Treasurer to be the clearing house.”

If available loan money had been kept in this State without being permitted to earn interest, the Government would only have received 1 per cent. from the Commonwealth Bank on the first £500,000, and the bank would have had the use of any sum in advance of that amount for nothing. Any unexpended loan money simply lies in the bank without earning interest. If, as hon. members opposite suggest, the Moore Government had spent the loan money available, they would not have had the benefit of it to-day. When the present Government attained office on 11th June, they found over £1,000,000 in the Treasury as a result of the careful administration of the finances by the late Government.

I was about to point out that the Queensland Government had made certain advances to the other States pursuant to a request from the Federal Treasurer. We find that on 6th November, 1924, the then Labour Government placed on fixed deposit in the Commonwealth Bank a sum of £500,000; that on 4th August, 1925, a further sum of £500,000 was also placed on fixed deposit, as was a similar sum three months later. Then on 8th July, 1926, a loan of £400,000 was made to South Australia; on 15th December, 1926, a further loan of £500,000 was made to the same Government; on 21st September, 1923, £250,000 was lent to the New South Wales Government; and on the same date £250,000 was advanced to the South Australian Government. Therefore, the Labour Government in office prior to the advent of the Moore Government placed on fixed deposit, or advanced to other States by way of loan, £2,900,000 from loan funds, or £1,150,000 more than the amount which was actually advanced by way of loan to the other States by the Moore Government. I do not think that was wrong, because, if the Moore Government had utilised that money immediately, there would have been a shortage later on. By careful husbanding of their resources the Moore Government were able to carry on for three years without borrowing any further money, and on relinquishing office left £1,600,000 in Queensland and in London, which the present Government have been able to carry on with

since they took over the administration of the State.

Throughout the elections the people of Queensland understood that the Treasurer was against the Premiers' Plan. One had only to refer to the Premiers' Plan to be received with abuse at public meetings during the campaign, when it was said that the then Leader of the Opposition, who is now the Treasurer of Queensland, had a plan of his own, which he would place before the other Governments if he was sent to Canberra. We find, however, that he had no such plan. The other Governments agreed to the Premiers' Plan, and, although the hon. gentleman was supposed to be opposed to the Premiers' Plan before he attended the conference, we know that once he got there he joined the other Premiers in accepting the plan. It was to the advantage of Queensland that he did, because by so doing certain money was made available, and the people of Queensland have had the benefit of that money since. Apropos of the Premiers' Plan, it is interesting to recall what the Treasurer told several questioners at Gympie during the election campaign. Here are some questions which were put to the hon. gentleman. This is a newspaper report of a meeting which the then Leader of the Opposition addressed at Gympie on 18th May last:—

"Mr. Smith, at question time, said that several queries had been handed up in writing. The first was: 'If your party is returned to power and the Loan Council refuses to allow you to borrow, or not being able to float an internal loan of £2,500,000, what is the alternative? Do you intend to raise the money by taxation, or have you any other way of raising the money? If Mr. Moore is returned will you assist his party to carry out the Premiers' Plan, that being the verdict of the electors.'

"Mr. Smith said he had no doubt about being able to raise the £2,500,000 loan, as he had sufficient faith in the resources and the people of Queensland to realise that the policy he had put before them could be given effect to. With regard to the last part of the question, Mr. Smith said: 'Will I give effect to the Premiers' Plan, or, in other words, will I be an accomplice to the bleeding to death of my fellow citizens of this State? I want to tell my questioner that I have no intention of taking part in any Government unless it is a Labour Government. No one has a right to govern a country unless he has a mandate from the people. I am seeking that mandate now, and if I obtain it I will have no objection to Mr. Moore helping us in Parliament with a policy of reconstruction.'

"A further question was: 'If your party is returned is it your intention to balance the Budget by 1934, as the Moore Government has promised to do?'

"Mr. Smith said that if returned it would be his earnest endeavour to restore the family budget of the people of Queensland, because by that means the State Budget would be balanced."

How can the people on whom the Treasurer is imposing increased taxation balance their budgets? After all, more than one section

should be considered when Parliament is dealing with taxation.

Another question was—

"Are you certain of obtaining Queensland's full quota from the Loan Council if you fail to practise economy, with a view to balancing the Budget?"

The answer given by the hon. gentleman was—

"If Labour were returned he would be the State's representative on the Loan Council; and he could not see other members taking from him what was Queensland's rights. Because they may have bluffed Mr. Moore and Mr. Barnes was no reason why they could assume the right to bluff him."

What happened? I do not say they bluffed him; but I do say that, when he went down there, he recognised the futility of fighting against the Premiers' Plan when all the other Governments had agreed to it. He saw the wisdom of agreeing to it; and, notwithstanding that he had led his followers throughout Queensland to believe he was not in favour of the Premiers' Plan, when he got down there he accepted it. Certainly he moved an amendment to the resolution submitted to the conference; but what were the actual words he added? They only set out the objective of the Premiers' Plan. When the Premiers' Plan was first brought forward, everyone understood that the objective was the rehabilitation of the finances and the getting of people back into employment. This further question was asked of the hon. member:—

"Do you claim that your policy requires no further increase in taxation?"

To which the hon. member replied—

"Yes."

Immediately the Government came into power, although the hon. gentleman led the people to believe his party did not believe in intermittent relief work, the unemployment relief tax was increased. The people thought they were going to be free of intermittent relief work. They thought they were going to get permanent employment at award rates of pay. It was no use saying anything to the contrary to them. They swallowed it whole; but the result is that the relief scheme is still in operation. If it were such a bad scheme, why was it followed in all the other States? During the fourteen years the Labour Government were in power they did not devise any scheme at all. They were simply giving the people rations; but the Moore Government instituted a scheme providing for intermittent relief work. It was a good scheme. We never said it provided a fair wage; but we did say it was relief work, and it was the best thing that could be brought forward until such time as the people got some other work to do. It is far better to encourage private industry and to get our own people and investing companies from overseas to invest their capital in Queensland than to borrow money. Private people will not spend their money unless there is some prospect of a reasonable return on the money they are spending. If there happens to be a loss, then the loss is theirs; but, if the Government borrow money and put it into private enterprise, if there is any loss, the loss is the State's. The Labour Government already have had experience in that direction. They put over £5,000,000

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into private enterprise, and, with interest capitalised, the loss was over £4,500,000; and that has to be paid by the people of Queensland. If you borrow money at 5 per cent. for twenty years, you have to pay the interest, and at the end of the term you still owe the money.

The bell indicated that the hon. member had exhausted the time allowed him under the Standing Orders.

Mr. DEACON (*Cunningham*) [3.19]: Mr. Hanson—

The TREASURER: Don't you want the public servants to get their money?

