

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 15 SEPTEMBER 1932

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

ADDRESS IN REPLY.

ANSWER OF HIS EXCELLENCY THE GOVERNOR.

Mr. SPEAKER: I have to report that I have received from His Excellency the Governor the following answer to the Address in Reply presented to His Excellency:—

“Government House,
“Brisbane.

“Mr. Speaker and Gentlemen,—

“As representative of His Majesty the King, I tender to you and the members of the Legislative Assembly my sincere thanks for the Address in Reply to the Speech which I had the honour to deliver when I opened Parliament on the 16th August.

“I shall not fail to convey to His Majesty your expressions of loyalty and affection to his Throne and Person.

“I am indeed grateful for the cordial welcome which was extended to me on my arrival to take up the responsible duties of Governor of Queensland. I can assure you that I shall use every endeavour that lies in my power to advance the prosperity of the State, and, if I am to judge by the courage and determination of the people with whom I have already been brought into contact, I have every confidence that, under improved world conditions, a brighter page of history is opening for all the citizens of Queensland. I very sincerely hope that far better times are ahead.

“I would assure you of my very sincere wishes that the result of your labours will be for the lasting benefit and advancement of the State.

“LESLIE WILSON,
“Governor.

“14th September, 1932.”

QUESTIONS.

APPENDICITIS CASES IN BRISBANE, ROCKHAMPTON, TOOWOOMBA, TOWNSVILLE, AND MARYBOROUGH PUBLIC HOSPITALS.

Mr. MAXWELL (*Toowong*), for Mr. ROBERTS (*East Toowoomba*), asked the Home Secretary—

“1. How many cases of appendicitis were treated in the Brisbane, Rockhampton, Toowoomba, Townsville, and Maryborough public hospitals during last financial year?

“2. How many operations for this complaint were performed?

“3. How many of the patients (*a*) died, (*b*) were discharged as cured?”

The HOME SECRETARY (Hon. E. M. Hanlon, *Ithaca*) replied—

“1. Brisbane, 389; Rockhampton, 133; Toowoomba, 303; Townsville, 145; Maryborough, 92.

“2. Brisbane, 321; Rockhampton, 126; Toowoomba, 287; Townsville, 138; Maryborough, 81.

“3. Brisbane—(*a*) 10, (*b*) 379; Rockhampton—(*a*) Nil, (*b*) 133; Toowoomba—

(*a*) 3, (*b*) 283 cured, 17 relieved; Townsville—(*a*) 2, (*b*) 143; Maryborough—(*a*) 1, (*b*) 91.”

PAPERS IN RE MACKAY OUTER HARBOUR SCHEME, 1906-1908.

Mr. DANIEL (*Kippel*) asked the Treasurer—

“Will he lay on the table of the House or make available for perusal by hon. members all papers and correspondence relating to the work done in connection with the Mackay outer harbour scheme during the years 1906 to 1908, inclusive?”

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

“The honourable member may peruse the papers if he will call at the Treasurer’s.”

APPOINTMENTS TO GOVERNMENT POSITIONS SINCE 18TH JUNE, 1932.

Mr. TOZER (*Gympie*) asked the Premier—

“Since 18th June last, how many appointments have been made to Government positions and in what departments, respectively (*a*) permanent appointments, (*b*) temporary?”

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

“The information is being obtained.”

AREAS AND RENTS OF PASTORAL LEASES AND GRAZING SELECTIONS.

Mr. W. T. KING (*Maree*): I desire to ask the Secretary for Public Lands whether he has an answer to the following questions which I addressed to him yesterday:—

“1. Total area of pastoral lands in Queensland at 30th June last?

“2. Total annual rent, and the average rent per square mile for the same?

“3. Total area of grazing selections held on the same date, together with the total annual rental and average rent per square mile for same?

“4. The actual area of pastoral leases extended under the provisions of ‘The Land Act, 1931,’ and the average annual rent per square mile of the same?”

The SECRETARY FOR PUBLIC LANDS (Hon. P. Pease, *Herbert*) replied—

“1. Total area of pastoral holdings in Queensland at 30th June last, 351,548 square miles.

“2. Total annual rent for same, £370,724; average rent per square mile, £1 1s. 1½d.

“3. Total area of grazing selections held on the same date, 117,562 square miles; total annual rent for same, £409,613; average rent per square mile, £3 9s. 8½d.

“4. The actual area of pastoral leases extended under the provisions of ‘The Land Act, 1931,’ 10,355½ square miles; average annual rent per square mile, £3 5s. 2d.”

PAPER.

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

Report of the Chief Inspector of Machinery, Scaffolding, and Weights and Measures for the year ended 30th June, 1932.

PERSONAL EXPLANATIONS.

Mr. R. M. KING (*Logan*) [10.39 a.m.], by leave: I wish to make a personal explanation. In its abbreviated report of the parliamentary proceedings yesterday dealing with the Farm Produce Agents Acts Amendment Bill, the "Courier" reported me as follows:—

"Mr. R. M. King (C.P.N., Logan) said that the Bill would not affect him personally, as he did not handle goods on consignment. From 90 to 95 per cent. of the green vegetables marketed in the metropolitan area were sold by the growers themselves by auction. It was not practicable to place green vegetables on the same basis as fruit and fodder."

While I have been frequently taken for my respected friend, the hon. member for Windsor, this is the first time the press has paid me the compliment of crediting me with his utterances. I do not know anything about the marketing of vegetables. I only know that I eat vegetables myself, but I have never sent any on consignment. (Laughter.)

Mr. C. TAYLOR (*Windsor*) [10.41 a.m.], by leave: I would also crave the indulgence of the House to make a personal explanation. I do not so much mind the "Courier" crediting the speech which I made yesterday to the hon. member for Logan, but I do object to what he is credited with having said. The report is quite incorrect, and quite different from what I said. I did not say—

"From 90 to 95 per cent. of the green vegetables marketed in the metropolitan area were sold by the growers themselves by auction."

What I did say was that from 90 to 95 per cent. of the green vegetables marketed in Sydney and Melbourne were sold by the growers themselves there—not in the Brisbane metropolitan area.

SUGGESTED REDUCTION IN RAILWAY FREIGHTS ON WOOL, LIVESTOCK, AND SECOND CLASS GOODS.

Mr. GODFREY MORGAN (*Murilla*) [10.43 a.m.], in moving—

"That, in the opinion of this House, it is vitally necessary that an immediate and substantial reduction should be made in rail freights on wool, livestock, and second class goods"—

said: I have picked out certain items of freight which have been carried at a high rate of freight for many years. Prior to 1914, when things were normal, the values of these commodities were not great; but during the war and for some considerable time after the war the values of wool, livestock, and certain other commodities reached what might be called inflated values, principally owing to the fact that Australia, including Queensland, was experiencing a period of unprecedented prosperity. This was due mainly to the high values received overseas for our exportable products, together with the expenditure of an enormous amount of money borrowed overseas. The result of these two factors was that our primary products increased enormously in value, wages became more expensive, and conditions more rigorous. At that time a Labour Government occupied the Treasury

benches in Queensland, and, in order to meet the increased charges which were continually being placed on the Commissioner for Railways, mainly by the Arbitration Court increasing wages and bettering the conditions of the workers, rates of freight and fares were correspondingly increased. In some instances these were increased enormously, as the figures which I shall shortly quote will disclose. Notwithstanding that in many cases goods were carried on the railways at a loss, as the figures which I shall give later will indicate, my point is that during the period when high prices were ruling for some commodities the producers could afford to pay a comparatively high railway freight. For example, when wool and livestock prices respectively were 75 per cent. and 65 per cent. higher than they are to-day, the producers might reasonably have been asked to pay a higher railway freight. Now, unfortunately, when a considerable reduction has taken place in the market prices of these commodities and the producers are working at a loss, there is every justification for a substantial reduction in rail freights. I remember a member of the Labour Government who held the portfolio of railways once remarking that in times of prosperity, when good prices were being realised for primary products, there was every justification for an increase in freights; but conversely there should be a reduction during the slump periods which periodically take place in our economic life. At a time when some goods were being carried on the railways at a loss, the freights were increased on other commodities in respect of which high prices were obtained in the market, so that the loss in one direction was made good in another way. Now, however, when all prices are low, one of the principal difficulties confronting primary producers in reducing the cost of production is the high freights demanded for the carriage of what were at one time most highly priced commodities.

Representing a large wool-producing district as you do, Mr. Speaker, you must know that there are tens of thousands of bales of wool stored in the woolsheds because the cost of bringing the commodity to the market is prohibitive. I refer particularly to low-grade wool, which in many cases has been used for the purpose of constructing roads, as the cost of marketing makes it impossible to utilise the commodity in the ordinary way. That deplorable state of affairs is, unfortunately, in existence at the present moment; hence the necessity for some action in the direction I indicated by my motion.

Certain commodities are conveyed by rail at a loss, and the Commissioner for Railways found it necessary to increase the freights on other commodities to make good the loss. Substantial increases in railway freights were made by previous Labour Governments because the working costs of the railways had been considerably increased by the higher wages and reduced hours imposed by the industrial tribunals then operating. As a consequence, both freights and fares were increased. Some of the increases were comparatively small—for example, 5 per cent. to 10 per cent.—but in the case of wool and livestock the rate was increased by 120 per cent. The Railway Department penalised the great pastoral industry of the State to make good the loss that was being

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incurred in other directions, and that despite the fact that upon the pastoral industry more than any other depends the prosperity of Australia. When wool was bringing 36d. per lb. for tops and an average price of 24d. per lb. for the whole clip, the producers could afford to pay high railway freights, and they did not complain. The same applied in regard to livestock. When horses and cattle were selling at prices 50 per cent higher than at present, there was no complaint from the breeders in regard to high freights. But there is a complaint to-day. The railway freight to-day is such an enormous burden upon primary producers that wool, livestock, and other primary products are produced at an actual loss.

To illustrate what I am arguing, I wish to quote some of the rates of freight in existence on certain commodities conveyed by the Railway Department. First of all, let me take sugar-cane. No one can say that the sugar industry is down and out. That industry is looked upon as one of the most prosperous agricultural industries in Australia to-day; and that is proved by the fact that more sugar-cane farmers pay income tax than farmers engaged in any other branch of agriculture. The sugar industry cannot be said to be in the same category as the grazing industry is in at the present time. The freightage paid in regard to various commodities is—

	Freight per ton per mile.
Sugar-cane	.83d.
Raw sugar	1.69d.
Agricultural produce	1.46d. (to port)

That is the freightage on produce from the country to port; but, if the same agricultural produce is conveyed from Brisbane into the hinterland, the freightage is considerably higher, as the following figures will show:—Agricultural products (other than to port), 2.34d. per ton per mile. Recently there has been a considerable reduction in freight in regard to the conveyance of concentrates from Mount Isa—the present rate being .63d. per ton per mile—less than 2d. per ton per mile—but, when times become prosperous again, the Mount Isa Company will refund any loss to the department incurred as a result of this reduction. The Government are quite justified in granting a concession to such a company as the Mount Isa Company in order to assist in the development of that part of the State.

The same applies in regard to Chillagoe. During the period when I was in charge of the Railway Department, the department was called upon to subsidise the Chillagoe mines to the extent of £40,000 or £50,000 per year. That was the actual freightage we were losing on the carriage of Chillagoe ore. Had the Nationalist Government remained in power, I feel sure that that loss would not have been a charge on the Railway Department, but would have been made a charge on the consolidated revenue. If any industry is subsidised for the good of the State, the subsidy should be paid out of consolidated revenue, out of the taxation obtained from the whole of the people of the State, and not have to be paid by the employees in the Railway Department and users of our railways. At the present time they are the people who suffer when the Railway Department subsidises any industry. While I admit that it may be a proper thing

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to subsidise industries such as the Mount Isa or Chillagoe mines, where large bodies of men are employed, the subsidies should be paid out of the consolidated revenue, and not by the Railway Department.

Hon. members conversing in loud tones,

Mr. SPEAKER: Order! I would ask hon. members to lower their voices.

Mr. GODFREY MORGAN: On 1st May last, when the first reduction was made, the rate on wool was 3.27d. per ton per mile. That indicates the exorbitant freights the wool industry has been asked to pay compared with the rates paid by other agricultural industries in the State. As I have already stated, that might have been justifiable when wool was very profitable; but it is certainly not justified and no one can stand for it at the present moment. That is the reason why the Moore Government made certain reductions in freightage on wool, livestock, and high-class commodities. Those commodities were carrying the baby, as it were, of the Railway Department. We did not make reductions in regard to other agricultural products, because we recognised that they were being carried at a reasonable rate by the Railway Department, and in some instances at an actual loss to the department. We only made a reduction in freights on commodities that were carrying more than their fair share of responsibility.

After the reduction made in May in regard to wool came into effect, a change of Government took place, and the Labour Government increased the freightage on wool by 5 per cent., so that the cost of conveying wool at the present moment is somewhere in the vicinity of 3½d. per ton per mile, compared with less than 2d. per ton per mile for which we carry ore concentrates and other things I have mentioned.

If there is one industry that is of more importance to this State than the mining industry—perhaps 100 times more important than Mount Isa—it is the wool industry. We recognise that Australia has practically been built up on the sheep's back; that we have depended for many years on the prosperity of the wool industry; and all sections of the community are to-day feeling the pinch owing to the fact that that industry has ceased to be the profitable source of revenue that it was before. We must all recognise that the position of the wool industry, owing to the low prices available for our wool overseas, has brought about to a very great extent the crisis we are passing through to-day. If the price of wool rose by another 3d. or 4d. per lb. it would not be long before Australia would be over its difficulties. Although our other industries are very important, not one of them will compare with the wool industry; yet we are prepared to help certain other industries, and we may be justified in so doing; but the Government continue to inflict on the wool industry, which is of vital importance to Australia, a burden which it is impossible for the industry to bear.

That is one of the reasons why, in regard to wool, we find motor competition in the carriage of wool is increasing by leaps and bounds. From 1914-15 to 1928-29 the Labour Government increased the freight on wool by 90.62 per cent., which it will be admitted was an enormous increase. The Moore Government reduced the freight by 22½ per cent., but the moment the Labour Government returned to power they again increased

the freight on wool by 5 per cent. There was no justification for that increase. Owing to the reduction previously made by our Government we were gradually regaining the trade lost owing to motor competition. My figures—and the Minister will have an opportunity of getting these figures from Mr. Kemp and Mr. Davidson—show that we were gradually running the motors off the road by the reduction we made in freight. Many graziers remained loyal to the Railway Department, recognising that they were responsible as taxpayers for helping to make up the loss on the railways, although they could have obtained carriage for their wool more cheaply than by rail. The very moment the Labour Government increased freights by 5 per cent. numerous men made contracts with motor lorry owners for the handling of their wool, with the result that during the last two or three months twice the number of lorries are to be seen conveying wool in competition with the railways that were to be observed twelve months or two years ago.

Not only are they conveying wool to Brisbane, but they also take back loading of high-class merchandise. Whether deliberately or not, we have opened the door to unjustifiable competition by the motor truck. As I have already explained, this is where the heads of the Railway Department show no business ability. If a man in business finds that his turnover is decreasing, he does not immediately increase his prices. If he did, he would find himself in the insolvency court. Rather, if he is a man of ability, he endeavours to meet competition by reducing his prices. The sooner we do that in the Railway Department, the greater the volume of business we shall take from lorries. Judging by what actually does happen, one would almost think that somebody interested had shares in a motor transport company, because, if there is one way in which the Railway Department can be made to lose revenue and motor competition can be encouraged, it is by increasing railway freights on the goods which the motor people convey. The only way in which that competition can be met—and the figures will show that I was succeeding in my endeavour—is to run the motor competition off the roads by reducing the freights on the commodities the motor lorries carry in competition with the railways. Although I reduced the freight rates on stock and wool and other things, I got more revenue. The moment I reduced freights on store cattle and sheep from the exorbitant rates that previously prevailed—I used the word "exorbitant" advisedly—the volume of business increased. Within a few weeks after the reduction—a very substantial reduction—we were running trains that we had never run before, and thousands of cattle and sheep that would have walked into New South Wales and elsewhere were travelled by rail. The same remark applies to wool and other things.

The MINISTER FOR TRANSPORT: What years are you referring to?

Mr. GODFREY MORGAN: The period when we were in power. There was a gradual reduction, as we could afford to make reductions, because we recognised that by that means we would get extra revenue, find work for our rolling-stock, and employment for the men, who were only engaged for short periods. In every direction it is much better that the Railway Department

should carry a large volume of trade at a low freightage than to have a small volume of trade at a high freightage, and for that reason, it should endeavour to regain lost trade.

The short-sighted action of the Government in increasing railway freights on certain commodities merely plays into the hands of the motor interests. This must inevitably lead to an accentuation of the difficulty of the railway problem. I do not suggest that an all-round reduction in railway freights should be made at the present time, but I do sincerely suggest that industries that are financially down and out should be given any benefit that can be derived from freight reductions. It is an elementary principle of economics that a reduction in costs tends to create a greater volume of business; and by the observance of that principle the railways will benefit in every possible way. Between the years 1914-15 and 1928-29 the Labour Government increased the freight on fat sheep by 122.16 per cent., whilst the Moore Government, realising the difficult state of the fat sheep market and the precarious position of the producers, reduced the freight by 22½ per cent. Prior to this reduction the grower probably netted 1s. 6d. to 2s. per head whilst 4s. per head was absorbed by the Railway Department and the selling agents.

Mr. REDFORD: The railway department carries the sheep at a loss, or at least, not at a profit.

Mr. GODFREY MORGAN: That is not so. If the Railway Department charged a fair freight rate on concentrates and similar items, there would be no need to penalise other industries to make up the deficiency. No industry should be permitted to enjoy bounties or bonuses by way of freight concessions at the expense of other industries. If it is deemed advisable to grant these concessions, then they should be a charge upon consolidated revenue, and should not be entirely borne by the railway fund.

In spite of the fact that the Moore Government reduced the freight on fat sheep by 22½ per cent., immediately the Labour Government were returned the freight was again increased by 7½ per cent. The freight was increased in spite of the knowledge that the primary producers were losing large sums of money in sending their sheep to Brisbane and other markets. Between the years 1914-15 and 1928-29 the Labour Government increased the freight on fat cattle by 94.06 per cent., whilst the Moore Government reduced this freight by 15 per cent.; but immediately the Labour Government were returned the freight was again increased by 5 per cent. This increase was imposed despite the fact that the cattle industry was down and out financially; and no one knew the circumstances better than members of the Government Party. The increased freight was imposed upon an unfortunate section of people who were unable to carry on and to meet their obligations in the existing circumstances.

Between the years 1914-15 and 1928-29 the Labour Government increased the freight on horses by 103.96 per cent., but this freight was reduced by the Moore Government by 20 per cent. However, the Labour Government deemed it advisable to increase that freight again by 5 per cent. immediately upon their accession to office.

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Between the years 1914-15 and 1928-29 the Labour Government increased the freight on store sheep by 122.16 per cent., this freight being reduced by the Moore Government by 45 per cent. This was not only a very big reduction but one which was justified from every aspect. If fat sheep or fat cattle are compelled to walk any distance, they lose condition very rapidly, but the stamina of store sheep permits them to travel a reasonable distance without any great loss of condition. In many cases it was beneficial for the grower to utilise the railways to convey his fat stock because they reached their destination quickly, thereby losing comparatively little in weight. We found that by reducing these freight rates by 45 per cent. more store sheep were trucked over the railways, thus considerably increasing the traffic in that respect. Is that not the class of business we should look for? If it is found that the Railway Department is losing business, inquiries should be set in motion to ascertain the reason why; and then steps should be taken to meet the situation. We found that the revenue from the carriage of fat and store sheep increased by leaps and bounds after the reduction of freight. Who benefited by the action of the Government? The workers benefited considerably, because many of them, who were working on short time, were able to earn increased wages. No section of the community benefits more by increased railings than the railway workers.

During the Labour regime from 1914-15 to 1928-29 the railway rates on store cattle were increased by 94.06 per cent. The Moore Government reduced these rates by 35 per cent. Immediately the Labour Government were returned to power again, these rates were once more increased. The remarks which I made concerning fat and store sheep also apply to fat and store cattle. The action of my Government in reducing the freight on store sheep resulted in a large increase in revenue to the Railway Department; and we found that the decrease in the rates of freight on store cattle also considerably increased railway revenue under that heading. The Railway Department must possess a certain amount of rolling-stock which it must maintain in trafficable order and condition. It must also maintain in trafficable condition its various railway lines, whether two or thirty trains a day are running. Is it not essential that the department should look to a larger volume of business in order to utilise its rolling-stock and thus keep down overhead expenses? The display of a little business acumen must retain business for the department.

Take the case of the railing of general merchandise, which concerns every individual in the country districts. The cost of living in the country is based on the cost of living in the metropolitan area plus the cost of transport. That is to say, a person living in Roma or Miles pays for his commodities at the Brisbane rates plus the cost of railway freight. If the freight is high, then the cost of living in the country is high. Conversely, if the freight rate is low, the cost of living is reduced accordingly. Business men in Roma or Miles are compelled to add the cost of freight to their overhead expenses, and in every case it is the workers who pay those costs. High freight rates on necessities of life increase the cost of living.

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From 1914-15 to 1928-29 the freight on high-class merchandise—that is Class III. goods, which to-day are known as Class II., consisting of groceries, drapery, boots and shoes, wines, spirits, and goods of that description—was increased in 39.4 per cent. That increase was made by a Labour Government. The cost of living naturally increased accordingly. The Moore Government reduced this freight rate by 20 per cent. This reduction brought the freight back almost to the level of the 1914 rate. My Government brought about this reduction because it concerned the cost of necessities of life. Only a certain number of people utilise the railways for the conveyance of live stock, but every person is concerned with any increase or decrease in freight rates on necessities of life. Increased railway freights on those commodities affect every person in the country districts. The railways are not affected to any great extent by motor competition so far as the conveyance of Class I. goods are concerned because the railway freights are reasonable. It is in regard to Class II. goods that the rates are exorbitantly high. For example, under the Labour regime and before we brought about the 20 per cent. reduction, the cost of transporting a ton of Class II. commodities was 255s. 11d. for 300 miles. The cost for 100 miles was 104s. 5d. I ask hon. members, Is it any wonder that we were faced with motor competition when the cost of transporting goods by rail to, say, Toowoomba was 104s. 5d. per ton, when at the same time a motor lorry could convey 3 tons in six hours and for that would receive £16 even if there were no back loading? And if there were, the return would be all the greater. One cannot blame the business community of Toowoomba for forsaking the Railway Department in favour of motor transport, because in the circumstances it was the only natural thing for them to do, and the position was brought about by our own action. We have no right to charge such exorbitant freight rates on the necessities of life; and the sooner we effect a reduction the better it will be for railway traffic generally. The best way to overcome the motor competition is to get the traffic, and that can be done by reducing railway freights.

The Minister may argue that the railways are still losing financially. It must not be forgotten, however, that the capitalisation of the railway assets has been reduced by £28,000,000; and, whilst the interest on that amount has still to be paid by the State, it is not now a direct charge on the Railway Department. While the interest on that £28,000,000 remained a charge on the Railway Department, it was detrimental to successful railway working, and was looked upon as something for which the users of the railways had to pay. It was considered desirable to reduce the capitalisation, and the action of the Moore Government in doing that is being followed in New South Wales and Victoria, where reductions of £30,000,000 and £20,000,000 respectively are being made. The wisdom of that step, which has been recommended by economists for many years, has been proved beyond doubt; and Queensland must be given the credit for having blazed the trail in that respect.

When the Railway Department is relieved of an interest burden of £1,300,000 per annum—which is approximately the amount of interest that would be payable on

£28,000,000—the department should be in an infinitely better position to convey goods at more reasonable rates. I do not suggest that freights should be reduced where goods are being carried at a loss now or where the freights are fair and reasonable, because the Railway Department is entitled to consideration; but I do strongly advocate a reduction in those rates which are exorbitant in comparison with the value of the commodity.

The pastoral industry has been penalised because some other industry wanted assistance. That was most unfair, particularly with the low prices being paid for pastoral products. When I relinquished control of the Railway Department, the anticipated loss on railway working was £100,000. It may be asserted that the improved position was due to the fact that the capitalisation was reduced by £28,000,000. That is so to some extent; but, notwithstanding that fact, the railways at the present time are in a better position than they have been in for many years. Queensland is the only State in Australia that showed an improvement last year in the railway position. All the other States made considerable losses, whereas Queensland's position improved, notwithstanding the depression throughout Australia. Seeing that we saved interest on £28,000,000, there was some justification for the reductions made during the period of the Nationalist Government, and still further reductions should be made in regard to the particular items I have referred to. Not only did we save the interest on £28,000,000, but during the period the Moore Government were in power we saved approximately £4,000,000 in expenditure as compared with the figures for 1928-29—the last year of the Labour Government. During the first year we saved approximately £750,000; during the second year we saved £1,250,000; and during the third year we saved £2,000,000 in the cost of running the railways. That amounts to a saving of £4,000,000 in the three years. That was made possible by reductions in wages, retirements, reductions in the cost of coal, printing, and one hundred and one little things. If we saved £4,000,000 in three years, surely we have a right to pass some of that saving on to the people who use the railways, and more especially to those who pay exorbitant freights! For the year just closed the railways should not show a loss of more than £100,000 if the Government do not over-staff, as they usually do. At the present time there are 2,000 too many men in the department. To provide full time for every man in the Railway Department, it would be necessary to deflate to the extent of 2,000. It was thought inadvisable to do that by the previous Government, because, when we came into power, we found the department was pooling the work. If there was no inflation we could save an enormous amount of money.

I have shown that, while we were in power, we gave back to the taxpayers in the shape of reduction in freights a sum of £750,000. We could still further reduce freights on the things I have mentioned, and even then the Minister for Transport would be able to show a credit balance at the end of this financial year of £200,000 or £300,000 without the slightest difficulty. But, if he is going to allow money to be wasted as it was before, and old methods are continued, then, instead of showing a credit balance, he will show an enormous loss.

I am afraid that the old extravagant methods are once more gradually creeping into the department, although the present Ministry has only been in office for three months. I could give figures showing that we saved 35 per cent. by getting work done by contract instead of day labour; and, if we are going to revert to the day-labour system, we shall go behind.

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

Mr. SPARKES (*Dalby*) [11.26 a.m.]: I have much pleasure in seconding the motion. It is not my intention to go into figures with regard to freights in the wool and meat industries. You are conversant, Mr. Speaker, with the position which obtains; in fact, this is one of those instances when, without any reflection on your position in the chair, I wish you were sitting on the Government bench, because I know that you fully appreciate the position of the wool men to-day.

The hon. member for Murilla has dealt very fully with the question, and has left very little ground for me to cover. The reduction in freight on wool has been termed a concession, but I do not look upon it as a concession at all. I view it as a business proposition.

The hon. member for Murilla has compared the freight on wool with that on other commodities from 1914 to 1929. I have a few figures covering the period from 1914 to 1932. For a distance of 200 miles the freight works out on the following commodities as follows:—

	1914.	1932.
	<i>s. d.</i>	<i>s. d.</i>
Wool ...	66 8 per ton	103 0 per ton
Raw sugar ...	14 8 per ton	19 7 per ton
Wheat ...	11 0 per ton	14 6 per ton

I do not give that comparison from the point of view that wheat and raw sugar are being carried too cheaply; I only give the figures to show the difference between the freight on wool and the other commodities mentioned.

Speaking as a layman, I cannot understand the basis on which the rates of freight are arrived at. I cannot see why the value of the commodity carried should enter into the question of haulage. If a train runs and a truck carrying 30 tons has to be hauled, I do not see that it makes any difference whether the truck carries 30 tons of dirt or 30 tons of gold, if you like. If I go to the railway station, and consign half a ton of stone to Stanthorpe, for instance, it is not taken for nothing. I cannot follow the method of appraising freightage. I shall probably hear from hon. members opposite something about the basis on which the freights are worked out. It seems to me that since 1914 onwards nothing but increases in freights have occurred. Yet the annual loss on the railways continues, forcing the rationing of the railway employees. It may be humane administration; but it is wrong in principle and rather hard that men who have spent eighteen or twenty years on the footplate of an engine are to-day not receiving the wages of the man who is cleaning out the weeds along the railway line. That is one of the objections I take to rationing in the Railway Department; and that sort of thing is going on in my own electorate.

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I cannot see how high freights have benefited the railways. It seems to me that the department always follows the line of least resistance. When it needs a little more money, railrage is raised. I say advisedly that this raising of freights is dooming the railways. I do not propose dealing with the question of how they should be run, because I know that would not be quite within the scope of the motion; but I do say that, if the railways were run on business principles, those in charge would not think of raising freights every time they wished to increase revenue. If a man has a line of goods worth 10s., he does not say they are worth £1, because then the customer will not buy. In the same way, if the railways raise the freights on cattle, we are compelled to use the roads. Similarly with wool. The grazier does not do that for any other reason than because he looks at it as a business proposition, because the freight on the railways is so high that he is compelled to take the cheaper method. If the railway freights were lowered, not 5 per cent. but 50 per cent., there would be no trouble with regard to railway freightage in Queensland, because everybody would be inclined to use that method of transport where it was available.

The hon. member for Murilla has left very little on which I can enlarge; but I would put to hon. members opposite, who claim to represent the working classes, that the workers in this industry are affected. You, Mr. Speaker, know how the worker in your electorate is dependent on the wool industry, and it is unnecessary for me to mention in detail the various avenues through which he gets employment because of it. If the wool man or the cattle man does not make a certain amount of profit out of his industry, that fact is reflected in the number of men he employs. I speak from the point of view of the worker just as much as hon. members opposite. I am largely an employer of labour, and it is only right that I should be entitled to say that I represent the worker just as much as hon. members opposite. Certain taxation is imposed. The Minister will say that it is a payment for services rendered. Assuming that is so, the fact remains that if those services become so expensive that they deplete my income, then I cannot employ the labour I otherwise would. I have fifty or sixty men ringbarking, and the Government impose an extra tax. I have to dismiss those men, so that their action hits the worker. I speak for the general worker of Queensland—a man for whom I have the greatest respect. I hope that hon. members will treat this motion from a non-party point of view, and that they will look at it as it affects the State. I appeal to you particularly, Mr. Speaker, because I know you fully realise the position of the grazing industry of Australia. I realise the importance of other industries, such as the dairying and sugar industries, but you will agree that, if it were not for the conditions in the wool industry, Australia would not be in the position in which she now finds herself. One hon. member suggested that it is only the big men who are appealing to the Government. I do not know where that big man is. Surely it is not a crime if a man does get a little wealth! Trouble is caused by placing men on land which is not suitable for what they are put to do, and in placing, say, ten settlers where there was only one before. Is the State

[*Mr. Sparkes.*

benefiting? It would be infinitely better for the State that there should be three settlers in a position to pay taxation rather than that there should be ten settlers everlastingly appealing to the Government for assistance. The workers stand to gain if the settlers are successful and are in a position to pay taxation. I sincerely hope that the Government will view the matter on its merits, quite apart from any party political feeling. I have freely stated my views as those of one engaged in the industry concerned.

THE MINISTER FOR TRANSPORT (Hon. J. Dash, *Mundingburra*) [11.36 a.m.]: I listened with considerable attention to the remarks of the hon. member for Murilla. I have been in charge of the administration of the Railway Department only a few weeks, and I do not intend to pose as one fully conversant with all the ramifications of the railway problem; but from my observations of certain phases of railway matters I am of the opinion that the existing freights are fair and reasonable. The State of Queensland embraces a very large area across which are flung many thousands of miles of railway lines. If we are not to impose additional taxation to meet possible railway deficits, then the users of the railway system should be content to contribute in a reasonable way towards the maintenance of the system.

The hon. member for Murilla made pointed reference to the fact that the capital indebtedness of the railways had been written down by £23,000,000, but that bookkeeping transaction did not relieve the State of any burden. The amount of interest involved on that sum is £1,226,400, which must still be made good by the taxpayers of the State. If we are to adopt the argument by the hon. member for Murilla that railway indebtedness should be further reduced, then the Treasurer will find it necessary to introduce an amendment of the Income Tax Act to make good railway deficits as reflected in the balances of the State, and the same cry would come from hon. members opposite that we now hear in connection with railway freights and fares. When the railway indebtedness was written down by £23,000,000, it was anticipated that the railways would earn sufficient money to pay interest and working expenses with a margin for the renewals and replacement fund provided by section 6 of the Railway (Capital Indebtedness) Reduction Act.