Mr. DEACON: I want some information from the Treasurer, and I am quite willing to give him some in return if he wants it. I would have more sympathy for the Treasurer and the Government if they were sincere in their attempt to bring about order in their finances. From what the Treasurer and other hon. members opposite have said to-day, there does not seem to be any attempt being made by the Government to put the finances in order or to carry on the work which the Moore Government did in that direction. The Government seem to be going back to the old Labour policy of spending everything without bothering where it is going to come from at the end of the year. The Treasurer seems to look at the matter from the point of view that he can spend everything, and then at the end of the year, when he has a larger deficit than he intended, expect the Loan Council to advance him the money necessary. That is the game which Mr. Lang played to the limit, and which appears to be being played by some of the Governments in Australia; and it looks as though the Treasurer has made up his mind to fall into line with those Governments, spend as much as he can, make himself as popular as possible, and then leave it to the Loan Council to find money to meet the increased deficit.

If the Treasurer were sincere, he would be a little more frank in his statements. It does not appear quite certain from his answers to questions and his statements this morning whether he was given that £620,000 at all. It was understood when he came back from the Loan Council that the £940,000 was in addition to the £620,000, but it is not certain now that that is so. If the Treasurer would make that clear, it would be much better.

The TREASURER: I very definitely made it clear—

Mr. DEACON: That we are getting the £620,000 and the £940,000?

The TREASURER: £620,000 plus £940,000.

Mr. DEACON: That is the first time I have heard the definite statement made. It is much more satisfactory to have that definite statement from the hon. gentleman about the matter. It seems to me that the Government anticipate getting loan money at the end of the year to cover any shortage and make possible the large expenditure which has been foreshadowed in order to give unemployment relief. It is possible that there may be a much greater shortage in revenue than is expected. Last year was one of the worst years financially for the people that we have ever had; it was much worse than the year before. The Treasurer cannot expect to get the same amount from

income tax or any other form of taxation this year, because he will have to give relief to people who cannot pay. We must, therefore, expect a bigger shortage than the Treasurer ever dreamed of when he took office.

The position is that even if people are liable to taxation they may not have the wherewithal to pay it. During the last six months nobody on the land has been able to make anything to speak of. The dairymen have had a bad time, and they certainly are not making much; and it is doubtful whether they will have enough to pay their taxes due for last year. The wool people are also in a bad position. The price of wool has been so low that it has been impossible for them to make profits. They have been denied the relief that was promised to them in the way of railway freights. They are not getting any assistance from the Government at all. They are in such a position that the Treasurer will have a bigger difficulty next year in getting his land revenue than any other Government ever had in Queensland's history.

The TREASURER: You gave away a lot of the State's best assets.

Mr. DEACON: No. If you do anything to make it easier for them to make money and pay taxes and keep going, you do something to the advantage of the State.

The TREASURER: You gave better security to the big institutions. The selectors got no advantage.

Mr. DEACON: If you improve a man's security, if you give him more time in which to make a success of his holding, then you put him in a better position. We gave them sufficient land to enable them to make a living. We threw open sufficient land for those who wished to take it up—more than we thought would be financed by selectors themselves or by institutions.

The TREASURER: What did you think about Lahey's offer about that timber?

Mr. DEACON: I shall deal with that before I sit down. I was dealing with the wool question, and the Treasurer wants to draw me off.

The TREASURER: No.

Mr. DEACON: We helped the wool people; but, even as it is, the Government will have much difficulty in getting their rents. They will have difficulty in getting their taxation also. On the whole, it is quite easy to see the Government are going to find it very difficult to get in their land and income tax revenue. They will find it more difficult to get in their rents than any Treasurer in the past. It is easy to see, too, from the speeches of hon. members behind the Government that we are going to have a large increase in taxation. Already the Treasurer has doubled the unemployment relief tax, but his supporters are saying that this, that, and the other thing must be done; and it is evident that there must be a large increase in taxation in order to balance the Budget. At the same time, if we raise money in order to help the unemployed through our unemployment organisation, you put somebody else out of a job; so that it does not help us. Really you do not give any work except, perhaps, to a man you take off the labour market. You may raise the relief tax and impose heavy taxation; but that very action causes

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another man to lose his job with a private employer. It would be more reassuring if the Government did not even make mention of higher taxation unless they are definitely committed to that policy. If they propose to increase the burden of taxation, then the sooner they make a pronouncement to that effect the better.

The TREASURER: Only hon. members opposite have spoken in that strain.

Mr. DEACON: I base my remarks on the utterances of the supporters of the Government, which have not been contradicted by the hon. gentleman. He has not stated that taxation is to be increased, but his supporters have said so.

Mr. O'KEEFE: Why are you stonewalling?

Mr. DEACON: I am endeavouring to assist the Government. I extend to them my sympathy. I am pointing out the difficulties, and I propose to offer a remedy before I conclude. I am sure that nobody in this Chamber enjoys the present position in this State; and I am sure that nobody wishes to see it continued. We are confronted with a crisis which also confronts other Governments; but other Governments have taken quite different steps to remedy the situation. I feel that the remedy proposed by the present Government will only make for a worse position, and so I offer them my criticism.

The subject of land settlement has been discussed at considerable length, and various sections have expressed the belief that land settlement will aid considerably in the solution of the unemployed problem. One of the most serious difficulties facing people on the land to-day is over-production. They are unable to obtain a profitable return for their labour. We should not have been able to grow wheat in Queensland at a profitable price had not a scheme been inaugurated with the assistance of the Sugar Acquisition Act. If that scheme had not been set in motion, every farmer would have shown a loss. It is impossible for wheat-growers in any part of Australia to grow wheat at a profit to-day on world parity. Butter is returning a low price, and wool is at a very low ebb, the price received being below the cost of production. Should we place more people on the land when a very large majority of those already on the land are in just as bad a position as many of the unemployed? There are on the land people with small capital who are enduring severe handicaps as a result of droughts, indebted to many people, not able to balance their budgets, not able to buy the necessaries of life, and actually in receipt of rations. No one ever anticipated that a large number of farmers would be placed in this position. These are not isolated cases, but represent the position of farmers who possess land of very good quality, but are unable to obtain sufficient for their products to enable them to make a living.

I certainly do think that it will be a big mistake to endeavour to establish a tobacco settlement at Beerburrum. I have been over the Beerburrum land on several occasions, inquiring into the conditions of settlers and viewing the land generally; and I feel certain that it would be a great mistake to endeavour to grow anything on that land. It is not possible to do so.

Mr. KENNY: The Forestry Board might be able to make a success of the area.

Mr. DEACON: There may be something in that suggestion. The land is good for growing timber; but it has never yet grown any other crop from which the settler could make a living. It has been given a solid try. The settlers have grown some crops successfully, but the cost of doing so was such that they had nothing left for themselves. Yet the Government, on the chance success of one year's experiment, are going to place one hundred unemployed on this land to grow tobacco! Beerburrum land is so poor that one cannot keep a cow on any one block without hand-feeding it all the year round. That is to say, a settler must purchase chaff, bran, and pollard for his cow if he desires milk all the year round. When land is so poor that it will not grow anything without constantly being fertilised, it should not be utilised for any form of unemployment settlement. It has only grown one crop once—that is, pine-apples—and then only after the ground had been fertilised. It would cost £25 to £30 per acre to clear this worthless land of timber before tobacco-growing could be undertaken. Such a settlement would break the hearts of the unemployed, and waste Government money. If the Government desire to settle the unemployed on the land, then let them place them on land where they will have a reasonable chance of success. Land can be purchased at less than half the cost of clearing the timber off the Beerburrum land. Land, together with houses, herds, and implements necessary, can be purchased on a walk-in-walk-out basis at £8 or £9 an acre; yet the Government propose to spend £25 an acre in clearing worthless land for the settlement of unemployed! The settlers will not be able to make a living, and could only be kept on the land by sustenance given by the Government.

I am sorry to learn that the latest land settlement proposals of the Government embrace timber lands in North Queensland on which valuable timber is standing. I do not know what it is proposed to do with the timber; but it is certain that, if the land is thrown open for selection at the present time, the timber market cannot absorb the timber which will be cleared off it. The timber on the land in the Boonjee area would, if sold to the building interests, realise more than the land if put under settlement, while for four or five years to come it would absorb more labour in felling the timber and treating it in the sawmills than the land will absorb by being placed under settlement. It would take two or three years before any crop would be received from the land. My remarks also apply to the Eungella lands. Timber is an article that can be sold, and gives work to market. When I was head of the Forestry Department, the department sold piles to a company in England. There was not much profit in the transaction; but it provided quite a lot of revenue in taking the timber off the land. None of this country on which those piles grew was worth the expenditure necessary to bring the land into cultivation; yet the Government had returned to them a greater amount than that which the land would have realised under any form of farming settlement by the freight earned on the carriage of the timber, and in the work provided in getting the timber to market. The same could be done with the

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Northern timber lands that it is now proposed to open for settlement. Considerably more money could be obtained by the State if the timber on the lands were first marketed and then, if necessary, the land made available for settlement. I hope the proposals of the Government are not correctly stated, because a great mistake can be made by acting in that way, involving a big financial loss to the State.

I hope the Government will not make the mistake of reverting to perpetual leasehold. So far they have not given legal effect to their policy in that regard; and I am hopeful that they may see reason before taking action in the matter. Nothing is to be gained by a reversion to the perpetual leasehold tenure. It is only a matter of time before we on the Opposition benches are again the Government of the country, and we shall certainly reinstitute the freehold tenure if a change is made now by the present Government. It is only because selectors know that there must inevitably be a change of party and a change of policy, involving the grant of freehold tenure, that they take up land under leasehold conditions.

Mr. O'KEEFE: They soon got tired of you.

Mr. DEACON: Not in the country districts. The city constituencies may have; but then the people in the cities are more easily led, and have not that intelligence which is characteristic of the man up country. The grant of freehold tenure will make for more successful settlement. The man with money wants security when he takes up land; and a freehold title to land is the only security with which he can obtain credit. After all, one of the greatest essentials of successful land settlement is the ability to obtain credit.

Mr. G. P. BARNES (*Warwick*) [3.43]: Mr. Hanson, it is my privilege and pleasure to congratulate you on your appointment to the very important position which you are now occupying. That fair, balanced mind which you possess, coupled with the experience you have gained, will, I feel certain, enable you to fill your important office with eminent satisfaction to all hon. members.

Whilst paying compliments, I rather differ from many hon. members in their attitude on matters connected with the Premiers' Conference. My feeling is that the Treasurer and the Secretary for Public Lands, who accompanied him to the conference, are deserving of the best thanks of this Parliament for falling into line with the proposals of the Premiers' Conference.

Mr. COSTELLO: They don't admit it.

Mr. G. P. BARNES: They may not admit it; but it is to the distinct advantage of Queensland and of all Australia to know that the Treasurer of Queensland adhered to the determination expressed at previous Premiers' Conferences.

At 3.45 p.m.,

Mr. O'KEEFE (*Cairns*), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. G. P. BARNES: After all, the result of the Premiers' Conference was due not only to Country Nationalists, but to the influence and attitude shown by the five members of the conference representing Labour. I have felt that there is due to

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those who met in conference—whether they represent one party or the other—the very best thanks of the whole of Australia for having found a way out of the difficulties with which we were confronted. Who can say to-day what would have happened if the bull had not been taken by the horns, or if the position had not been gripped as it was gripped? We would have been landed in amazing difficulties; and it is satisfactory to know that the best brains in Australia co-operated and came to a determination, and, as a result, Australia is getting out of her difficulties, and, with Australia, Queensland. Certainly Queensland, after fourteen years of Labour administration, was landed with a debt far beyond her means, yet, notwithstanding that, when the position was gripped as it was gripped by the Moore Government, things began to mend. After falling into line with the other States, the Moore Government, during their three year of office, followed a course of administration which certainly worked for the good of the State of Queensland. One has to remember only one fact in that connection. A week or two ago there appeared a statement showing the floating liabilities of the whole of Australia, totalling some £85,000,000. The liabilities of New South Wales were shown at £32,000,000; but, when it came to Queensland, the word "nil" was written opposite, which showed that the administration of the past Government was exceedingly satisfactory, and that not one penny had been added to the national debt of Queensland.

The TREASURER: You are entirely wrong. I will give you the figures.

Mr. G. P. BARNES: Not one penny was added to the national debt by the Moore Government.

The TREASURER: Yes—£2,693,230.

Mr. G. P. BARNES: That had been included in the debt of Queensland prior to the Moore Government assuming office.

The TREASURER: I am referring to the increase in the public debt during the administration of the Nationalist Government.

Mr. G. P. BARNES: A statement was issued by the Federal Government showing Australia's floating liabilities at £85,000,000, and we are told that Queensland has not, and does not, participate to the extent of one penny in that connection. Does not that redound to the honour of the late Administration in Queensland? They succeeded a Government that had, on the average, raised some £4,000,000 a year by way of loan for every year they were in office. If they had borrowed at the same rate as the previous Government, the debt of Queensland would have been increased by a further £12,000,000; but, instead of that, they governed Queensland without increasing the loan indebtedness. I think the people are becoming alive to the wonderful accomplishment of the late Moore Government in having carried on without increasing the loan expenditure of the State, notwithstanding the depression and falling-off of revenue.

However, I very sincerely congratulate the Government upon having fallen into line and doing what they have already done. It is well to know that men are amenable to reason. We realise the amount of propaganda which took place during the election;

and, although the people believed in it, yet the day of reckoning comes; and we are able now in the calmness and quiet of this Assembly to weigh what has taken place, and to sum up what was to have been as compared to what has really taken place.

Having fallen into line, is it not incumbent on the part of the Government to continue in the same way? That is where I cannot congratulate the Government. They are steering a course apparently starting from the point they had reached when they previously left office. They are taking a course which is characteristic of their conduct in past years of office. I earnestly ask them to reconsider the position, and to do those things which are going to help in the readjustment of matters according to the decision of the Premiers' Conference to which the Government are a party.