MR. GODFREY MORGAN: So it will.

THE MINISTER FOR TRANSPORT: That has not been achieved up to the present, and it is problematical whether it will be achieved in the future. The anticipations of the hon. member for Murilla have not been realised.

MR. GODFREY MORGAN: Yes.

THE MINISTER FOR TRANSPORT: If fares and freights were reduced by 25 per cent., it would be necessary for railway business to increase by 33 per cent. if the deficiency was to be bridged. This would mean the running of extra trains, so that it can be clearly seen that railway traffic or railway revenue would have to be increased more than 33 per cent. to recoup the department for the reduction of 25 per cent. I submit the following figures to show the effect of a 10 per cent. reduction on the

items referred to by the hon. member for Murilla:—

Miles.	Rate Per Cwt.	10 Per Cent. Reduction Per Cwt.	10 Per Cent. Reduction Per Lb.
100	s. d. 5 1	s. d. 0 6	0-0535
200	9 0	0 10	0-0893
*300	11 10	1 2	1-25
*400	11 10	1 2	1-25
*500	11 10	1 2	1-25
*600	13 0	1 3	1-339

* Maximum rates to the West.

What storekeeper can work out this reduction on a pound of tea, a yard of cloth, or a bottle of spirits, which are included in the class in the schedule mentioned by the hon. member for Murilla? The second class schedule applies to general merchandise, which includes furnishings, drapery, bottled beer, and the more expensive and luxurious lines of groceries. The aggregate loss to the

department by a reduction which the hon. member for Murilla suggested would be £70,000 per annum; but the purchasers of these goods would receive little, if any, compensating benefit. Railway transport charges have been reduced to a minimum consistent with the individual need for economy. The present economic conditions compel the public to curtail their purchase of goods to a minimum, while they only travel by rail when it is absolutely necessary for them to do so; therefore, where would the railways secure an increase in the volume of freight or passengers carried if, as the hon. member for Murilla suggests, the Commissioner brought about a reduction of fares and freights?

I have collated a number of figures to show how the public have benefited, and the result to the department consequent upon the reduced freights and fares brought about by the late Government between the 1st July, 1929, and 1st May, 1932. The accumulated effect of these reductions is as follows:—

	Reduction per Cent.	Estimated Approximate Loss of Revenue per Annum.	Present Charges are Lower than May, 1929, by Approximately per Cent.
Second class goods	19	£ 146,258	3-25
Amalgamation of classes and abolition of separate terminal charges	54,375	..
Wool	22-9	..	18-83
Wool to western scours	42-1	132,813	39-12
Cattle (stores)	33-3	} 91,531	29-8
Cattle (fat)	16-6		12-25
Horses	20-6		16-42
Pigs	14-5		10-0
Passenger fares	14-5		232,250
Sleeping berths (First class)	43-18	14,250	36-4
Sheep—			
Under 200 miles	Stores. 27-75	Fat. 9-69	Stores. 25-9
201-500 miles	33-215	16-518	29-7
Over 500 miles	40-06	25-075	35-2
		£725,007	19-0

If we take all these concessions into consideration, we find that the Railway Department lost approximately £725,007 per annum in revenue. That is a very fair contribution by the railways towards

a reduction in costs to the people of Queensland.

The following table shows conclusively that the Queensland rates compare more than favourably with those charged in the other States:—

Rates per Head on Live Stock in the various States based on the ordinary Mileage Scale of Live Stock Rates in operation in each State.

Miles.	Queensland.	New South Wales.	Victoria.	South Australia.	West Australia.
	s. d.	s. d.	s. d.	s. d.	s. d.
100	7 7-33	10 10-4	11 7-8	12 11-75	9 4-5
200	13 3-33	16 11-7	17 11-4	23 2	15 7-5
300	17 6	21 5-1	26 8-4	30 6-875	21 10-5
400	20 4	25 6-6	35 6-6	37 11-875	28 1-5
500	23 11-33	29 8	44 3	45 4-75	34 4-5
600	26 8	31 8-9	53 1-2	52 9-75	40 7-5

So far as the freight on wool is concerned, the following is an extract from a letter dated 30th August last, which I received from the secretary of the United Graziers' Association of Queensland:—

'I have been directed by my executive council to ask that a rebate of 50 per cent. of railway freight be allowed on

all wool which does not realise 4d. per lb."

In considering that proposition, I had in mind the fact that the United Graziers' Association of Queensland might be prepared to consider a suggestion that all their wool should be forwarded by rail, and to that end my secretary wrote on the 7th instant.

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to Mr. P. A. Brown, the secretary of the United Graziers' Association of Queensland, and marked the letter "Urgent":—

"I am directed by the Minister for Transport (Hon. J. Dash, M.L.A.) to acknowledge receipt of your letter of the 30th ultimo, in which your executive council asks that a rebate of 50 per cent. of railway freight be allowed on all wool which does not realise 4d. per lb., and to ask whether in the event of this request being agreed to by the Government your association would be prepared to forward all their wool by rail to usual place of shipment instead of utilising road transport.

"An early reply will enable the Minister to place this matter before Cabinet for further consideration."

In response to the letter Mr. Brown called on me and discussed the matter, when I put the proposition to him. Mr. Brown stated that his association only represented about 2,000 graziers, which was by no means the total number in Queensland, and it would not be possible for his organisation to dictate any policy of rail transport to graziers outside the association. Apart altogether from that, he said he did not see how they could issue instructions to individual members within the association, as at the present time the graziers were in the position that they had to secure the cheapest means of transport.

Mr. GODFREY MORGAN: You could not expect any other reply.

The MINISTER FOR TRANSPORT: I stated that the point was that the graziers received special rates for the conveyance of starving stock and fodder for starving stock, and the department considered that their high-class goods should be sent by rail in return for these concessions. I was only asking for a fair thing, because, if the graziers get fodder for starving stock and get their starving stock carried at a very low rate of freight, it is only right that the Railway Department should get some of the goods on which a high freight is charged. We were prepared to meet them on these matters; but they told us that they could not instruct the members of the association as to what they should do, yet they complain because we refused to reduce our rates below the cost of carriage. It is all very fine for the hon. member for Murilla to say that by reducing rates we get more freight, and so on. That has not been proved to be the case. As a matter of fact, passenger freights, goods freights, and livestock freights have not increased as the result of reduction in the rates.

Mr. GODFREY MORGAN: I say they have increased.

The MINISTER FOR TRANSPORT: The departmental report for last year will show that the railway revenue has not increased so far as passengers and goods are concerned. As I pointed out to the Graziers' Association, there is no competition in regard to the conveyance of fodder for starving stock. The graziers do not get their fodder by motor because motors cannot afford to carry it as cheaply as it is carried by the railway. Even if the road motors were offered the whole of the fodder for starving stock in the western districts, they could not carry that fodder at the rate we carry it for; and that is why we get that freight on the railway. I would

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point out that the action taken by the graziers at the present time is political; and seeing that concessions are granted to the graziers, it is only right that they should make some effort to send their wool by rail. The reductions made in freights from May, 1929, to May, 1932, have not resulted in an increase of revenue, as the following table will show:—

Revenue in	£
1928-1929	7,568,647
1929-1930	7,302,281
1930-1931	6,412,211
1931-1932	5,915,002

A reduction of 25 per cent. in freight means that it is necessary to get a 33 per cent. increase in traffic in order to get the same revenue, and, if that extra traffic were secured, it would mean an increase in the working expenses, so that every reduction in freight actually means a loss of revenue.

The Government cannot see their way clear to reduce fares and freights any further at the present time. We have endeavoured to assist the people as much as possible, but there comes a time when the railways cannot carry the whole of the burdens of the State. Almost every organisation is asking concessions from the Railway Department. At the present time the cane farmers in the Bundaberg area want a reduction of about 50 per cent. in the freight between Mackay and Bundaberg on sugarcane for planting, although the rate at the present time is only 20s. 9d. per ton. The Commissioner for Railways could go on giving reductions times out of number; but what would be the position? If we adopted the hon. member's argument and reduced freights and fares another 15 per cent., and put the loss on the general taxpayers of Queensland, there would be a squeal from them and from hon. members opposite. That is out of the question.

Mr. MAHER: Are you not losing freight and passenger traffic?

The MINISTER FOR TRANSPORT: We are not losing anything so far as these freights are concerned. Motor trucks can only compete with the railways for short journeys in the carriage of high-price goods. We are losing a certain amount of traffic on account of motor competition; but hon. members opposite lost a good deal of traffic in that direction during their term of office.

Hon. members opposite, when in power, taxed the motors to an extent that they thought would drive them off the road; but they did not tax them off the road. They were in competition with the railways when we took office, and they are still competing at the present time.

An OPPOSITION MEMBER: More so.

The MINISTER FOR TRANSPORT: No; there are not so many motors on the road to-day as there were in 1931; that is borne out by figures which have been supplied to me. While people are prepared to pay high freights for motor carriage, the railways will be carrying low freight goods at a loss. We cannot afford to reduce the freights at will. If we, like the previous Government, wrote another £10,000,000 or £15,000,000 off the railway indebtedness and said, "Thank goodness, we are relieved of that burden," that would not relieve the position of the railways. We have to look at the position from the Queensland point of view. There is no gain in reducing

freights and fares and putting the burden on the general taxpayer. That is the attitude we are taking up. We have assisted wherever it is possible to secure traffic on the railways. We have assisted industry in Queensland by reducing freights to enable them to carry on in competition with the other States. That attitude was adopted by the previous Government, and we have done the same. By lowering the freights on high-priced goods the railways would be run at a greater loss, and it would mean cutting out trains, as, if the traffic is not there, the trains cannot be run. The Government are only too pleased to assist our people wherever possible; but we wish them, in return, to try to assist the Government in these times of stress.

In a little time we shall no doubt be running trains at a loss carrying fodder to starving stock and removing stock from drought-stricken areas. While we are prepared to do that, those benefited should do something to assist the Government to carry on the railways in a reasonable way.

There is not much in the argument of the hon. member for Murilla. While he was Minister, he reduced freights and fares, and we have put them back to what they were on the eve of the election, when the last reduction was made by the Moore Government. When we came into office we found that the reduced rates could not be maintained. No regard was paid by the Moore Government to the question of financing the reductions in freights; and we did the right thing in putting them back to what they were before the last reduction was made.

Mr. KENNY: Why did you not put them back in the cities?

The MINISTER FOR TRANSPORT: Because the workers in the cities have suffered a considerable reduction in their wages owing to the deflation policy of the Moore Government. They so reduced the conditions of the workers that they could not afford to pay increased fares. A large number of them are on relief work and others are pooling work in the railways and elsewhere; and we did not think it wise to impose an extra burden on the workers in the suburbs.

Mr. KENNY: Was that on the recommendation of the Commissioner?

The MINISTER FOR TRANSPORT: I ask the previous Minister what he did on the recommendation of the Commissioner?

Mr. GODFREY MORGAN: I take responsibility for anything I did. (Interruption.)

Mr. SPEAKER: Order! The Minister is entitled to make his speech, and I do not propose to allow him to be interrupted.

The MINISTER FOR TRANSPORT: Hon. members talk about political interference with the railways; and the ex-Minister says that he takes full responsibility for what has been done. At the same time he accuses this Government of being subject to political influence. Since I have been in office, I have not used political influence, nor have I asked the Commissioner to do things he thinks he should not do, and the same applies to the members of this party. I do not pose as a "know-all"; and I am prepared to accept advice from officers of the department. That is the right attitude to take up. When hon. members oppo-

site were in opposition previously, they accused this party of using political influence, and only a few days ago they were again talking about political influence in the railways; yet they know that they come to me and expect me to override the Commissioner in respect of the stand he has taken up in regard to something in their electorates.

There is no necessity for a reduction in fares and freights. They are fair and reasonable, and compare favourably with those of any other State in the Commonwealth. The hon. member cannot deny that fact. Although we have a greater railway mileage than any other State, and although a great deal of our rolling-stock is engaged on the long lines in the West, where beyond a certain point goods are carried almost for nothing, the greatest consideration is given to the people who live in the remote parts of the State. That is proved by the fact that our rates for over 1,000 miles are less than the rates in States where the distances do not exceed 600 miles; and it speaks volumes for what has been done by the department for the people in the back country. They receive every consideration from this Government, just as they did when the Labour Party were in office previously. They always will. We realise the conditions of the people in the West, and do our best to help them.

I thought that the hon. member would have made a better case for his motion, seeing that he was in office for three years, and reduced fares and freights on three occasions—the last time on the eve of an election, in the hope of getting some results from what I was going to call political bribery—but I shall not use that term. It is not necessary to debate the question any further. I can assure hon. members that the railways are run equally as well as they were under the hon. member.

Mr. LARCOMBE (*Rockhampton*) [12.5 p.m.]: The hon. member for Murilla approached this subject from the wrong angle altogether. He took the opportunity to laud himself and the Government with which he was associated rather than submit a case in favour of a reduction of railway fares and freights. It is a motion with which one can agree in the abstract as a general principle. Every hon. member would dearly love to vote for a reduction in fares and freights, just as he would be very pleased to vote to secure a reduction in taxation; but the motion is lacking in what I might term substitute constructiveness. No constructive substitute is offered as to how the revenue that would be lost by the passage of this motion is to be made good. The hon. member might just as well have moved a pious resolution to the effect that it is desirable and necessary that the angel of peace and prosperity should descend in the grounds of Parliament House. The resolution would be equally effective, or equally ineffective. The motion does not come within the bounds of practicability; and, as the Minister for Transport has pointed out, the mover did not submit substantial evidence in support of his case. He utilised his time in eulogising the Government with which he was associated and with lauding his own work in the Railway Department. That was an entirely wrong angle from which to approach the subject. He failed to touch the real evil, the weakness

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or the handicaps under which the wool-grower and primary producers generally are labouring. He was eloquently silent on that point; but it is a very vital factor. Therefore, I move the following amendment:—

“Omit the words—

‘it is vitally necessary that an immediate and substantial reduction should be made in rail freights on wool, livestock, and second class goods’

and insert in lieu thereof the words—

‘the reductions made in railway freights on wool and other commodities, and the general assistance rendered, and still being rendered, by the Government to the primary producers in Queensland should be supplemented by adequate reductions in the charges being imposed by financial institutions, wool companies, brokers, shipping companies, and similar interests, as such charges are important factors in the success or the failure of the primary producers of this State.’”

It is along those lines that the primary producers in this State will obtain some relief. I propose to discuss both the motion and the amendment; but I intend to discuss the motion first before the amendment is seconded.

Mr. GODFREY MORGAN: Mr. Speaker, I rise to a point of order. Is the amendment in order? It proposes to introduce matters that are quite foreign to the motion. The object of the motion was to secure substantial reductions in railway freights on wool, livestock, and second class goods. The amendment has nothing whatever to do with that.

Mr. SPEAKER: I shall consider whether the amendment is in order or not after it has been seconded.

Mr. LARCOMBE: The hon. member for Murilla is not in order in raising a point of order until the amendment is seconded. It is not properly before the House until it is seconded. His motion was merely a propaganda gesture. He devoted a good portion of his time to the denunciation of Labour Governments and Labour policy; and his comparison with freight rates before the war period was quite valueless. He submitted an absurd and ridiculous comparison, covering pre-war standards. His comparisons were valueless for the purposes of logical argument and for the purpose of convincing hon. members.

Mr. NIMMO: Wool values have declined to the pre-war standard.

Mr. LARCOMBE: I am referring to the general nature of the arguments advanced by the hon. member for Murilla, quite apart from wool values. He quoted what the rates were in 1914, and what they are to-day. The world-wide war destroyed the standards previously in existence, and made figures valueless for the purpose of comparison.

The Minister for Transport pointed out the reduction suffered in railway revenue during the past few years. In 1930-31, as compared with 1928-29, there was a reduction in railway revenue of £1,156,000, while in 1931-32 there was a further drop as compared with the previous year of £476,000, making in all £1,632,000. That was the

loss in revenue from the railways in 1931-32 as compared with 1928-29. That all occurred under the regime of the hon. member for Murilla and his party, who were in charge of the government of the country in that period! Yet he and his party come here to-day and talk about reducing fares and freights! Not only was there this great reduction in revenue; but we find that the gross tonnage carried by the railways dropped between 1928-29 and 1930-31 by nearly 1,000,000 tons. In the same period the railways carried approximately 1,000,000 fewer passengers. For the first year of office of the Moore Government the railway deficit was £1,658,000; for the second year it was £1,619,000; and this year, taking into consideration the interest payable on the capital written off the railways last year, amounting to £28,000,000—the taxpayer has still to find interest on this amount of capital—the deficit is approximately the same. Yet the hon. member for Murilla says, “Let us have reduced fares and freights.” The hon. member and his party are merely looking at the matter from the point of view of electioneering propaganda.

Let us view the proposal of the hon. member for Murilla from the point of view of practicability. As hon. members know, the deficit incurred by the late Government in their first year of office was £725,000; in the second year it was £842,000; and in the third and last year of their office it was £2,075,000. This was the party which was pledged to balance the ledger! In spite of all these tremendous losses, with a decreasing revenue in the Railway Department and the State generally, and in spite of the fact that the hon. member's Government were committed to balance the ledger, he and his party now come along and suggest that this Government should further reduce railway revenue without any compensating advantages, and without showing how the loss of revenue can be made up! That is not a fair and honest method of moving in this House. To say the least of it, it is politically unfair. Of course, the hon. member can attempt to be generous at the expense of other people. It is a very simple matter to write out cheques in the names of other people and distribute them; but such methods are improper. It is politically unfair and dishonest to move such a resolution as we are considering, and thus hold out false hopes to the people when there is no hope of carrying into effect the principle contained in it. The present Government came into power faced with the heavy deficits incurred by the late Government and a falling revenue. This was largely contributed to by the policy of deflation inaugurated by the Moore Government. The Government have found the position of the State much worse than it should be, with accounts overdrawn everywhere. In spite of these uncontroversial facts, hon. members opposite have the affrontery to suggest a further reduction in railway fares and freights, which must only add to the deficit which the present Government have pledged the Loan Council not only not to exceed, but to reduce.

The wool industry is an important and valuable one, which this House should assist to the fullest possible extent. No reasonably minded member would deny that fact, and no reasonably minded man would deny the fact that generous assistance has been afforded by the Government to the wool industry. The Minister for Transport has pointed out that

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in 1930 a reduction was made in wool freights by 10 per cent., and that this reduction was followed in 1931 by two further reductions of 7½ per cent. and 2½ per cent. respectively. The rates on sheep were reduced by 20 per cent. in December, 1929, and in March, 1931, by 2½ per cent. for distances up to 200 miles, 5 per cent. for distances from 201 to 500 miles, and 10 per cent. for distances from 501 miles upwards, whilst in November, 1931, a further reduction took place. In May, 1932, that famous—or notorious—reduction in wool freights was made by the Moore Administration. Knowing they were on the point of political death, and without consulting the Commissioner for Railways, the Moore Government, who have constantly prated about non-political interference and control, further reduced wool freights on the eve of an election. That proposal was politically dishonest. I would like to use a stronger phrase. It was a reprehensible action on the part of hon. members opposite, who have stated so often that they are opposed to political interference with the railways, arbitrarily to cut wool freights without consulting the Commissioner for Railways, who was worried over falling revenue, particularly when those hon. members must have known full well that after the election the reduction would have to be cancelled, no matter which party was returned to power.

The hon. member for Murilla quoted certain freights, and said that those were the freights per ton per mile; but the hon. member did not say for what distance. The rate per ton per mile varies inversely with the distance travelled. The hon. member said that wool freights amounted to 3½d. per ton per mile, whereas over 600 miles the rate is only 3d. per ton per mile.

The hon. member also spoke of the increases that were levied by the Labour Government upon the wool industry. We know quite well that, when those increases were being levied, the price of wool was soaring.

Mr. SPARKES: Why didn't you bring them down when wool prices fell?

Mr. LARCOMBE: The percentage increase in the price of wool was greater than the percentage increase in freights. The hon. member who has just interjected said he cannot understand why the Railway Department carries a ton of dirt cheaper than a ton of gold. The query is based upon the assumption that the Railway Department is paid a reasonable return for carrying a ton of gravel, but the hon. member does not take into consideration the fact that a ton of fertilizer can be carried from the border to Cairns at the rate of 4d. per ton per mile. Why? Not because it is paying the Railway Department, but because the Railway Department is the department that has helped to settle Queensland, to increase wealth production, to give the opportunity to collect taxation, and to build up this great State.

For many years I have contended in this House that the Railway Department is not getting an adequate return for the services rendered by it. Wealth production would not have reached its present limit in Queensland without the railways; yet the Railway Department is debited with the cost of railway capital and working and receives very little in return from the Department of Agriculture, the Department of Public Lands,

and the Taxation Department. No land tax could be collected without the settlement of the lands that the Railway Department has made possible; yet the Railway Department gets none of the revenue that the Taxation Department collects in respect of land tax.

Mr. SPARKES: Do you believe in a land tax?

Mr. LARCOMBE: Any student of economics and any practical politician must favour land taxation, no matter how unpopular it may be. Henry George and other economists have pointed out how fundamentally sound land taxation is.

In regard to the question of the hon. member for Dalby, not only is it a fact that the Railway Department carries that ton of gravel at less than cost price, but there is also the other factor—capacity to pay. Naturally the man who produces a ton of gold and sends it over the railways is much better able to pay a high rate of freight than the man who is sending a ton of gravel over the railways.

In the press of Brisbane of the 13th instant there is a report in connection with the wool sales under the following heads:—

“WOOL VALUES UP 30 TO 40 PER CENT.

“*Keen Bidding.*

“*Bidding Fast and Furious.*”

I am very pleased to see these splendid increases; and I hope they will continue, because higher prices for our wool and other commodities are the great remedy which is going to restore normal conditions in Queensland. Someone has to pay. It is no good hon. members thinking we can reduce railway freights and that the State can go on increasing its deficits. Who is going to pay? Unfortunately, other industries are in a similar position to that of the wool industry, and there is no magical source from which we can get revenue. Threepence per ton per mile for a 600-mile journey is not an extortionate rate. Compare that rate with the cost of bringing the wool into the railway siding. Three years ago it was costing graziers five or six times that amount per mile to bring their wool into the station; yet the member for Murilla is now complaining about the rate charged by the Railway Department.

Again, concessions have been granted to the wool industry as a result of the work of the Labour Government as well as that of other Governments. The late Labour Government appointed a commission to report on the wool industry; and that commission recommended certain alleviations and improvements. The Labour Government carried out the suggested reforms. One was a better living area, another was a reduction of rents, which has been carried further by the present Government; and last year a further reduction of rents was effected. The saving during the whole period of these reductions means an advantage to the wool industry of something like £275,000. I do not say that in an antagonistic spirit. I am pleased to see that these concessions have been granted; but they need to be pointed out, because the hon. member for Murilla only submitted an *ex parte* case. In addition, the pastoralists have received an extension of leases of which I do not approve. However, it is a big concession to the pastoral industry. Again, drought relief railways were constructed by the

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Labour Government, who spent hundreds of thousands of pounds in that direction to assist the graziers. The Longreach-Winton Railway is an excellent example of that. Again, there is a concession of 25 per cent. on fodder for starving stock, and a 40 per cent. reduction in connection with starving stock carried for agistment; therefore, it will be seen that the Labour Government have not been neglectful in respect of the great pastoral industry, which is so important to the State and to the nation.

The real handicaps that the producers are suffering from were not mentioned by the hon. member for Murilla. The real handicaps are scant markets, low prices, and the huge burden of taxation imposed by the hon. member for Murilla and his party when they were in power. They imposed on the primary producers taxation amounting to millions of pounds. I want to remind the hon. member for Murilla that, with all his mock sympathy this morning for the man on the land, he and his Government imposed millions of pounds of taxation in their three years of office upon graziers and other producers of Queensland. If that taxation had not been imposed on the woolgrowers and other producers, there would not have been the necessity to bring on this motion this morning. We know about the secret commission evil, in connection with which the producers of Queensland have lost hundreds of thousands of pounds; but there has not been a word of complaint about that from the hon. member for Murilla.

Mr. GODFREY MORGAN: It all took place while your Government were in power.

Mr. LARCOMBE: The Labour Government have appointed a royal commission to inquire into the matter; your Government would not.

Mr. SPEAKER: Order! That matter is sub judice, and I hope the hon. member will not discuss it.

Mr. LARCOMBE: We have seen how the attitude of the Federal Government has operated adversely to Queensland in regard to sugar, tobacco, peanuts, hoop pine, and other products; yet the hon. member for Murilla did not say a word about these disabilities under which the producers of Queensland are suffering.

He did not refer to the crushing burden of interest, in regard to which there has been some reduction. The burden of interest has certainly been reduced in many cases, and every hon. member on this side appreciates that benefit. The hon. member for Murilla did not mention a word about the evil of the high overseas shipping freights from which the primary producers are suffering.

Mr. GODFREY MORGAN: The terms of my motion would not allow me to speak on that.

Mr. LARCOMBE: The hon. member could have framed his motion so as to enable him to speak upon the subject. He calmly ignored the real evils which are affecting the primary producers in Queensland, and simply put forward a motion framed on propaganda lines.

I shall quote the hon. member for Murilla himself. Probably he would like to hear some of his remarks on the wool industry and the railway freights charged as they appeared in the pages of the daily newspapers. On 24th May, 1930, he is reported

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in the "North Queensland Register" as stating—

"The large financial houses who are the real owners of the grazing properties have made millions of pounds out of the wool industry, and had declared large annual dividends which, in many cases, had been sent away to England and elsewhere to shareholders who live outside of Australia. The Government did not think it should reduce the cost of railage on wool until those firms reduced their costs, because a reduction upon the railways would merely mean larger dividends for those firms."

Does the hon. member still subscribe to those remarks? If he does, they do not exactly square with the speech he has made here this morning.

Again, in regard to shipping freights, I understand no alteration has been made for the last few years. I have here an excerpt from a leaflet issued by the Overseas Transport Association, in which the following statement appears:—

"Every producer of wool, wheat, meat, butter, fruit, or other exportable Australian article is directly concerned in overseas shipping freights. An increase or decrease in those freights means that much less or more in the price paid to the primary producer for his livestock or produce.

"An independent investigation reveals this disquieting position: The problem is, as it has been for the last three years, to keep freights from going up—to remove, or at least minimise, the necessity for an increase. It is regarded as a real achievement in Australian interests that freights have been kept where they are."

That is the view of the shipping interests—that it has been a wonderful achievement to keep freights where they were three years ago. Yet, after several reductions in railway freights, the hon. member for Murilla is not satisfied that they have been sufficient. Let the hon. member and his colleagues make representations to the shipping combine and the other interests I have mentioned.

A GOVERNMENT MEMBER: The brokerage charges have not been reduced.

Mr. LARCOMBE: Yes. I understand that the wool brokerage charges have not been reduced except in one respect for twenty years. I have reliable figures on the question showing that to be the position. I now quote the following extract from the Rockhampton "Morning Bulletin" of 15th June, 1931:—

"The termination of the existing agreement will provide the owners with the opportunity of increasing freights at any time they so desire, and, although they state that that is not their present intention, the very act of insisting that all freights shall be paid in British sterling means that the producers will have to pay the exchange, or, if the amount is deducted from the proceeds of their produce sold abroad, they will lose the benefit of the high rates of exchange prevailing on that sum, so that actually they will be bearing the equivalent of increased freight."

So we see there that, because the shipping monopoly took advantage of the difference between the values of Australian

and British currency, the growers have been compelled to pay an increase in freights: but the hon. member for Murilla did not even refer to it. Unfortunately, we find from yesterday morning's "Courier" that a further increase has taken place. The freight on wheat has gone up, and probably other freights have gone up, too. Why not bring before this House a motion that all hon. members could support, pointing out the real evils and weaknesses under which the primary producers are suffering?

Mr. RUSSELL: You are talking piffle.

Mr. LARCOMBE: The hon. member had to answer some questions elsewhere, even if he is not anxious to answer questions here.

I want to remind hon. members that a motion of that kind could be supported by every hon. member in this House. If we are going into the question of the handicaps of the primary producers, let us deal with them in a comprehensive and reasonable manner, rather than in the unfair way of the hon. member for Murilla, who knows quite well that the motion is not within the bounds of practicability.

We find on reading "The Queensland Producer," "The Producers' Review," and other farmers' journals, that the growers throughout the world are suffering under evils and disabilities, and that the real remedy does not lie in the reduction of freights, but in the reform of our monetary system. It lies in the system which is responsible for the unfair distribution of wealth. If we were dealing with the question from the point of view of first principles, we would arrive at a solution; but we shall not do so from a consideration of the inadequate motion moved by the hon. member for Murilla. "The Queensland Producer" points out that throughout the world to-day millions of pounds worth of produce are being destroyed in a vain attempt to keep up prices. This represents, not the failure of socialism, but the failure of capitalism—the inability of the existing system to adapt itself to the changing needs of civilisation. If socialism was responsible for the deplorable state of things that exist throughout the world to-day, for the insane position by which millions of people starve while others destroy millions of pounds worth of goods to keep up prices, the Tory press would have screamed and howled in a way that would have roused the whole world; but it is significantly silent as to the real evils of the capitalistic system, of the nefarious work of the wealthy interests and the money power which is destroying the world. Members opposite desire to impose increased fares and freights on the city dweller. (Opposition dissent.) They gave evidence of their desire by way of interjection. Interjections came from hon. members opposite suggesting that the fares and freights charged to the city dweller should have been restored to their previous level by the Minister for Transport. It would not help the primary producer if we increased fares and freights on the city dweller.

I want to supplement my remarks regarding other freights. What I have said so far has been largely in regard to the first portion of the motion, as to wool and sheep freights. No reasonable-minded member in his House can say that an unfair rate is being charged for livestock. The rate is the lowest in the Commonwealth. The hon. member knows that there is a difference in

favour of Queensland as compared with other parts of Australia.

Mr. GODFREY MORGAN: The value of cattle and sheep in other States is 25 per cent. more than in Queensland.

Mr. LARCOMBE: In reply to that I can use the argument of the hon. member for Dalby—that it costs just as much to carry a truckload of sheep in Queensland as in Western Australia, South Australia, or Victoria. These figures show the freight on livestock for a distance of 100 miles:—

	s.	d.
Queensland	7	7.33
West Australia	9	4.5
New South Wales	10	10
Victoria	11	7.8
South Australia	12	11.75

The figures applicable to Queensland are very considerate, particularly when one reflects upon the large area of the State, the long mileage, and the small population. The States of New South Wales and Victoria have a shorter mileage and a greater population, and should be able to convey livestock at a much cheaper rate than prevails in this State; but they have failed to do so.

The hon. member for Murilla quoted some figures relative to freight rates on raw sugar, and he pointed out that they were very, very low. The rates are low; but, if we consider the rate applicable to raw sugar for a distance of 50 miles, it is much higher than the figures quoted by the hon. member, being 2.7d. per ton per mile, and in the case of 200 miles the rate is 1.18d. per ton per mile.

The hon. member for Murilla is not showing true regard for the growers by exhibiting a hostile attitude towards my remarks. I represented the primary producers of the Keppel electorate for seventeen years. I was able to display practical sympathy both as a private member and as Secretary for Railways. I agree with the spirit underlying the motion, but it is not practicable, and the hon. member, as ex-Secretary for Railways and as a member of long standing in this House, should be fully aware of that.

Mr. GODFREY MORGAN: I say that it is practicable.

Mr. LARCOMBE: If the motion were carried, it would mean a further decline in revenue and a further increase in our deficits. The Loan Council has limited the State to a maximum deficit; and we can carry out the terms of the motion only by violating that contract and by destroying the bond entered into at the Loan Council meeting. That would mean a mountain of trouble for the Government and for the State. The motion is not practicable, whereas the amendment is fairer and more comprehensive. It deals with the real handicaps and the evils under which the producers of the State are suffering. I submit the amendment with the full confidence of the House, and I hope that the hon. member for Murilla will vote in its favour.