The hon. member for Cunningham, the ex-Secretary for Public Lands, pointed out the great degree of land settlement which has taken place; and it must be very satisfactory to hon. members that so much land settlement is going on at the present time. There is a "back to the land movement." When travelling through the country, one can see the large areas of land—lighter areas—not rich black soil altogether—even in the Cunningham electorate which are being brought under cultivation, and which have never before in our lifetime been put under the plough. That is a good sign. People are now giving their attention to land which was formerly rather despised for agricultural purposes, and the plough is now engaged in properly developing those lands.

Then there is a desire on the part of local authorities to lend a hand at every turn in connection with land settlement. Three local authorities in my district are ready at any moment to co-operate with the Government in a direction which will lead to production. The Warwick Town Council has sent down to the Government a proposal to design ninety-seven blocks of land which has been declared by the experts to be suitable for tobacco-growing. Evidently the land is adaptable for the purpose; and this very day I believe an expert is in Warwick checking again the areas which have been offered. Certain irrigation proposals are to be made, or have already been made. I commend the matter to the Government and to the Committee. If we are to succeed on the land in Queensland, as I think was pointed out by one of those delegations that we have had from home, we need to do things more intensively. The members of that delegation looked at the vast areas of land that were not being cultivated or otherwise used to the greatest extent possible, and they told us that we needed to go in for intensive cultivation. That we are endeavouring to do in my district, where there is a determined move in that direction. I hope the Government will approve of the scheme.

With regard to industrial matters, the Government require to go carefully. If they are going to upset labour conditions generally, they will make a tremendous mistake, and we shall not get out of our difficulties as soon as we otherwise might.

Perhaps it would be as well if I dealt with wheat matters, which have already been referred to on several occasions, and about which I think I can claim to know

something. No hon. member in this Chamber has a better knowledge of the matter, and no man exercised a bigger influence in connection with the wheat industry during his term at the Department of Agriculture than the present Premier. Many a conversation I had with him on the matter, and whatever happened in connection with the last agreement, called the "millers' agreement," was due entirely to his instigation. He set the ball moving. He knew as well as any other man that, unless something was done, wheat grown in Queensland would have to be exported, and at the same time flour milled from other wheat would be brought to Queensland. We have discussed this matter together, and his firm idea was to secure to Queensland the flour trade of Queensland, with flour made from wheat grown in Queensland. I think those are his exact words.

The TREASURER: They are. I think that is the exact phrase I used.

Mr. G. P. BARNES: It was done with the idea of serving the milling interests primarily. It served the farmers well, too. Look what they have enjoyed in consequence of that! The hon. gentleman knew full well that it would cost 28s. to bring the forty-eight bushels required to make a ton of flour to the border of Queensland, and that the New South Wales Government were carrying the flour at 6s. 6d. so that it might compete with the Queensland flour. When we talk of wheat introduced into Queensland, we must always think of flour, because flour is carried to the border of Queensland at one-quarter, and perhaps less, of the cost of carrying wheat. We could not compete right at our very door. The hon. gentleman knew that; and before he retired from office he called a meeting so that the millers and the Wheat Board might approve of an agreement to overcome the difficulty. I recollect that he told the millers and others that we were growing so much wheat in Queensland, and that, unless something was done, a considerable proportion would have to be exported; and no doubt a considerable proportion would have had to be exported if it had not been decided to take certain action under the Sugar Acquisition Act.

The TREASURER: Why did your Government, in reply to a question by me, say that the Crown were not interested as a party in the agreement, when, as a matter of fact, it was a tripartite agreement—if not in the strict letter, then in the principle involved? The Crown played a very important part in carrying out the agreement; but the ex-Secretary for Agriculture denied on two separate occasions that the Crown had anything to do with it. Why should he have done that?

Mr. G. P. BARNES: One can obtain a fair idea of the conditions that obtained if one refers to the Auditor-General's report on the public accounts for the financial year 1930-31, which said this—

"In an amended agreement, dated 7th July, 1931, a total quantity of 3,600,000 bushels of wheat of the 1930-31 season's crop has been agreed upon by the companies as their quota, due to the advent of Gillespie Bros. (Sydney), Brisbane, becoming a party to the agreement.

"Surplus milling wheat over and above this quantity for the current season has been purchased by the milling

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companies at an average price of 3s. 10½d. per bushel.

"On 15th January, 1931, a proclamation was gazetted whereby the operations of 'The Sugar Acquisition Act of 1915' were extended so as to include flour.

"At a conference with the milling companies' representatives held on 22nd January last it was agreed that the price to be paid by the millers in respect of the wheat under agreement of 3,600,000 bushels, on and after 16th January, 1931, shall be 4s. 2½d. per bushel net on rails sending stations.

"To the 15th January, 1931, the realisation of wheat delivered to milling companies under the agreement averaged only 2s. 8d. per bushel.

"As the price of wheat gradually falls as the year progresses, the growers would have received a very small return per bushel for this season's wheat if the Sugar Acquisition Act had not been applied or other similar action taken to maintain a higher price for wheat."

At 4.5 p.m.,

The CHAIRMAN resumed the chair.

Mr. G. P. BARNES: The report goes on to show what took place under the Sugar Acquisition Act, and that for wheat the ruling price for which was then 2s. 8d. per bushel the farmer received 3s. 10½d. Then followed the order of the department, which took stock of the whole of the flour held in Queensland by the millers, bakers, and others, upon which we were later called upon to pay the difference in price.

Mr. LEWELYN: They short-paid. That is where the £9,000 comes in.

Mr. G. P. BARNES: That is not so.

The TREASURER: The amount actually short-paid was £6,222.

Mr. G. P. BARNES: If my memory serves me correctly, the first amount which was levied on the millers, bakers, and others was £37,000. Subsequently a further check took place. I am only going to give my own experience. In the first place, my own people paid £5,475 to the department in respect of stocks held which had been gristed from the wheat costing the lower figure. Other millers made payments on a similar basis. Then, in June, the Government auditor came along and, after he had gone through my company's books, he said, "Mr. Barnes, you have, I believe, paid about £50 over and above what you should have done." The thing ended there. Later, the auditor advised that it had been found after a further check that my company had paid £1 1s. 5d. short of what ought to have been paid. We thereupon remitted that amount. A further effort has been made to claim from my company the sum of £362 19s. 4d. Whether it has to do with this £9,000 or not I do not know, because I did not hear anything of this amount except in this Chamber from the Treasurer. We say that this claim is based on the wrong formulæ.

Mr. RUSSELL (*Hamilton*) [4.8 p.m.]: I desire to congratulate you, Mr. Hanson, on your appointment as Chairman of Committees. When you sat in opposition, you acted as Temporary Chairman of Committees, and always gave us justice.

[*Mr. G. P. Barnes.*]

The present Government have taken office after a very strenuous election campaign, during which they gave utterance to a great number of promises to the electors. While I do not desire to indulge in any post mortems, one must show the public the fallacy of many statements made by Government supporters. As an Opposition, we must take care that we do not offer any opposition to any sound plan which will make for the rehabilitation of our industries. At the same time we should see to it that the Government are kept up to their promises. The time will come when they will be called upon to give an account of their stewardship; and, while the memory of the public may be short, still it is only right when that time does arrive that we should endeavour to show that the promises made by the Government were not fulfilled, and that probably a lot of them were made for vote-catching purposes.