Mr. G. C. TAYLOR (*Enoggera*) [12.39 p.m.]: I second the amendment so ably moved by the hon. member for Rockhampton. The motion moved by the hon. member for Murilla is absolutely valueless, and would not be to the economic advantage of the State. The Railway Department would not be in a position to obtain any benefit by way of increased revenue following upon a

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reduction in fares and freights as suggested. The economic position to-day is such that it cannot be materially benefited by the furtherance of the ideas of hon. members opposite in the matter of freight reductions. It is something which goes deeper into our economic factors. If, through this House accepting the resolution moved, the Railway Department were compelled to reduce fares and freights, the supporters of the Opposition would be able to say to the wool growers, "There you are; there is a proposition which will enable you to browbeat the owners of motor vehicles on the matter of fares and freights." We would have a downward trend, which would eventually bring about an effect which the Opposition desire to bring about, that is a lowering of the standard of the conditions of the workers, including the railway workers. Our desire is to achieve something which will improve the standard of the railway workers and of every worker in this State. The means by which we can do so are the only means in the possession of the workers, and that is their wage-earning capacity. As the railways are one of those means by which the workers can earn wages, we must take into consideration the possible effect of such a resolution on the revenue of the railways. It is a well known economic fact that no two systems of any kind, whether transport or otherwise, can operate in direct opposition each to the other and be successful. Past Governments have to a great extent been responsible for permitting motor transport to get a grip on our transportation system. If we are to accomplish anything with the railways, we certainly cannot permit motorists to compete to the point of success, and drive the locomotive engine out of existence. If we are to scrap the railways, we must initiate some efficient transport system to replace them. Hon. members opposite do not want to do that; they want to make transport as cheap as possible for those people who supply their party funds and for the people who supplied the bonds to bribe Mr. Justice Brennan when he was a member of this House. Those are the people the Opposition are out to serve.

Mr. R. M. KING: Mr. Speaker, I rise to a point of order. The hon. member for Enoggera made some remark about the party on this side of the House finding the bonds to bribe Mr. Justice Brennan. Those words are offensive to me, and I ask you to direct that they be withdrawn.

Mr. SPEAKER: I tried to catch the meaning of the remark of the hon. member for Enoggera, but failed. If the words used by the hon. member were used in the sense suggested by the hon. member for Logan, they were offensive, and I ask the hon. member to withdraw.

Mr. G. C. TAYLOR: Mr. Speaker, I did not say that the Opposition found the bonds used to attempt to bribe Mr. Justice Brennan. I said that the people who did so were supporters of that party. I reiterate that statement. It is a well known fact that a well known pastoralist was concerned in that incident.

The present economic position of the railways is partly caused not by those engaged in the wool industry to-day but by people who in the past reaped the benefit of the then luxurious conditions prevailing in the industry and did not contribute in freight

charges something commensurate with the cost of transporting their product. The Railway Department could not afford to accept the reduction in rates proposed in the motion. As I said at the outset, it is far better that the methods prescribed in the amendment should be adopted in preference to a reduction in freights. The amendment provides for a better adjustment of matters affecting the Railway Department. I believe also that if this motion were carried our opponents would, with the assistance of their supporters, carry on the economic fight to a successful issue. We on this side of the House must at all times be prepared to fight any attempt to reduce the living standards of the people.

In November last, when the hon. member for Murilla was Minister for Transport, he brought in a measure to reduce the capitalisation of the railways by £28,000,000. When the hon. gentleman stated that such action would be of great benefit, he spoke with his tongue in his cheek. Whilst the Railway Department might benefit by not having to pay interest on that amount, the indisputable fact remains that the people of Queensland generally have to pay. When such a huge amount is wiped off the capitalisation of one concern, the money must be found in other directions. To-day the whole world is suffering from over-capitalisation of industry; and the efforts of the leading economists of the world are being directed to devising schemes whereby budgets can be balanced and stable conditions restored. We know that the American railway position is infinitely worse than ours, due principally to motor transport being allowed to injure the railway system. To-day American railway companies are being compelled to consolidate in order to carry on, and at the same time millions of pounds are being written off railway capital. A reduction in fares and freights will not achieve the desired objective—the raising of the railway revenue. Revenue cannot be increased unless additional traffic is offering. Hon. members opposite know perfectly well that the wool industry uses motor transport. Why?

Mr. SPARKES: Because the railways are too dear.

Mr. G. C. TAYLOR: No. Motor transport is being used by the wool producers because they are also interested in some of the large companies which deal in petrol and motor vehicles. (Opposition dissent.) Dalgety and Co., Limited, for example, the agents for C.O.R. petrol, have a pretty fair grip of the wool industry.

Mr. SPARKES: Be big!

Mr. G. C. TAYLOR: Make no mistake! Those people reap a direct benefit from wool being transported by motor vehicles. They would like railway freights reduced so that they might force a reduction in motor rates also. They are an unscrupulous group, and only work in their own interests.

Mr. MAXWELL: Who are?

Mr. G. C. TAYLOR: The people behind the wool industry—big financial institutions like Dalgety and Co., Limited, and the New Zealand Loan and Mercantile Agency Company, Limited—who control three parts of Western Queensland. They have no time for this country except when it suits their financial pockets. During the years of the

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war, when wool prices were inflated up to 4s. per lb., what did these people do?

An OPPOSITION MEMBER: They sold it.

Mr. G. C. TAYLOR: Yes; but what did they do with the money? It went overseas to their absentee shareholders. Yet we have them squealing to-day because they cannot use the railways of this State for nothing.

Mr. R. M. KING interjected.

Mr. G. C. TAYLOR: I know very well that the hon. member for Logan knows nothing about the wool industry.

Mr. MOORE: Neither do you.

Mr. G. C. TAYLOR: I was in the wool industry for years.

An OPPOSITION MEMBER interjected.

Mr. SPEAKER: Order! I am not going to protect hon. members who ask questions. I suggest that, if they desire my protection, they avoid interrupting the hon. member who is speaking.

Mr. G. C. TAYLOR: I worked in the wool industry for fifteen years, and I travelled the whole of Australia in connection with the wool industry. For three years I was an organiser in the Australian Workers' Union, and I travelled a good deal of the State. I worked in the wool industry before and since then, and I know what it is to handle wool, and I know what wool is. I can class wool, but I could not gather much wool off the hon. member for Murilla. The railways of this State have to be protected. We have to use them because it is impossible to institute a more progressive system of transport at the present time. The reason why the Railway Department is in such a financial position to-day is because the predecessors of our friends opposite, who controlled this country forty or fifty years ago, built railways into districts where they should not have been built, and those railways are not profitable to-day. The railways were built there for use, and hon. members opposite are squealing because they cannot be run at a loss in the interests of the wool producers. They are the people for whom hon. members opposite have the most concern. They want the railways as a cheap means of conveyance for wool and cattle. The Government do not want to do anything that is likely to jeopardise the present position, because we have to keep up the standard of living of the workers, and we cannot do that if we reduce freights and fares at the present time.

Mr. GODFREY MORGAN (*Murilla*) [12.55 p.m.]: The result of the amendment moved by the hon. member for Rockhampton, who was at one time Secretary for Railways, is completely to alter the original motion and introduce a different subject altogether. I am afraid that it is moved with the object of preventing the House from coming to a vote on this question. Of course, it is party politics, and it may go down in certain directions; but it will certainly not in any way help the people outside who are looking for relief to which they are entitled.

We have been told that by fixing the freights on certain commodities on a per lb. instead of a per ton basis, it will not make

any difference whatever to the people in the country. I would like the hon. member to go into my electorate and other parts of the State and try to put that tripe over the people—to say that, if freights on groceries were reduced by ten shillings or fifteen shillings per ton and it was worked out in lbs., it would only mean a fraction of a penny of difference and the consumer would not get any benefit. If that is correct, it simply means that no matter how high freight goes up, it will not mean any difference in regard to cost of living to the people in the country, and, on the other hand, that it does not matter how low the freights are. The statement of the hon. member that high freights on the necessaries of life do not mean an increase in the price of those goods, and also that low freights will not mean any difference in cost to consumers in the country districts would imply that his intelligence is of a very low standard. He knows perfectly well that every time there is an increase of 10 per cent. on freights on necessaries of life and other commodities the storekeepers charge more for their goods, and, when freights come down, the cost of goods comes down accordingly.

If £5 worth of groceries were sent up country from Brisbane and the existing freight of £1 was reduced by 10 per cent., it would mean that the purchaser got £1 worth of freight for 18s. Storekeepers may sometimes charge more than is fair; but it is ridiculous to tell an intelligent body of men that, whether freight charges are increased or reduced there will be no difference in cost.

The hon. member for Rockhampton stated that freights on livestock in Queensland are similar to those in other States; that is admitted; but he did not tell us that cattle and sheep are selling at higher prices in the South than in Queensland. It is recognised all over the world that freights are fixed on goods according to their value. A ton of wool may be worth £100, while a ton of manure or a ton of wheat may be worth only £5. You cannot have the same freight charged on a ton of wheat as on a ton of wool. The hon. member apparently is not conversant with the system which is in vogue all over the world with regard to fixing freights.

At 2 p.m.,

In accordance with Sessional Order, the House proceeded with Government business.

INCOME (UNEMPLOYMENT RELIEF)
TAX ACTS AMENDMENT BILL.

INITIATION.

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

“That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirableness of introducing a Bill to Amend ‘The Income (Unemployment Relief) Tax Acts, 1930 to 1931,’ to Approve, Ratify, Validate, and Confirm a certain Order in Council made thereunder, and to Amend the said Acts in certain particulars.”

Question put and passed.

Mr. Morgan.]

QUEENSLAND TRUSTEES, LIMITED,
ACT AMENDMENT BILL.

THIRD READING.

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

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

Question put and passed.

JUSTICES ACTS AMENDMENT BILL.

THIRD READING.

The ATTORNEY-GENERAL (Hon. J. Mullan, *Carpentaria*): I move—

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

Question put and passed.

JUSTICES ACTS AND REAL PROPERTY
FEES BILL.

THIRD READING.

The ATTORNEY-GENERAL (Hon. J. Mullan, *Carpentaria*): I move—

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

Question put and passed.

STATE TRANSPORT BILL.

SECOND READING—RESUMPTION OF DEBATE.

Mr. MOORE (*Aubigny*) [2.5 p.m.]: I regret very much that a Bill which makes such a retrograde step should be introduced into this Parliament. “The State Transport Co-ordination Act of 1931” was passed for the specific purpose of improving and co-ordinating all forms of transport, but this Bill does not provide for co-ordination at all. In fact, the Bill is misnamed. Its title should be: “A Bill to provide for the elimination of motor competition with Government railways, and to improve the finances of the Government at the expense of the industries and businesses of the State and of the local authorities and the travelling public.”

Judging from the remarks of the Minister in charge of the Bill, one can conclude that very drastic steps will be taken to eliminate all forms of transport competition with the railways. His arguments were entirely at variance with this statement contained in the policy speech delivered by the Premier during the last election campaign—

“The development of modern transport conditions has given rise to much legislation and administrative activity on the part of Governments. The Minister for Railways (Mr. Morgan) seeks to set back the tide of progress by endeavouring to initiate a ‘Back to the horse’ campaign, and has established a Transport Board under a statute passed last session, which gives the Minister complete control over almost every kind of vehicle in existence. The effect of motor competition on railways is very serious, and is reflected by the increasing railway deficits. The problem is common to all countries of the world, and cannot be solved by any arbitrary form of taxation that seeks to drive certain vehicles off the road. As a result of the development of motor transport, some of the railways

now in existence would not, under modern conditions, be built. It will be Labour’s policy to make an economic survey of transport problems with a view to determining on a satisfactory economic basis the form of transport that is best to be used in any area or areas. A co-ordination of transport, recognising up-to-date methods and machinery, is the direction in which a solution may likely be found. Fares and freights will be revised with a view to elimination of cumbersome schedules which were framed during a period when railways had a complete monopoly of transport. Such a review will be of value both to the Railway Department and to the public and rail users generally.”

There is no mention of co-ordination at all in this Bill. Its objects are diametrically in opposition to the considered and expressed opinions of experts representative of all the States assembled in conference at the request of the Prime Minister under an independent chairman. The very fullest investigation was made into the question of economic transport for the benefit of the community, and the opinions of all concerned were definitely set out. The most pertinent recommendation was that there should be an elimination of all political influence from the railways. It was also decided that a board should be created of representatives, not only of railways and main roads but also of outside interests; and the view was held that the outside interests should hold the preponderance of representation. Instead of that, a board consisting of the Commissioner for Railways, the Commissioner of Main Roads, and the Commissioner of Police is to be set up. The Commissioner for Railways is interested only in railways; that is his job. He is interested entirely in the conduct of the railway system and in securing the traffic for that system. It is not his interest to look after other sections of the community. It is not his interest to have regard to community welfare in the matter of motor transport or other transport facilities or conveniences. He is interested in running the railways; that is all. His business is to make them pay, and use every possible endeavour to attain that end. The Commissioner of Main Roads is not a transport officer. He is interested entirely in the question of building main roads, in matters affecting economic methods of maintenance, and the construction of as large a mileage of road as possible. The Commissioner of Police is only interested in the carrying out of the regulations and laws regarding traffic. He is not interested in the public convenience of transport, the convenience of the people, or the economic methods of transport which are considered necessary by the public.

This board will not be a Transport Board at all. To my mind, it will be perfectly useless, as the Minister will control its members in every possible way. Under the Bill the Minister will have complete control of the Transport Board at every point. He is to have powers of discrimination. He can also override the determination of the board in every possible way. There is nothing in this Bill which suggests that the board will be of any value whatever, because the Minister is in the position of being able to override it, and tell it what to do. He can ask the board to consider any particular question; but its members have no power

[Mr. Moore.

of initiation, or authority to give advice unless directed to do so by the Minister. The whole course now suggested by the Government is a retrograde step, and in direct opposition to the considered opinion of all States of Australia which have considered the question of transport and its effect upon taxation and the finances of the community.

This Bill even goes so far as to eliminate the conditions providing that the board shall investigate transport matters which were inserted in the State Transport Co-ordination Act at the request of the present Premier when he was Leader of the Opposition. When the resolution for the appointment of the Transport Board was before the House last year, the hon. gentleman, as Leader of the Opposition, moved an amendment which was accepted by the Minister for Transport at that time, and inserted in the Bill. The hon. gentleman moved that, when the board gave consideration to the co-ordination of transport and the railway position, it should take into consideration these three specific things—

“(a) The question of transportation generally in the light of service to the community.

“(b) The needs of the State for economic development.

“(c) The impartial and equitable treatment of all conflicting interests.”

These things are eliminated from this Bill. There is no suggestion that any other form of transport should receive consideration. There is no suggestion that there should be any consideration for the economic position of the country, or that the community should be entitled to get the most economical and best form of transport. It is extraordinary that these three principles should be left out of a Bill such as this, especially when it is recognised, as the Premier said in his policy speech, that to do otherwise would be to put back the clock of progress and development. The only power the board has of investigation is when the Minister directs it. Its members can only investigate transport matters when he tells them to do so. Then the Transport Board is to have power to delegate all or any of its functions to specified officers. When piloting the State Transport Co-ordination Act through this Assembly last year, the hon. member for Murilla said that the board should have power to delegate part of its functions. It is necessary that it should have this power. It is necessary under certain conditions that its members should delegate some of its powers to the policeman on the road, or to inspectors to see that the regulations and the law are being carried out, or that they should delegate some minor matters to some minor authorities. In our Act these powers are specifically set out, together with the reasons for the delegation of those powers. It was never intended, as it is in this Bill, that the Commissioner for Railways, the Commissioner of Main Roads, and the Commissioner of Police should delegate their powers as a Transport Board and yet not have power to give advice to the Government. The board will be perfectly useless. The main thing in appointing a Transport Board like this is to secure the confidence of all sections of the community. The State Co-ordination Transport Act was formed as a result of the findings of a commission appointed by the Federal

Government to go into transport matters. Mr. Heath was chairman of the commission. His report was only published after a lengthy discussion with the Commissioners of Main Roads, and with the Ministers who represented transport matters in the various States of the Commonwealth, and with representatives of the Commonwealth. On page 94 of the report Mr. Heath says—

“My view is that the confidence of all the interests concerned in the administrative authority is absolutely necessary to the success of any scheme for co-ordination, and I am unable to see that this can be expected under any of the existing schemes. The boards or committees now functioning are all, in my opinion overweighted by governmental interests. This seems to me to be utterly inequitable, and it could hardly be wondered at if the opinion should have been formed by other interests that the policy of the Governments is directed towards the elimination of road transport, rather than towards its co-ordination.