Apart from that, hon. members on this side are quite alive to the necessity of bringing about an improvement in the industries of the State, to see that administration is carefully carried out, and that even justice is meted out to all sections without showing any undue preponderance of favour to any particular section, and more especially to that section of the community that is in accord with the present Government's policy.

It is very difficult for the Treasurer to explain to our satisfaction that he did revise the Premiers' Plan. Listening to his speeches, one would think that he had intended going to the Premiers' Conference for the sole purpose of wrecking the plan, or so emasculating it as to bring it into conformity with the policy which he outlined to this Parliament when he stated that he and his party quite approved of the reduction of interest to holders of Government bonds, but were not prepared to pass on any part of the sacrifice demanded by the Federal Government to other sections of the community. In other words, the hon. gentleman did not agree with the cuts in amounts paid by way of pensions, social services, or emoluments of public servants. Those were his objections to the Premiers' Plan, and we naturally thought that, when he attended the Premiers' Conference, he would stand firm on those so-called principles which he enunciated. But I think most fairminded men must admit that, instead of the present Treasurer forcing his opinion down the throats of the other members of the conference, he was forced, willy-nilly, to accept the Premiers' Plan containing those provisions which were so obnoxious to his party.

I should like the Treasurer to tell the Committee what provision has been made by the present Government for the restoration to public servants of the reductions made in their salaries, and for the restoration of the deductions made in the various social services. The statement has been made in this Chamber by an hon. member on the Government side, and it has also been stated publicly, that just at the moment public servants do not expect to receive a restoration of these deductions. It is unfair to try to gull one section of the public in that manner by soliciting their votes on the promise that certain things will be done. We on this side of the Chamber take the view that, in consonance with the terms of the Premiers' Plan, the sacrifices that were demanded should be shared as equally as

possible by every section of the community. Every other State in the Commonwealth, with the exception of New South Wales, carried out the conditions of the Premiers' Plan; and at the present moment there is no inclination on their part to restore the emoluments withdrawn from the public servants or to make good the decreased amounts voted for the various social services controlled by Governments generally.

The Treasurer was present at a conference of the Australian Labour Party in June, 1931, when the policy of his party was clearly stated. It was at that conference that this resolution was carried:—

“In view of the position created in the ranks of Labour by the adoption by the Federal Labour Party of that part of the Premiers' Plan to which the Labour movement throughout Australia has declared its definite hostility, this conference declares that the reduction of wages, pensions, and social services runs counter to Labour's platform and cannot be effected as any part of Labour's policy.”

The journal of the Labour Party in Victoria in a recent article headed “Has Forgan Smith Surrendered,” had this to say:—

“The mover of the resolution at the special conference was Mr. Forgan Smith, the then Leader of the State Parliamentary Labour Party and of the Opposition in the Legislative Assembly of Queensland. In the general discussion that took place before Mr. Smith's resolution was submitted, he had emphasised the fact that ‘a greater proportion of the people is getting less of the things they produce than they are entitled to.’ He also wanted to know ‘What is the attitude of the Federal Government going to be if further cuts in wages and social services are suggested?’

“Judged by his remarks at the special conference and by his subsequent action in moving the resolution, which was adopted by the conference, Mr. Smith stood solidly with all in the party who were opposed to the reductions in wages, pensions, and social services, which were provided for in the Premiers' Plan.”

At the Premiers' Conference which he recently attended we well know that the following resolution was carried:—

“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.”

It is clear from that, although the hon. gentleman endeavoured to gull the public into thinking that he would not be prepared to accept the Premiers' Plan in its entirety—that he would insist on the deletion of that part of the plan which dealt with reductions in salaries of public servants and reduction in payments to social services—yet we find he subscribed to the plan in its entirety, although I admit that he was able, in common with other Premiers—who were all, I am sorry to say, willing—to continue a policy of borrowing rather than face the issue fairly and squarely; and, after all, borrowing is

only a palliative, and must eventually end in disastrous consequences, and must mean the piling up of further taxation on an already overburdened community.

This journal takes Mr. Forgan Smith to task in language which is only typical of some of the utterances of various Labour unions. They are asking to-day: Where does the Premier stand? Has he swallowed the Premiers' Plan? Has he gone back on his pledges to the electors? If he has gone back on his pledges to the electors, it is evident by the very caustic remarks passed by some of his conferees and by the leaders of Labour throughout Australia that eventually he must meet the fate of Mr. Hill and Mr. Hogan, who saw the necessity for the Premiers' Plan, and who have been thrown out of the Labour Party and to whom have been applied that opprobrious term which so readily falls from the lips of many Labour agitators. We all admire the action of Mr. Hill and Mr. Hogan, who, as one speaker has already said, put country before party. In times like the present it is essential that all public men should place in the forefront of their policy the welfare of the State as against party discipline or party shibboleths. We have advocated in season and out of season that at a time of crisis like this men of various shades of political thought should be prepared to sink their differences in order to evolve a common policy which will make for the amelioration of the lot of the people and for the rehabilitation of industry. The journal I have quoted, dealing with the Treasurer, further states—

“In the circumstances an explanation is due from Mr. Forgan Smith as to exactly where he stands with respect to that part of the Premiers' Plan he opposed at the special Australian Labour Party Conference in August of last year. Is he still where he was at that time or has he surrendered to anti-Labour, as did Messrs. Hogan, Hill, and other representatives of Labour when the whips were cracked? In the absence of such explanation and in the light of the fact that it has been proclaimed to the world that he has committed himself to the resolution of the Premiers' Conference, in which the principles of the Premiers' Plan of 1931 are affirmed, Mr. Smith cannot complain if he is viewed with suspicion. Nor can he justifiably resent being asked to make his position clear in the eyes of the movement that he claims to represent. . . .

“Because of the defections of the Hogans and Hills, and because of the bitter disappointments during the past two or three years, these essential qualities are now demanded of those who would lead the way by all intelligent members of the Australian Labour Party. Therefore, Mr. Forgan Smith, like all others similarly situated must either make his position clear or pay the penalty of being distrusted.”

I am not saying that in any detrimental way of the Treasurer, because, if he will take his courage in both hands and emulate the example of Mr. Hill and Mr. Hogan, I can assure him the Opposition will be pleased to support him in carrying out that plan. That is the main feature of our policy.