“A satisfactory form of board would probably be one constituted somewhat as follows:—An independent chairman, a member representing the railways, a member representing the road construction authorities, a member representing the motor interests, and a member representing the general public.

“Such a board should be entirely free from political control, and have full powers to make and enforce its own decision.”

Such a board as that would command the confidence of the people outside, and would assure them that the Government are not entirely concerned with revenue so far as the railways are concerned. Moreover, it would recognise that all traffic is not to be pushed on to the railways, but that the people who are living in the country and desire to get their products to the market in the most efficient and economical way will have their wishes considered. The necessity for that is clearly shown throughout the report, particularly at page 93, where this definite statement appears:—

“Australia is a primary producing country. Upon the success or otherwise of her primary production the whole financial structure stands or falls. I hold the definite view that it is highly undesirable to add to the already serious difficulties of producers by increasing freights. On the contrary, I feel there is an urgent necessity to reduce freights on primary and other products at the earliest possible opportunity, with a view to assisting them in the competition with the world's markets.”

Although the legislation passed by our Government dealt only with heavy vehicles, this measure will deal with every motor vehicle in the State, and is not to be confined to heavy vehicles that are let out for hire or pecuniary benefit.

I have no objection to that portion of the measure which co-ordinates the various services, such as registration and the acquiring of a certificate of competency, because much time will be saved by that alteration. The remainder of the Bill, however, goes in the direction of absolute political control, and

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entirely gets away from the various recommendations that have been made by this committee. In several parts of this report definite statements are made showing the consequences of railways being under direct political control. For example, at page 82, this appears:—

“The Commissioner has no hesitation in saying that, from his experience of the zeal with which such causes are taken up and pursued by members, the vesting of control in a comparatively inexperienced part-time political head will be, from the point of view of the State as a whole, and of the service itself, a decidedly retrograde step.”

Under this Bill the Minister has the power of discrimination. He can say that one individual shall be allowed to run a heavy vehicle and that another shall not. He can make all sorts of drastic regulations. Probably from the tone of his speech when he introduced this measure, the Minister will prescribe that, before registration is given in respect of a motor vehicle the applicant must join some industrial organisation and agree to work only eight hours per day, or forty-four hours per week. In introducing the Bill the Minister said that there was unfair competition on the part of the motor transport because the drivers of motor vehicles worked long hours, worked through the night, and sometimes worked on Sundays. Is it a crime that a man should work to enable him to keep himself and his family, and meet his obligations? The Minister also said that the owners of motor vehicles were not charging the rates they ought to charge, and thus many of them were in difficulties in meeting their heavy vehicle registration fees. It is quite likely they were, and the Governments of South Australia and Victoria, knowing the difficulties these people had in meeting their heavy payments at one period of the year, made it possible for them to pay in instalments.

THE MINISTER FOR TRANSPORT: Your Minister would not allow them to do that.

MR. MOORE: I am pointing out what was done in South Australia and Victoria. They were treated in the same way as other taxpayers, and, recognising the difficulty many of them had in paying their income tax, the Governments of those States made it possible for them to pay their income tax in instalments. In his Budget Speech the Treasurer of South Australia pointed out what a convenience this had been to the public, and that it had resulted in a greater amount of revenue accruing to the State. We all know the difficulty there may be in finding a large amount of money at one particular time.

The suggestions that have been made by this commission are well worthy of consideration, and it does seem to me a rather peculiar attitude of mind that the Government should ignore the evidence that was given and the recommendations that were made, and go back to a position which has been proved unsatisfactory, and under which the railways did not improve their position. At page 101 of the report of the Commission it says—

“Broadly speaking, it appears that the construction of railways and roads is undertaken without full regard being paid to the ultimate national result to be

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obtained from the respective facilities. It seems to me to be very necessary that there should be the closest possible co-ordination between railway and road construction authorities with a view to ensuring that the expenditure upon the nation's transport should be directed into the channels which will give the greatest benefits to the whole community. I suggest that this question is worthy of immediate attention.”

It was stated by the hon. member for Enoggera, that, owing to political influence in the past, railways had been built into places where they should never have been built. There is another thing that hon. member has to remember, and it is this: Railways were built in Queensland under an Act of Parliament known as the Railways Guarantee Act. Some of those railways would never have been built had it not been for the guarantee system. Parliament, in its wisdom, afterwards wiped out the conditions of the Railways Guarantee Act, but it is no use blaming anyone now for what happened in the past. We have to face the position as it is to-day; and the powers taken by the Minister under this Bill are out of all reason. It is giving power to the Minister that he has no right to have. It gives him power, under an Order in Council, to accept recommendations of the board, and put them into effect as if they were in the Act, without placing them before Parliament at all.

THE MINISTER FOR TRANSPORT: They have to be placed before Parliament.

MR. MOORE: I am not talking about the regulations; I am talking about the powers given under clause 16.

Other interests besides those of the railways should be considered; and it is absolutely wrong to constitute a board in the manner in which this one is to be constituted, and to leave out vital factors that the board should take into consideration when making a report to the Government. After all, the people in outside centres have to pay the taxes just the same as the people in the city; but the people in the country are more vitally interested in getting their products down to a seaport and a market than are the people in the city, and it is necessary that there should be co-ordination. We recognise that there should not be unlimited competition. No one would suggest that competition has not gone too far. This country cannot afford duplication of transport facilities such as we have got at the present time.

Under the Bill the board is given extraordinary power. It can declare that on highways between two particular points in an area no vehicles can travel except under the conditions it lays down. It can lay down the kind of freight to be carried, and what charges can be made.

THE MINISTER FOR TRANSPORT: So it could under your Act.

MR. MOORE: Under our Act the board had the power, but it had outside representation upon it, with power to place its reports before Parliament. Under this Bill the board has only power to make suggestions to the Minister when he asks for them; and the Minister has power to say what he shall ask the board to consider. The Minister is naturally interested in the railways, and he is putting the Commissioner for Railways, the Commissioner of Main Roads, and the Commissioner of

Police on the board. The board proposed is totally unsuited for carrying out these duties effectively for the benefit of the community. It may be perfectly suited for carrying out the desires of the Government and of the Commissioner for Railways; but, when we come to deal with transport, we ought to consider all the interests involved, and what convenience we can give the public—not how much traffic we can put on the railways. We should not allow the Railway Department to dominate all forms of transport and put up the freights and fares to any extent it likes merely because it desires to become a monopolist with regard to transport.

It seems to me that we have got right away from the idea that has been evolving throughout Australia for the elimination of competition and the co-ordination of transport.

When the late board was considering the question of granting licenses, it had to take into consideration a specific matter. It could not refuse or grant a license until it had first considered the economic interests of the State as a whole. This board has not to do that at all. It can do whatever it likes. It can refuse an application for a license, and it can lay down working conditions that it will be impossible to conform to.

The hon. member for Ipswich seemed to be quite upset because people were driving to Ipswich on Saturday afternoons and Sundays, because they were actually working when they ought not to have been, as the railways were not working at that time. That is not the question at all. We have to consider how we can get our products to the markets of the world under the best conditions and in the most economical way. We want to see that the taxpayers of Queensland are not mulcted too heavily by allowing too great and uneconomic competition to exist. We have to see that they contribute fairly to the upkeep of the roads and conduct their business in a fair and reasonable way; but we do not want to see this far-reaching power given to a board which is only interested in one side of the case. It is not going to give any confidence outside if we are to have a board constituted as is outlined under the Bill. There are other interests in the State which should be given some voice in the control of transport.

Again, the board or the Minister can appoint an advisory committee for as short or as long a time as is desired, and it can give that committee the powers of a royal commission. That advisory committee can investigate the business of any individual who may be a rival of the railways in regard to transport facilities in a district. The committee has power to investigate the business of anybody in an area. I do not mind the board having the powers of investigation of a royal commission, but I think it is wrong for an advisory committee which may be appointed for only a day or a month to have the powers of a royal commission, and be able to make all sorts of investigations which may be of value to it but be very detrimental to the people whose affairs are being investigated. I think that is quite wrong.

Then we find incorporated in the Bill another attack on the very vital principle we discussed on the Prickly-pear Land and Forestry Administration Bill. In the measure passed last year it was provided that the State Transport Board should be ap-

pointed for a definite purpose, and that it could not be got rid of except under certain conditions. Section 5 of that Act provided—

“A member of the board other than the Commissioner of Railways and the Commissioner of Main Roads may be suspended from his office by the Governor, in Council, but shall not be removed from his office except as hereinafter provided.”

Then it set out how he might be removed—exactly as was provided in the Act passed by the previous Labour Government—

“Where any such member is so suspended, the Minister shall cause to be laid before the Legislative Assembly a full statement of the grounds of such suspension within seven days thereafter if the Legislative Assembly is in session, or, if the Legislative Assembly is not in session, within seven days after the commencement of the next ensuing session of the Legislative Assembly.

“Any such member so suspended shall be restored to office unless the Legislative Assembly within twenty-one days from the time when such statement has been laid before it declares by resolution that such member ought to be removed from office; and if within the said time the Legislative Assembly so declare, such member shall be removed by the Governor in Council accordingly.”

We have at the end of this Bill that very dreadful provision in clause 28, which protects the Government from the result of their action.

The MINISTER FOR TRANSPORT: That is coming out.

Mr. MOORE: I am very glad to know that it is; but these things show that the Government feel that they are competent to break any contract or ignore any obligation that they may remove members of the board if they do not suit them, feeling confident that they can do so without giving them any compensation.

The hon. gentleman should remember that the board should be appointed on the basis laid down by all the States of Australia in order to get co-ordination of traffic not only in Queensland but throughout the continent. It was generally recognised that the reason for the appointment of such a board was to be found in the fact that the burden of transport was so great that some action was necessary. The move was not instigated by the Prime Minister, but was based upon this resolution passed unanimously at the Premiers' Conference in February, 1932—

“The Premiers' Conference is convinced that the reform of the railway and road transport systems of Australia is essential to the rehabilitation of Australian finance and resolves—

That a conference of the chief Railway Commissioners of the Commonwealth and of the States, together with a representative appointed by the respective Governments of the Transport Board or other similar authority which exists in each State, with an independent chairman, be convened immediately to examine closely the railway and road transport systems of the Commonwealth and to submit recommendations to the Premiers' Conference for (a) eliminating wasteful competition and duplication, and (b):

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effecting economies by co-ordination or other means, and that such conference shall submit an interim report not later than 1st March, indicating any steps which it considers can immediately be taken to improve the railway finances.

"It was further resolved that the conference should be convened by the Commonwealth Government which would appoint the independent chairman."

Then we had the interim report, after investigation, with extracts from the evidence of the Railway Commissioners and the final recommendations. We have also the report of Mr. Heath, who was the independent chairman. On page 101 he says—

"I desire to emphasise that political influence obtrudes itself in many aspects of railway management. Some of the systems are very much less affected by this than others, but it is clear that in every case the administration is always conscious of the fact that its judgment is liable to be overridden by the will of the political head of the railways." . . .

One of the Commissioners expressed himself in these words—

"The Commissioner who tried to run against Government policy would not be allowed to reign very long."

The report further says—

"As the discussion proceeded, it became more and more evident that this aspect of political influence overwhelms every other consideration concerning railway finance and I arrive at the conclusion, that if railway management is to be successful it must be released from the never-ending interference that does exist. It must be in a position to exercise the energy, initiative, and enterprise of responsible management, so that if they demand and expect judgment of its effort by, and only by, the results it produces."

That is a very definite statement. The whole of the report is well worth reading. On page 102 the report says—

"Enterprise is thus penalised and the desire and the capacity to expand and create new confidence and new business, and to accumulate new capital that is so desperately needed, is not only reduced but is in danger of being extinguished. The incidence of this condition I wish to emphasise varies greatly in the various systems. The solution lies in the complete divorcement of railway administration from political influence. I believe this can best be accomplished by the creation for each system of a board of railway directors constituted similarly to the Commonwealth Bank Board. This board should be free to determine all matters of policy, to put them into effect, and be responsible for their results only to Parliament."

The object of the State Transport Co-ordination Act of 1931 was to invest the board with powers of initiative to enable it to investigate the relevant matters under certain specified conditions laid down in the Act, and on the basis of what was best in the interests of the community. The controlling idea was to allow the board unrestricted operation in the matter of registrations, and in the provision of the conditions

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to be observed, so that they would not be influenced entirely by the question of Government finance, and the question of whether the railways should be made to pay or not. The board was to be guided by what was in the best interests of the community as a whole. The speeches of hon. members opposite indicate that they are not actuated by any desire to consider the interests of the community as a whole. They do not appear to hold the view that the public are entitled to the benefits of modern invention. They cling to the fallacy that the position is so difficult to-day that they are justified in eliminating all competition by any method that the Minister feels disposed to employ. When Mr. Lang, the ex-Premier of New South Wales, attended a Premiers' Conference in Canberra on one occasion, he expressed his determination to regain the lost traffic to his railway system; but, upon being asked as to his intentions, he declined to disclose them, merely indicating that his plans would be made available when his Bill was introduced. I was considerably interested in the matter, and later that evening I inquired of him as to his intentions in the matter. He told me that he did not believe in any restrictions at all, and that he did not believe in any prohibitive measures. He expressed the opinion that, if a grazier desired to convey his wool from Bourke to Sydney by motor lorry, he was perfectly entitled to do so, and that, if a person desired to travel by car or 'bus from the Tweed to Sydney, he was perfectly entitled to do so. But he did say that he was going to impose one condition. I inquired what it was, and he informed me that he was going to insist upon the payment of the railway fare from the nearest point of embarkation to the point of destination, and that the would-be passenger would be compelled to pay this amount in addition to the cost involved in any other method of transport that he chose to employ. That is prohibition in exactly the same way as there is prohibition under this Bill. The Minister may say that no restrictions will be imposed; but the powers he proposes to assume are identical with those contained in the Bill introduced into the New South Wales Parliament by Mr. Lang. The Minister will now have the right to say upon what terms and conditions a person may convey any goods, what freight he shall charge, and what merchandise he shall carry. He will be at liberty to stipulate the conditions under which he shall run, and how many hours he shall work. The whole of the conditions are entirely in the hands of the Minister, and are not definitely set out in the Bill. We would know exactly where we were if they were set out in the Bill; but we can only judge of the intention of the Minister by his speech and by the speeches of hon. members opposite who have spoken on the measure. The object of the Bill is not to secure co-ordination, and it is not to provide what is best in the interests of the community, but it has been introduced for the sole purpose of relieving Government finance by compelling the people to use the railways as a means of transport, irrespective of any inconvenience that may be caused.

Mr. GLEDSON: Do you not think that £65,000,000 of public money should be protected?

Mr. MOORE: Yes, to a certain extent; but the community should also be at liberty

to demand protection. Again, a large section of the community engaged in private enterprise has invested considerable sums of money in other means of transport; and those people should be at liberty to state their case. Up to the present there has been no suggestion that anybody else is to be allowed to state a case to the board. The constitution of the new board suggests that no other interests apart from the railways are to be consulted. No one can seriously suggest that the Commissioner of Main Roads is interested in seeing that motor traffic passes over the roads. He is interested to see that his maintenance and construction costs are kept as low as possible.

Mr. W. T. KING: Why was he appointed to the late board?

Mr. MOORE: We considered it reasonable that he should be represented on the board; but now the whole control is to be vested with the Commissioner for Railways, the Commissioner of Main Roads, and the Commissioner of Police. The board is to be comprised entirely of Government officials with no power of initiative. One member of the late board devoted the whole of his life to the study of the transport question.

The MINISTER FOR TRANSPORT: You appointed the private secretary to the Minister for Transport.

Mr. MOORE: Because of his knowledge of transport questions. There were two representatives of outside interests, and they had an opportunity to place their views before the board before a decision was arrived at. Any report placed before Parliament by the board in question would indicate that these representatives had had an opportunity to express their views to the board.

Mr. W. T. KING: The Government held the balance of power.

Mr. MOORE: I am not denying that; but other interests were given consideration. They were permitted to express their views from the other side of the case. From my own personal experience, and from my experience gained in the other States, I hold the view that it is essential that there be outside representation.

It is essential that the people vitally interested, not only in the maintenance of communications but in getting their produce to markets, and getting goods in return, should have some voice on a board such as this. It should not be left to the Minister to say entirely at his whim what the board shall investigate. The whole community is vitally interested in this question of transport. I recognise that the whole community must pay if there is a big loss on the railways; but they should have the discretion of judging whether it will be more economical to pay this loss by increased taxation in order that some better and more modern means of transport can be used to transport our products to market quickly and economically.

The MINISTER FOR TRANSPORT: Who should pay the damage done by motor transport to the roads?

Mr. MOORE: Motor transport should contribute per medium of the local authorities to the damage done to roads. Under the old Act local authorities received a proportion of the license fees of heavy vehicles in compensation for such damage.

That Act also made provision whereby primary producers who conveyed their produce to the nearest railway station by their own motors were not taxable. Under this Bill the position is quite the reverse. The Minister can do just what he likes. He can impose what restriction he likes without any reference to Parliament. Every clause in this Bill gives the Minister powers that are as wide as possible. In fact, he is given extraordinary powers.

The MINISTER FOR TRANSPORT: Your Bill contained similar powers.

Mr. MOORE: The powers contained under our Act did not approach the powers given to the Minister under this Bill. The Act passed last year provided for certain specific directions being given to the board regarding the issue of licenses. It stated that the board must take certain matters into consideration before a license was refused; but under this Bill the Minister can refuse a license, and there is no appeal from his decision. He is to be a veritable Czar. He can say, "I refuse you a license," and the individual has no appeal. He can even differentiate, and say to one man, "You can pay £20 a year," while to another man for a similar license he can say, "You must pay £100." He can also say to one man, "You can only carry a certain class of goods," and then turn around and say to another man, "You can carry the same class of goods, but at a different rate." It is left to the sweet will of the Minister to declare what a man must do, and what he shall not do.

Mr. W. T. KING: According to your argument, the Minister is bereft of common sense.

Mr. MOORE: I have had experience in such matters, and I recognise that we are on the eve of the introduction of a new system of transport. Previously the railways had no serious competition—nothing to worry about—but to-day, with the aid of modern science, the position is entirely changed. The railways have competition, and this Bill leaves it entirely with the Minister, not with Parliament, to say whether that competition shall continue.

The whole Bill reeks with the possibility of the introduction of favouritism, and permits of the vital interests of the State being entirely brushed aside as if they do not exist. Those interests which contribute to the taxation which keeps the State going can be ignored in the interests of giving a monopoly to the railway workers. There are other viewpoints besides those of the railway workers. I do not expect that, when the board delegates its powers, those powers will be vested in the office boy; but I do say that, if the community is to have confidence in the board, it should know its personnel in order that it should know whether the board is composed of men of common sense and men who are prepared to listen to reason.

The representatives of the outside interests on the old board gave most useful service, and brought forward a valuable report, from which the Minister quoted in his second reading speech. That report is a very valuable one, and one that should receive the earnest consideration of the Government. Under the present Act the motor interests in the city of Brisbane, who already hold licenses, and who had put their savings into buses for the convenience of the public, were not to be wiped out; but under this Bill the Minister has power to wipe out everybody now in

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control of such transport, and give the same privileges to anybody else. We do not know what the position is, or what will be promulgated by Order in Council. There is nothing definitely set out as to how the Act will be administered.

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

Mr. MAXWELL: I move—

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

Mr. MOORE: I do not desire any extension of time.

Mr. TOZER (*Gympie*) [2.45 p.m.]: I cannot see the reason for the introduction of this measure when only last session the State Transport Co-ordination Act was passed. Up to that time the question of transport had not been seriously investigated; and, as motor competition was seriously interfering with the railway position, the introduction of a measure aiming at transport co-ordination was deemed advisable. That measure took into consideration all modes of transport, whereas the Bill now under discussion is limited in its application to railway and road traffic. Water and air transport should also be taken into consideration, because, to a certain extent, they affect the volume of railway traffic.

The MINISTER FOR TRANSPORT: Do you want to stop people travelling by boat?

Mr. TOZER: No; but the idea of a Transport Bill is to co-ordinate all modes of transport to ensure harmonious working. This Bill will not do that; rather will it antagonise certain sections. It is by no means an improvement on the measure which was sponsored by the late Government, but is definitely a retrograde step. Seeing that the State Transport Co-ordination Act was only assented to in January last, the present Government might well have permitted a reasonable time to elapse to see how it operated, particularly as it dealt more fully with transport matters generally than the Bill now under discussion. For example, on the State Transport Board appointed under the present Act the commercial, financial, and producing interests of the State were represented by two members. Surely hon. members on the Government side will agree with that? The Commissioner for Railways and the Commissioner for Main Roads were also members of the board. No one will argue that their appointment was wrong. The fifth appointee was a person interested in, and having a knowledge of, transport matters generally; and no one can cavil at that appointment. The constitution of the board was extremely wide; but the board that will be substituted for it will be limited to three members—the Commissioner for Railways, the Commissioner of Main Roads, and the Commissioner of Police. What is the object of bringing in the Commissioner of Police? What particular knowledge has he in connection with transport? The traffic regulations deal with traffic in the city, and do not extend throughout the whole of the State. The Commissioner of Police may have a certain knowledge in connection with traffic in Brisbane, Rockhampton, and other cities; but I do not consider that he is an authority on transport.

I recognise that the railways are up against motor transport. Who is to blame

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for it? The Railway Department must be to blame; otherwise motor transport would not be in existence to-day. When motor transport first started to compete with the railways, we had railways running out into the different districts of the State. There were good tracks for the engines and carriages to run on, and the Railway Department practically had a monopoly. The Railway Department must have done something wrong to allow motor transport to get in and compete with the railways. When motor transport started, motor trucks were very high in price; and we did not have the class of roads at that time to enable motor transport to compete with the railways. Since then good roads have been built in certain districts, which have allowed motor transport to advance. Wet weather affects motor transport more than it does the railways. When we get very bad weather, motor vehicles cannot travel, particularly on the black soil plains. There must be some reason why motor transport was able to get established and compete with the railways. The Railway Department at that time should have been able to deal with the competition. When the department first noticed that motor transport was taking a certain amount of traffic from the railways, surely the Government were strong enough to reduce freights and fares?

Mr. GODFREY MORGAN: They put them up.

Mr. TOZER: That was not the way to deal with the competition. By increasing the freights and fares they were playing right into the hands of the motor people. It was stated here to-day that hon. members on this side represented the motor interests. Could not a similar argument have been used at that time? Were hon. members opposite interested in the motor business, and is that why they allowed motor competition to come into existence? They should have reduced the freights and fares. Had they done that, they could have run the motor traffic off the roads quite easily; but they played right into the hands of motor interests by increasing their freights. The motors are here to stay. We cannot say that motor traffic has not been of advantage to Queensland. Of course it is argued that we have to go overseas for our motors, and that the money is sent out of the State, but surely we could make our own motors in Australia. The time will come when we shall be able to build our own motors in Australia, and to get our own petrol in Queensland or in Australia. At the present time I understand we cannot build the chassis of a motor car, but we can build the body and do other sections of the work. The only difficulty is with regard to petrol, and we cannot supply our requirements in that respect; but, if we get petrol from other parts of the British Dominions, we shall not be doing wrong. We have to get it from elsewhere until we can produce our own, and the sooner we produce our own the better it will be.

The Railway Department has to recognise that motor traffic is here to stay and should be working in conjunction with the railways. I understand that the object for which the present Act was passed was to get motor traffic working in harmony with the railways. The railways were to be allowed to do their legitimate work, and motors were to bring produce and passengers to the railways and also out into country districts

where the railways did not run. If that scheme had been given reasonable time to function, I believe it would ultimately have worked our successfully.

I am sorry to think this Bill is going to antagonise a great many people. If freights are going to be increased still more, we shall be playing further into the hands of the motor people. Apparently the Government think that the only way to act is to pass this Bill, and say to the motor people, "We will put a heavy penalty on you and make you pay a heavy license; and we will not let you go on our main roads unless you carry a certain load." The Government have power to block motor traffic altogether by imposing heavy penalties for breaches of regulations; but I submit that it is not right to put severe penalties on motor owners and force them off the road altogether.

We have stretches of bituminous main roads of 5 or 6 miles, and then a length of ordinary road, followed by another portion of good road. The board has power to say to drivers of heavy motor vehicles, "You can go on the ordinary road, but you cannot take a load over the bituminous main road." That, however, can be done now.

The motor-driver has also to apply to the Police Department for a license. In one case an application was made for a license in an area in which the motor truck would have had to travel a certain distance practically parallel with the railway line to a certain point where the road branched off and went right away from the railway. The license was refused, because, it was stated, the applicant would be competing with the railway; but he would only have been competing with the railway to a certain extent.

All through the Bill wherever power is given to the board it is subject to the approval of the Minister, who has the final say all through; and we think that that power is altogether too great. Why should the Minister have power to block the giving of a license in a case such as I have mentioned when the applicant is prepared to pay the necessary fee?

Another point I wish to refer to is that the license fee imposed on motor-drivers is an annual fee. Suppose, for instance, a man wishes to use his vehicle for a purpose covered by the Act on only one occasion. He will still have to pay the fee for the whole year. Could not the Minister issue a quarterly license in order to meet such cases? If a license for the full year costs £100, could he not issue a license for a quarter for £25? I know a case in which motor vehicles were wanted to move certain machinery. The owner had only that job of which he definitely knew, and under the circumstances the license fee was prohibitive. If he had intended to run for twelve months, there would have been no trouble; and he was quite willing to pay a fee for three months.

The Bill also gives the board the power of substitution. In this respect it is too wide. Not only has the board the power of substitution, but each of the commissioners also possesses it, because he can appoint anybody to carry out his duties.

Another provision, I understand, enables persons outside the service to be employed to administer the Act. Is there any idea of

appointing Australian Workers' Union organisers? It is quite possible to do it under the Bill. There, again, the power is altogether too wide. The Minister must have considered the matter, and must have some reason for including that clause. We would like to know the reason for it, and whether it cannot be altered.

In respect of the making of inquiries under the Bill, again the power is altogether too wide. It gives to the board and the committee it may appoint all the powers conferred by the Official Inquiries Evidence Act. The board or such a committee can investigate anybody's business, and determine whether or not it is going to interfere in any way with the railways. The power may be used on a mere fishing expedition, and it is too wide a power to give to anyone whom the Minister likes to appoint.

Then power is given to the board in respect of traffic regulation. The Minister practically is authorised to stop any motor car or other vehicle from travelling on any traffic route. That must be put into the Bill with the objective of dealing with motor traffic competition. Then, I understand, the Bill interferes with passenger traffic. Most certainly, if you pick up a passenger and he pays you, you will be within the four corners of the Act. If you were travelling from Gympie to Brisbane—and the road runs very close to the railway most of the way—you would be interfering with the traffic on the railways if you gave a friend a lift. Why should the Minister take power to interfere in these matters? We should not interfere with the liberty of the subject at all. We should provide absolute freedom in all things, and at least we should not interfere in cases like these. The driver of a motor vehicle would be compelled to apply to the police for a certificate of competency, for which no fee will be charged; but the car will have to be registered, and a driver's license will have to be taken out. It is not yet definite whether every member of a family who drives a car will be compelled to take out a separate license.

The Bill also provides that the license must contain an endorsement of competency, and in this case a fee is involved. The driver is not compelled to pay for his certificate of competency, but he is compelled to pay for the endorsement thereof upon the license. Will that mean that a driver must take out his registration, his driver's license, and his certificate of competency and pay three fees, or are only two fees involved?

THE MINISTER FOR TRANSPORT: Only two.

Mr. TOZER: If a person obtains a license to drive a car, why should the endorsement of competency involve an additional fee, if such be the case?

The Bill proposes to abolish the existing board set up by the late Government; but it appears to be the desire of the present Government to abolish all boards set up by the previous Government. We have already dealt with one case, and now we are compelled to consider another. The members were appointed under Acts of Parliament by the Governor in Council under the great seal of the State, and they were appointed for a definite period. Surely they are to be allowed to exercise any right of action that they might have against the Government! Evidently the Government recognise that they have a cause of action, because the

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Government have included an indemnifying clause in the Bill. I understand that that is now to be withdrawn, and I entirely approve of its withdrawal. It is entirely wrong deliberately to break a contract, and at the same time to protect one's self against the consequences of the wrongdoing. That is what the Government proposed to do; but, if the members of the board have a right of action, they will now be permitted to take full advantage of it if they so desire. I regret very much that the members concerned are to be deprived of their positions. If the Government can do that, they can do anything at all. The only direction in which they appear to be thwarted is in the furtherance of any idea in their minds to deprive the elected members of Parliament of the right to sit in this Chamber. They might just as well say: "We do not recognise your appointment, and we do not like your brand of politics. We propose to introduce a Bill to dispense with your services." I am certainly opposed to the Bill, and can see no justifiable grounds for its introduction. It certainly takes a very retrograde step. The State Transport Co-ordination Act, which became operative on 14th January, 1932, was far in advance of the present Bill in every way. It aimed at co-ordination and the quiet and peaceful working of all forms of transport. This Bill appears to have for its objective just the opposite effect. It appears to set one mode of transport against the other. I regret that the Government have deemed it advisable to bring in this Bill.

Mr. NIMMO (*Oxley*) [3.10 p.m.]: I am sorry that the Government have seen fit to scrap "The State Transport Co-ordination Act of 1931," because it represented an honest effort to give the railways a fair deal by wiping out unfair competition. When one reads this Bill and closely studies its provisions, the conclusion is forced upon him that it is not worth the paper it is printed on. The Bill passed by the late Government was entitled "The State Transport Co-ordination Act." The word, "Co-ordination" is left out of this Bill entirely, and it is merely called, "A Bill to provide for the improvement of transport, and for other purposes." It may improve the finance of the Railway Department, but it is not going to improve the transport arrangements of the people. In fact, it will put a cog in the wheel of progress, and compel the people to pay whatever fees the Railway Department imposes. The powers contained in this measure are too autocratic, and will tend to make this Parliament the laughing stock of the people. The Bill could have been confined to three clauses. The first clause could have been devoted to the title; the second to the personnel of the board, and the third should read—

"The board shall have power to do everything and anything to restrict, retard, or wipe out motor transport."

Many of the clauses in this Bill are an exact replica of those in Mr. Lang's Act. Mr. Lang made the tramways pay and show a very big surplus. Under his Act the takings of the tramways showed a phenomenal increase; but he took that money out of the pockets of the working people. All motor bus licenses were wiped out with the exception of those buses which were regarded as feeders for the railways or tramways; but the workers were compelled to pay an additional 2s. or 3s. a week for conveyance to the tram or train to get to

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their work. The Balmain-Parramatta section of the tramways was compelled to pay the Transport Board so much per mile per passenger. This impost yielded the board about £80 a week. That proves that the Railway Department made its profit at the expense of the general taxpayer. The Minister for Transport is now endeavouring to bolster up the Railway Department at the expense of the general taxpayer of this State. Such a policy will lead us nowhere, and will arrest the progress of the State.

An analysis of the Bill discloses that the Transport Board can delegate all or any of its powers. The representatives of the people in this House do not know, and will not have the right of saying, whether a particular motor route is economic, or whether a motor vehicle shall be allowed to ply.

THE MINISTER FOR TRANSPORT: Did you do that under your Act?

Mr. NIMMO: Under our Act we imposed conditions which were absolutely fair. All interests were represented on the Transport Board, and that board reported its findings to the Minister. The proposed Transport Board will consist of three public servants, who will naturally have to do as the Minister directs, and behind whom the Minister will be able to take shelter.

THE MINISTER FOR TRANSPORT: What clause provides for that?

Mr. NIMMO: I shall tell the hon. gentleman at the Committee stage; I am not permitted at present to deal with the Bill in detail. It behoves hon. members sitting behind the Government to become fully acquainted with this measure, because they may find later that complaints will be made by their constituents as to the harmful effects when the Bill becomes operative. It would be rather unfortunate if these hon. members could only plead ignorance when their constituents complain to them.