There is no doubt that, when the Treasurer came into contact with the Premiers

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of the other States and met his Labour colleague, Mr. Hill, he must have admitted that he had been on the wrong track. If I can be shown any better plan than the Premiers' Plan, I would be prepared to give it my earnest consideration. I want hon. members opposite to realise that we on this side are actuated just as much by humane motives for the amelioration of the lot of the people as they are; but I cannot see any virtue in the resuscitation of the mad borrowing policy which was one of the main features of the Labour regime in the years from 1915 to 1929. In 1913 Mr. Theodore, in his boyish enthusiasm, took the then Government to task for not taking the needs of the future into consideration, because, as he said, they were borrowing without any regard for the repayment of any portion of the loans, and were really robbing posterity by placing on their shoulders the burden of the payments of the loans. But in 1924 he had a different tale to tell, and he boasted openly of the great policy initiated by Labour, under which the sum of £5,000,000 annually was to be spent—not on reproductive works—the word “reproductive” was omitted—but on a bold Labour policy. During their regime they spent an enormous amount of overseas money, averaging about £4,000,000 per annum; and, of course, that is one of the main causes of the depression in Queensland to-day. This State would not have felt the results of the great depression but for the enormous load of taxation which was placed on our shoulders by Labour during its occupancy of office in the years from 1915 to 1929. That was the legacy left to us when we took office; and no wonder we had deficits with a decreased revenue, falling £2,000,000 behind in the space of three years, and were not able to reduce our expenditure in the same ratio as the decrease in our revenue. That, coupled with the tremendous amount expended in the payment of exchange for our remittances abroad, was the main cause of our deficits.

The Government have tabulated several schemes for the employment of men. I only hope that the Government will be able to carry out their schemes, and that they will be able to finance them, if only on the basis of the payments made by the previous Government. I naturally hope that they will do as much more as they can; and I assure the Treasurer that I am quite prepared to support any reasonable scheme which will make provision for these unfortunate people out of work. At the same time, it is necessary to point out the dangers that we think confront the Government. There is no doubt that they proved to the satisfaction of the electors that they had a better scheme than the one we put forward. (Government interjections.) Hon. members opposite know that they gulled the electors with promises that they are unable to carry out. While the Treasurer may believe that what is needed is a reform in the monetary system, the thing we have to tackle to-day is the problem as we find it. We have to meet our difficulties as we reach them. We hope that, as result of the Ottawa Conference, some monetary scheme will be initiated in the Empire which will have for its object the increase of our prices and an expansion in the purchasing power of our people. If that is so, many of our difficulties will dissolve into thin air; but until that is done we must confine ourselves to schemes to overcome our immediate difficulties. The

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Government say they have a panacea for those difficulties; and they say that the cure for the depression lies in political action rather than in the encouragement of private enterprise, or giving industries facilities for expansion. The fear outside is that the Government in carrying out their programme will impose fresh taxation on an already overburdened people, and, in consequence of that fear, there is no progress in industry or increase in employment. I hope that the Treasurer's plans will be successful. I can assure him that there will be no factious opposition from this side of the Chamber, but that hon. members on this side will not oppose him for the sake of opposition, but will support him in anything he can do to improve the position of our people.

The TREASURER (Hon. W. Forgan Smith, Mackay) [4.28]: I have listened very carefully to the speeches made by various members of the Opposition, from the ex-Premier to the hon. member who has just resumed his seat. Listening to those speeches it flashed through my mind that one would be justified in concluding that those hon. members who have spoken who belonged to the late Government had never been in any responsible position of government, because their speeches indicated a lack of knowledge of the essential facts of the present day. If indeed it was lack of knowledge, it was deplorable. If, on the other hand, it was an indication that they were callously disregarding the real facts of the position, it was not only deplorable but also reprehensible. For we have an Opposition, recently a Government, dealing with matters over which they had control, and seeking to blame this Government for their failure.

Everyone realises that there are certain definite problems before this country, and that those problems are problems of finance and work and wages for those of our citizens who now have neither. The responsibility for dealing with them rests on the shoulders of every member of this Chamber, irrespective of what side he sits upon.

Mr. GODFREY MORGAN: You did not say that twelve months ago.

The TREASURER: It is little good the ex-Secretary for Railways seeking to draw me off the track. He may have discovered new methods of accountancy whereby he can write off £28,000,000 in the indebtedness of the railways and say, “Hey, presto, look what I have saved!”

Mr. GODFREY MORGAN: I discovered that you gave £26,000 to the Mount Isa Company in order to win a few votes.

The TREASURER: Nothing of the kind.

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

Mr. GODFREY MORGAN: What statement?

The CHAIRMAN: The Premier has taken exception to the statement made by the hon. member, and I ask him to withdraw it.

Mr. GODFREY MORGAN: What statement?

The CHAIRMAN: The statement that the Premier granted £26,000 to the Mount Isa Company.

Mr. GODFREY MORGAN: That statement is true; but, if you say that I must withdraw it, then I withdraw it.

The TREASURER: I should like this opportunity to say that never at any time

have I had any pecuniary interest in the Mount Isa Company.

Mr. GODFREY MORGAN: You gave them £26,000, and you cannot deny that.

The TREASURER: If the hon. member for Murilla or any other hon. member opposite can show that I was at any time pecuniarily interested in the Mount Isa Company, or that I at any time obtained any financial advantage from the Mount Isa Company, I will immediately not only resign the Premiership but also my seat in Parliament. That is a fair offer.

Mr. GODFREY MORGAN: Why did you relieve them of the payment of £26,000? No one suggested that you obtained financial advantage.

The TREASURER: I demand a hearing in this Chamber, and I will continue to speak whether the ex-Secretary for Railways likes it or not. The rebate was given to the Mount Isa Company to enable it to continue operations.

Mr. GODFREY MORGAN: It was not a rebate.

The TREASURER: Thousands of men are interested in the operations of that company. They are employed directly and indirectly. The price of bullion is down to £9 per ton—an unpayable price. No Government could contemplate with equanimity the closing down of those works. It would cost the Government thousands of pounds per month in unemployment relief if those works were closed down.

Mr. GODFREY MORGAN: What about wool?

The TREASURER: The arrangement between the Government and the Mount Isa Company was a just one, having regard to all the circumstances.

Mr. GODFREY MORGAN: It was so just that you refused to make it public.

The TREASURER: Mr. Hanson, I ask that the hon. member for Murilla be requested to discontinue deliberately interrupting me while I am making my speech. The ex-Secretary for Railways, like a number of members of the late Government, is evidently a very bad loser.

Mr. GODFREY MORGAN: No. You are a very bad-tempered man.

The TREASURER: If he wishes to talk about railways, then perhaps it would be as well to give him a bit about the £146 incurred in connection with a special train that he sent to Gladstone. I can give him the details now.

Mr. GODFREY MORGAN: That is absolutely untrue. I ask you to have an investigation into that matter.

The TREASURER: This letter is to the point—

"Dear Sir,—With reference to your inquiry regarding the running of a special train from Brisbane to Gladstone on Sunday, 13th December last, I am desired to inform you that at the ruling rate of 8s. 11½d. per train mile the cost would amount to £146 18s. 4d., whilst the actual expenditure incurred in running the train was £48 10s. 11d. In addition to the special car and kitchen car, the special train conveyed three empty carriages required at Townsville for holiday traffic. These, however, could have been lifted by other trains."

Mr. GODFREY MORGAN: That is an absolute lie, and I ask you have an investigation into it.

The CHAIRMAN: Order!

The TREASURER: The hon. member for Murilla cannot get away with it in that fashion. There can be no doubt that he used a special train, or caused instructions for a special train to be sent to Gladstone, the ordinary cost of such special train being £146.

Mr. WATERS: Mr. Hanson, I rise to a point of order. Is the hon. member for Murilla in order in saying that the Premier's statement is an absolute lie?

Mr. R. M. KING: He did not say that. He said that the statement in the letter was an absolute lie.

The CHAIRMAN: I do not think that the hon. member for Murilla made the remark in the manner indicated by the hon. member for Kelvin Grove; but I think that the hon. member for Murilla might withdraw the statement in the interests of peace and decorum in this Chamber.

Mr. GODFREY MORGAN: The statement is an absolute lie, and I ask the Treasurer to make an investigation into the matter.

The TREASURER: I will have an investigation made.

Mr. GODFREY MORGAN: It is an absolute lie.

The CHAIRMAN: Order! I ask the hon. member to withdraw the words "absolute lie."

Mr. GODFREY MORGAN: I do not say that the Treasurer is telling an absolute lie; but what he has read is untruthful, and I ask him to make an investigation into the matter.

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

Mr. GODFREY MORGAN: What statement?

The CHAIRMAN: The word "lie."

Mr. GODFREY MORGAN: I withdraw the word "lie" so far as the Treasurer is concerned; but I say that the statement is untruthful, and I ask him to have an investigation into it.

The CHAIRMAN: Order!

The TREASURER: When the ex-Secretary for Railways starts accusing people of certain things, he cannot expect to get away with it.

Mr. GODFREY MORGAN: You cannot get away from your New Zealand expenses either.

The TREASURER: So far as that is concerned, I am prepared to have all my expenses thoroughly scrutinised, the same as they have always been; and, if the hon. member for Murilla likes, we will have all the expenses of his Government's Ministers scrutinised also.

OPPOSITION MEMBERS: Hear, hear! (Opposition interjections.)

The CHAIRMAN: Order!

The TREASURER: Members of the Opposition apparently do not like, when they interject, to get the replies they are receiving; but, whether they like it or not, I intend to make my speech in my own way, and to deal with the problems confronting the State in accordance with Government policy and explain them from time to time.

Mr. GODFREY MORGAN: You are not going to make a false statement.

The TREASURER: Several hon. members opposite have asked for information in relation to this appropriation. They claim that the amount asked for is in excess of

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the amount usually asked for at this time of the year.

Mr. SIZER: No.

The TREASURER: If the Opposition did not use those exact words, that was the inference to be drawn from their speeches. The total amount of appropriation asked for, and the amount we require for the period covered by this Bill, is approximately £50,000 less than the amount voted in the Appropriation Bill which was introduced at this stage during the last financial year. It is intended under this Bill to provide for works and services for a further period of the financial year. Later on when the Estimates are passed a further Appropriation Bill will be presented.

The ex-Treasurer referred in the course of his speech to budget deficits. No doubt by virtue of his experience he is naturally interested in the results of budgets, and his experience is, without doubt, a singularly unhappy one. I mentioned earlier in the day that the Estimates which I found on taking office indicated a deficit for this year of £2,750,000. I immediately went through the figures. That was the actual position as we saw it. No Government, no matter what political party they may belong to, and no Treasurer having any regard to sound finance would be doing his duty if he budgeted for that amount.

Hon. W. H. BARNES: It was not budgeted for. You know that what you saw was only a rough statement.

The TREASURER: No matter whether a Premiers' Plan was in existence or not, that amount of estimated deficit must be curtailed and brought within controllable dimensions. That is ordinary prudence; and the financial administration ought to carry out that policy. Of course, in a period of rapidly fluctuating price levels and other causes estimates may not be realised, but, so far as it is humanly possible, and so far as a Government can control revenue, a genuine effort will be made by this Government to bring down the estimated Budget deficit.

In the financial year 1930-31 the Moore Government estimated a surplus of £3,268, but in fact achieved a deficit of £842,044. In the following year their estimated deficit of £1,871,159 was converted into an actual deficit of £2,075,180. Those figures should bring to the minds of hon. members opposite the tremendous importance of the public finances of the State. They indicate that the policy that has been pursued in the past has not been successful in accomplishing those things that the Moore Government claimed for it. Hon. members opposite who have devoted themselves to this question have dwelt on what they term the Premiers' Plan. It would appear that quite a number of people interpret that plan in various ways; but the basis of the plan, so far as I understand it, provides for a reduction in controllable expenditure and a progressive reduction in budget deficits. In that direction, with one exception, the Moore Government did less to accomplish that objective than any other Government in Australia.

Furthermore, many of the actions of the late Government were in accord with their own policy, and had nothing to do with the Premiers' Plan, which was blamed for any part of the Moore Government's policy for which an excuse was required. The budget deficits indicate very clearly that the cut-

ting of wages, the dismissal of men, and the exercise of economy do not achieve that budget equilibrium that is so desirable; nor do they relieve the position of industry in any way. The figures for the last three years indicate that the Moore Government were on the wrong track, and, in proportion to the cuts which they made and to the reactionary policy they pursued, unemployment was greatly aggravated, and record budget deficits created.

The hon. member for Gympie and the hon. member for Warwick made the astounding statement that, during the period of office of the Moore Government, there was no increase in the public indebtedness—that no new money was borrowed. The position, however, is that the following amounts were borrowed in the years shown:—

	£
1929-30	1,555,220
1930-31	642,500
1931-32	501,500

£2,699,220

So that during their period of office the Moore Government borrowed £2,699,220 of new money. (Opposition dissent.) I shall give hon. members opposite the sources of that new money at the second reading stage of the Bill, if they desire the information. The hon. member for Fassifern made certain interesting suggestions in regard to encouraging people to give employment. He urged that where men effected improvements and thereby created employment for men who would otherwise be unemployed the amount expended should be regarded as a deduction for income tax purposes.

Mr. WIENHOLT: And land tax.

The TREASURER: Section 19 of the Income Tax Act allows deductions in that direction. It allows deductions for the eradication of animal pests, noxious weeds, clearing timber, preparation of land for cultivation, erection of wire netting, etc., so that to a certain extent the principle that the hon. member enunciates is already in operation under the Income Tax Acts. The extent, however, to which it may be extended would depend on the amount of employment afforded and the relief it would give to the unemployed.

I want to take this opportunity again to say that I am not prepared to defend unemployment taxation as a sound principle of taxation; nor am I prepared to defend the present system of unemployment relief as being a sound part of the national economy. I would not urge that for a moment. The position is that we find a system already in existence. We find also thousands of people unemployed and their immediate needs must be satisfied. No one could allow a citizen of Queensland or his dependants to live in penury and want or die of starvation; therefore, the elementary needs at least of those people must be provided for. But if it is to be a permanent feature of the life of the nation, then I shall be very fearful for the future. At the present time employment is only to a limited extent in the hands of a Government. The instrumentalities they control are considerably less than those controlled by trade and commerce generally. The land and instruments of industry are controlled by private individuals and companies; and, while that remains, the Government cannot undertake the responsibility of finding work and wages for all the citizens

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of the State. A Government or a central organisation can only undertake that responsibility if there is a change in the economic system and the land and instruments of industry are owned collectively and are operated for and on behalf of the whole people. It is only under those conditions that complete responsibility can be taken in that direction. But, so far as the Government can with the funds at their disposal and with the opportunities at their disposal, we are encouraging employment. We are financing works that are of value to the State, and we are encouraging the local authorities and public bodies generally to undertake expenditure which will create an asset.

I was asked as to the allocations from what is known as the State Winter Relief Loan. They are as follow:—

RURAL DEVELOPMENT.		£
Ringbarking, clearing, fencing, and other productive work on land, including silos ... ..		190,000
Construction of pioneer roads to give access to virgin scrub lands—		
Upper Burnett district	£6,000	
Mackay district ... ..	4,000	
North Queensland roads	30,000	
Cotton production—		40,000
Scrub falling, clearing, planting, cultivation of cotton in the Callide, Dawson Valley, and Burnett districts ... ..		20,000
Road work to assist settlers in developing their land ... ..		24,000
INDUSTRY, MINING, AND WORKS.		
Provision of additional grain storage accommodation at fifteen centres throughout the wheat belt where such facilities do not at present exist ... ..		30,000
Mining—		
For the purpose of assisting in the prospecting of minerals		10,000
Loan to Mount Morgan Ltd. ...		15,000
Industry—		
Assistance towards the erection and establishment of coke ovens at Bowen ... ..		25,000
Development—		
Road works in specially selected areas to aid development of the State and assist in opening up new lands, marketing of produce, and transport generally ... ..		200,000
SPECIAL RELIEF LOAN, £940,000.		
Allocations to 18th August, 1932.		
Reduction in grades, Gympie-Mungar Junction ... ..		11,000
Relaying Balfes Creek-Prairie ...		2,500
Hervey's Range road ... ..		9,000
Beerburrum tobacco-growing scheme		7,500
Department of Public Works—		
(a) External and internal painting of buildings (preferably dwellings);		
(b) General repairs to same;		
(c) Extension and improvements to existing dwellings, including internal improvements ...		100,000
Local Authorities—		
Loans ... ..	£73,300	
Subsidies ... ..	71,169	
	144,469	
	£274,469	

Those are the allocations to date, and indicate that the aims and intentions of the Government are being carried out in expenditure on works which are of value to the State and at the same time provide normal work under reasonable conditions to those who are engaged in the carrying on of that work.

A further point raised was in regard to the balances this Government held at certain periods during the present financial year. Various figures have been given by speakers as to the cash balances in the past, and I propose to give the actual figures. On 30th June, 1929, the actual net credit balance inherited by the Moore Government was £4,902,226. The balance at the end of June, the first month we took office, was £1,600,000, but, allowing for outstanding liabilities at that time, the actual balance in hand when this Government took office was, in round figures, £900,000.

Hon. W. H. BARNES: That is not correct.

Mr. SIZER: Tell us the way you are going to tax.

The TREASURER: In reference to the question of taxation various speakers have applied themselves to that matter also; and I wish to take the opportunity of saying that in reference to the levying of taxation I have at all times affirmed the principle that taxation should be levied by Parliament. However, in reference to unemployment relief taxation, what this Government did was merely to operate the machinery left by the past Government. The Moore Government placed deliberately in the statute we are now operating the power to the Governor in Council to do certain things. The means were there, and we did those things.

In reference to general policy, I wish to say that, no matter what the Opposition or others may say about Government policy as enunciated by this party at the general election, everything that we do is in accord with that policy, and in the direction of giving effect to the mandate we received from the people at the polls.

This Government has been in office only a little over three months. During that period we have been able to do a great deal in the interests of the people of this State in accordance with the policy enunciated by us at the general election. I remind our critics that the programme we placed before the people was a three-years programme; and we will carry out that policy in its entirety, and use all the resources at our disposal in order to give effect to it. We are not here to attempt to curry favour with members of the Opposition. We know they failed miserably as a Government. No Government failed more tragically than the Moore Government did. No Government more callously and cynically betrayed the people who trusted them than did the Moore Government, and, as a consequence, we find here to-day those people who are bad losers licking their wounds, and hurling every possible type of insult against this Government.

I repeat that we will carry out our policy. We will be true to the people who placed their trust in us; and our programme as it is unfolded at the proper time during the session will be in accord with the mandate we received from the people of the country. I expect that that programme will not always gain the approval or the benediction of hon.

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members opposite; but the reply to that is that we were placed on the Treasury benches to carry out a policy different from that which was followed by the Moore Government; and we will carry out that policy, no matter to what extent members on the other side of the Chamber and their supporters outside who are opposed to us attempt to defeat us.

It is quite true, as stated by one hon. member opposite, that the taxation per head of population was less last year than in former years; but it is not true—as hon. members opposite proceed to argue from that fact—that the incidence of taxation was less. Nothing is further from the truth. Perhaps one of the greatest condemnations of the policy of the Moore Government is to be found in the per capita taxation payable in the State. How was the reduction brought about? Obviously by including 80,000 people within the ambit of taxation who formerly were free.

Mr. SIZER: Are you going to remove them?

The TREASURER: Obviously the average was less. The other and the more important reason is to be found in the diminished income of the taxpayers. As a result of the policy of deflation there is a reduced national income and taxation is less. The incidence of taxation has not been reduced. The fact is that during the period of the Moore Government they increased taxation enormously. Not only did they increase the numbers who were taxed, but they also increased its incidence.

I do not propose at this juncture to make a speech in anticipation of the Budget. That will come in due course, and will contain the Government's financial proposals for the ensuing financial year. They will be in accord with Government policy, and in accord with what we consider to be in the best interests of the State of Queensland.

Question put and passed.

The House resumed.

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

Resolution received, and agreed to.

#### WAYS AND MEANS.

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

(Mr. Hanson, Buranda, in the chair.)

The TREASURER (Hon. W. Forgan Smith, Mackay): I beg to move—

“(a) That, towards making good the Supply granted to His Majesty, on account, for the service of the year 1932-33, a further sum not exceeding £1,600,000 be granted out of the Consolidated Revenue Fund of Queensland (exclusive of the moneys standing to the credit of the Loan Fund Account).

“(b) That, towards making good the Supply granted to His Majesty, on account, for the service of the year 1932-33, a further sum not exceeding £800,000 be granted from the Trust and Special Funds.

“(c) That, towards making good the Supply granted to His Majesty, on account, for the service of the year 1932-33, a further sum not exceeding

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£600,000 be granted from the moneys standing to the credit of the Loan Fund Account.”

Question put and passed.

The House resumed.

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

Resolutions received, and agreed to.

#### APPROPRIATION BILL No. 1.

##### FIRST READING.

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

##### SECOND READING.

The TREASURER (Hon. W. Forgan Smith, Mackay): I beg to move—

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

Mr. R. M. KING (Logan): I beg to move the adjournment of the debate.

Question put and passed.

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

The House adjourned at 5.8 p.m.