The Minister may exercise discriminatory powers in the issue of licenses. That is a dangerous principle, and reposes too much power in the hands of one person. The Minister may regard these dictatorial powers as necessary; but it is interesting to reflect what his leader said on 10th December last when the State Transport Co-ordination Act was being discussed. At page 2571 of "Hansard," volume clx., the hon. gentleman, who was then Leader of the Opposition, said—

"Under this Bill the Minister will become a virtual dictator. He may grant or withhold licenses for various forms of transport. He may set out the terms and conditions under which motor transport shall carry on, or he may entirely forbid that form of transport. He may prescribe that in a certain area a dairyman must send his cream to the factory by rail, and that a butter factory will not be granted a license to collect the cream at the various farms. There is no conceivable form of authority over transport which is not given to the Minister."

It will be seen that the hon. gentleman, who is now Premier of Queensland, spoke rather harshly about dictatorial powers; yet we find in this measure, introduced by one of his own Ministers, far greater powers. As the hon. member for Warwick has reminded me, clause 16 of this Bill gives these extraordinary powers, and I can only

suggest that the power of Parliament is being subverted in this manner.

This Bill is revolutionary in character—more revolutionary than any other measure which has come up for discussion in a Queensland Parliament. Of course, it was quite to be expected from the Minister for Transport, who belongs to a party which is generally recognised as most tyrannical when in control. We know, for example, how the party has been built up on compulsory preference to unionists.

Mr. FOLEY: Down with the tyrants!

Mr. NIMMO: The hon. member for Normanby has consistently stated in this House that he is absolutely in favour of Russia.

Mr. SPEAKER: Order! Will the hon. member please debate the principles contained in the Bill?

Mr. NIMMO: This Bill undoubtedly is a tyrannical Bill, and it will practically wipe out all motor transport. I have no objection to every motor owner, whether he is running for hire or privately, paying a fair amount for the right to run over our roads. We have constructed roads in Queensland at very great expense, but a large portion of the interest and redemption is paid by the motor owners. Are we going to make ornaments of these roads? What are those roads for if not for the purpose of traffic? It will be found that the Commissioner of Main Roads will endeavour to keep as much heavy traffic as possible off those roads. We do not want these roads as toys. We want them for use. This Bill is a definite attempt to clog that means of transport. The whole principle is absolutely wrong. For a considerable period of my life I lived among the railway workers at Ipswich, and I recognise that they have suffered great hardships. When there was no work to keep them fully employed, I suggested that the Ipswich workshops should be used for the manufacture of motor engines for our rail motors.

Mr. GLEDSON: Give them less work!

Mr. NIMMO: If the hon. member for Ipswich thinks it necessary to go on constructing these big heavy engines to carry passengers in the suburban area, he is quite wrong; and the sooner he gets more modern ideas in regard to transport the better it will be for his constituents. Even though it may savour of private enterprise, I go so far as to advocate that the Ipswich Workshops should manufacture ordinary motor engines for private individuals. If motor engines were manufactured in the Ipswich Workshops, they could be fitted with chassis and bodies manufactured in the State. If this Bill goes through, there will be no encouragement given to the manufacture of motor engines.

The MINISTER FOR TRANSPORT: It will encourage it.

Mr. NIMMO: The Bill is a definite attempt to kill the motor industry, which has grown to very great proportions in other countries. If motor vehicles will not be allowed to run on the roads, there will be no incentive to our engineers to manufacture motor engines. Every encouragement should be given to this industry. The Minister for Transport interjects that this Bill will encourage that industry. How will this Bill encourage it? When the Minister introduced the Bill, he distinctly gave us to understand that people driving motor trucks

are only going to be permitted to work certain hours. I take it that they will have to adhere to a 44-hour week in their operations. The Minister also gave us to understand that they would not be allowed to drive their trucks on Saturday afternoons or Sundays. If all these restrictions are to be imposed, these people will simply throw up the job, and not bother any further.

The Minister will be able to say, "We will allow you to carry potatoes, but we will not allow you to carry corn. We will allow you to carry pumpkins, but not chaff." The whole business is under his control; and that is the reason why the motor is definitely doomed in this State for a period of possibly two years, because I do not think the present Government will reign any longer than that.

If the general taxpayers were going to get any benefit from this drastic treatment of motor users, I would say there was something in it; but they are not going to get any benefit at all. Naturally, the Minister says that the Railway Department will make more profit; but at whose expense? This Bill is brought in apparently to permit the Minister to institute a 44-hour week in the Railway Department at an increased annual cost of £250,000; also to maintain certain other privileges which have always existed in connection with the Railway Department. If the extra profits which are to be made from the running of the railways are all eaten up by a certain favoured few—the employees of the Railway Department—the general public will get no benefit.

We all know how inefficiently the railways were run under the Labour regime in the past. The trains were continually running late. Take the strikes which occurred in the Railway Department! I sympathise with Labour Governments, because, when they are in office, their own people never give them an opportunity of making a success of the railways. As soon as the Labour Government get into power there are strikes. There is no doubt that, but for these strikes the Railway Department would have had a wonderful opportunity of carrying on the transport business successfully. After the first strike occurred in connection with suburban traffic—the Minister can verify what I say if he turns up the records—there was a falling away of traffic although a portion of the trade came back; but after the second strike the department lost practically all its suburban business. I know that at Eagle Junction the falling away was more than two-thirds of the traffic; and that has never been recovered. All through Queensland motor transit got in, and it is going to be very hard to shift. It would be quite an easy matter to make a success of any business if you can eliminate all competition; but the right way to do the job is to meet the competition by giving an efficient service, and then the railway will beat the motor traffic. In the Brisbane area practically all parcels are carted by motor vehicle; and the reason for that is that an ordinary parcel which is delivered at a charge of 6d. by motor vehicle right to the door—and the motor people show big profits—would cost 1s. 3d. delivered by rail at the railway station, with a further charge to get that parcel from the station to its destination. Instead of only carrying a few parcels why does not the Railway Department make a reasonable charge and get

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the carriage of the whole of the parcels in the suburban area? If a reasonable charge was made, there would be no danger from motor transit, which is fairly costly. Most people have the idea that it is simply a matter of paying for the petrol; but there are many other costs entailed besides petrol, so that the railways could beat motor vehicles if they were worked on business lines.

On the other hand, so soon as motor traffic is eliminated, what will happen? Everybody knows how slipshod business methods become when there is no competition. For instance, in the Sherwood, Graceville, and Corinda area we have no motor 'buses, although I understand there is a service to the tram. The result is that those suburbs are treated by the Railway Department worse than any others in Brisbane; and that treatment is a sample of what is likely to be meted out to the general body of the people of Queensland once competition with the railways is entirely eliminated. Every other suburb has its shopping fares reduced; but, simply because there is no competition there because of the river at Indooroopilly, the reductions were not extended to the district I have mentioned. I introduced a deputation to the Minister asking for similar treatment, and I hope he is giving the request favourable consideration.

Again, once the Bill goes through, the Railway Department will be made a wonderful labour bureau for the employment of friends of hon. members whom they want to put into jobs.

Another evil feature of the measure is the repudiation which it contemplates.

The MINISTER FOR TRANSPORT interjected.

Mr. NIMMO: I cannot hear the hon. gentleman. Repudiation seems to be a pet theme with the present Government. Every Bill that comes before this House savours of repudiation. During the years when Labour was previously in office, when the Government were squandering borrowed money—

The MINISTER FOR TRANSPORT again interjected.

Mr. SPEAKER: Order! The hon. member is interrupting the speech of the Minister for Transport. (Laughter.)

Mr. NIMMO: When that Government was looking for means of spending that money, they built main roads throughout the country; and many men were induced thereby to purchase motor trucks and 'buses and build up trade along certain routes. Many of them spent all they could raise for that purpose. Now the Minister says that he is going to take power to wipe them out in three months—that is the longest time he will give any of them. Is that not the vilest form of repudiation? To them it will mean ruin. These men have rendered a wonderful service in the Brisbane area. Many suburbs that have sprung up at distances from railway and tramway communications would not be in existence if it were not for them. The Bill also attacks those who have borrowed money or spent their own money in building homes in such suburbs, because, if those 'buses are interfered with, the value of their homes will depreciate.

At an earlier stage I spoke about the representation on the board. It is to consist of three public servants only.

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Other interests are fully entitled to representation on the board. For instance, the Brisbane City Council, which controls the tramway system and other means of transit in the City of Brisbane, is certainly entitled to representation on the board. Discussing the State Transport Co-ordination Bill in 1931, the present Minister for Transport said—

“ I notice that in the composition of the Transport Board no provision is made for a representative of the local authorities, although there is a provision for a local authority representative on the Advisory Committees. The Transport Board can deal with tramway extensions; yet the local authorities will have no representative to see their interests are preserved. Take, for instance, the position of the Brisbane City Council, which owns miles of tramways, some of which, like the Toowong and Clayfield services, are running in direct competition with the railways. Provision is made for the appointment of a representative of the financial interests; and that representative could have a knowledge of transport. In all probability the representative of the Government will be an official with a knowledge of transport matters.”

On that occasion the hon. gentleman definitely stated that the local authorities were entitled to representation on the board, and with that proposal I entirely agree. He was either talking with his tongue in his cheek, or caucus has so whipped him into line that he is compelled to introduce a measure of this nature.

The MINISTER FOR TRANSPORT: You voted against my amendment.

Mr. NIMMO: The business community would feel much more comfortable if it is permitted to air its views on the subject of what is required by the users of the roads; and even at this eleventh hour I urge the Minister to widen the scope of the representation on the board. I am sure that a move in that direction would be to his material advantage, otherwise he is merely making for his own back a rod which will be effectively used at no distant date. He might just as well endeavour to stem the tide as to hinder the triumphal march of motor improvement.

The Minister is acting very unwisely in establishing a board that does not reflect genuine representation. He is acting against the best interests of the community and against his own best interests in his official capacity. The greatest asset that any country can possess to-day is absolute confidence; but does this Bill stimulate the confidence that is so essential to improve the distressful conditions of our State? When the State Transport Co-ordination Act was passed last year, a number of investors concluded that the State had at last made a definite pronouncement upon the difficult problem of transport. The present Minister has admitted the efficacy of that measure; but it did not contain the autocratic and tyrannical provisions that are contained in this Bill. It was a highly beneficial measure, and was efficient in every respect in the regulation of transport matters. On the security of that Act thousands of pounds were invested in private enterprise; but within the short space of twelve months the Labour Government have decided to treat

that Act as a scrap of paper. They have decided to substitute a law which they consider to be more to their own liking. They hold the view that the law passed by the Moore Government was not sufficiently drastic, and did not contain the sting so nicely cloaked in the Bill introduced into the New South Wales Parliament by their colleague, Mr. Lang. They are anxious to incorporate those drastic, stinging powers in a measure of their own so that they may rule with the ferocity of the OGPU of the Russian Soviet Union. We should proceed very cautiously in this matter. Whilst the Government may achieve some benefit in one direction, irreparable harm may be done in another. We should be particularly cautious in dealing with the question of the transportation of goods to market by the cheapest possible method.

If this House takes any action which will have for its object the increasing of the cost of carriage of primary products, we shall increase their cost to the consumer. We must guard against that which will inevitably mean an increase in the cost of living. Such an action might easily interfere with the whole economic conditions of the country.

This position was summed up by the present Secretary for Mines when discussing the State Co-ordination Transport Bill when it was before the Assembly last year. He said—

“If any action is taken which will prevent primary producers from getting their products to market at reasonable rates, then we shall retard the natural progress and development. That would be madness. I know that the Minister is not aiming at that.”

Our Act did not aim at that. Unfortunately, this Bill does do, notwithstanding that the Secretary for Mines said that it was a position to be guarded against. I hope that the Minister will realise that the Bill is altogether too drastic. The Act passed last year was a particularly good one, although I thought some of its clauses were too drastic. Nevertheless, it contained its good points. One of these was the appointing of the State Transport Board by Parliament, and another the clause which prevented the board from being overridden by the Minister.

In my opinion, this Bill should be scrapped. The whole object of the Government appears to be the introduction of a spectacular programme of destruction of everything the Moore Government did. There is no need for this Bill.

The provision empowering the Transport Board to invoke the Official Inquiries Evidence Act in making inquiries is altogether too drastic.

The MINISTER FOR TRANSPORT: Why did you do it?

Mr. NIMMO: Two wrongs do not make a right; and, as I said previously, I did not believe in all the provisions of the present Act. We are living in a free country, but the Government propose to delegate their powers to anyone they choose. Their powers need not necessarily be delegated to the Transport Board. They can be delegated to union officials or organisers.

Mr. GLEDSON: What is wrong with those men?

Mr. NIMMO: They have been the ruination of Queensland. These officials can examine the books of a private individual, pry into his affairs, and disclose his business to the public.

The MINISTER FOR TRANSPORT: Do you think we would do that?

Mr. NIMMO: If we proceed along those lines, we shall very soon sink to the level of Russia, where no man possesses any freedom. Is it a fair thing that any person should be given authority to examine the books of any citizen? If that power were limited to the Minister or to the board, it would not be so bad. I warn hon. members and the Government that, if this Bill passes in its present form, they will regret it. It will cause representations from their electors, and they will have no power to give them any assistance. A plumber will not be able to use his own motor vehicle to deliver material to a job a few miles out of town. He can be compelled to deliver that material to the nearest railway station for conveyance to its destination by rail. Is that a fair thing? The State Transport Co-ordination Act went far enough, but this Bill is much more extreme. The Minister may give the railways more traffic; but it is questionable whether, in the final analysis, it will be to the benefit of the State. We know what happened in New South Wales as a result of Mr. Lang's legislation in this direction. It is fortunate that that legislation is being repealed, and that the New South Wales position will return to normal.

The proper way to grapple with this problem is to free the railways from political control. We have an excellent Commissioner for Railways, who can manage our railways quite well without political interference.

The MINISTER FOR TRANSPORT: Why did you interfere with him?

Mr. NIMMO: I have never interfered with the Commissioner. The public have £64,000,000 invested in the Queensland Railways. That capitalisation was reduced last year, but that reduction was merely transferring the obligation to repay from one Government department to another. The Queensland public are interested in the railways to the extent of £64,000,000; and it seems to me to be absurd that any politician should be allowed to come along and dictate what the policy of the railways shall be. We know what happened when certain freight rates were fixed for long distance traffic. We recall how the action of the Commissioner was overruled by political interference. The Commissioner should be allowed to run the railways in the most efficient manner possible. In no other business is there interference with the expert in control. What is the use of paying big salaries to experts and then interfering with their efficient control? Promotion in the railway service should be by merit, and the Commissioner should be given a free hand to manage the railways efficiently. If that were done, a different story would be told in Queensland to-day. Compare the position of the Canadian Pacific railway—privately owned railways—with the Government-owned Canadian national railways. The Canadian Pacific railway provides a much better service than the State railways, and from its accumulated profits it has built palatial

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hotels at Banff, Lake Louise, and Vancouver, at a cost of £5,000,000, £2,000,000, and £3,000,000 respectively.

Mr. G. C. TAYLOR: Who provided the profits?

Mr. NIMMO: I know the socialist member for Enoggera wants me to say that the users of the railways did; but I repeat that privately owned railways give an infinitely better service to the public than Government-owned railways, which are always in financial trouble. The Canadian Pacific Railway gives service to the people, and that is the reason why it has made these fine profits.

If the Commissioner were told, "You are there for five years, get on with your job and make the railways pay," we would not have any need to worry, because the railways would pay. On the other hand, why should any political party have to suffer for the sins of a railway servant? An inefficient Minister may be put in control of our railways. He thinks he is head of the roost, and he dictates the policy to the Commissioner. Such a man may put the whole of the members of his party in difficulties; and, when they go to the country, the electors hold members responsible for any wrongful acts in connection with the railways. Is that right?

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

Mr. WIENHOLT (*Fassifern*) [3.51 p.m.]: It seems to me that both this Bill and the previous Act have to a great extent the same object in view. It is not for me to presume to say how the Government intend to use the powers provided for in this Bill. That will be proved later on. I do not pretend to be enthusiastic about this Bill, nor was I enthusiastic about the former Bill, as I realise that these Bills, like the Bill passed through last Parliament to reduce the capitalisation of the railways, overlook the vital question of the elimination of political interference in the actual work and administration of the Railway Department. I have heard some hon. members advocate that to-day. The hon. member for Oxley was very clear that, in his opinion, there should be no political influence. I remember that I moved a motion in the last session, or the session before, to have the railways put under a board or a single Commissioner responsible directly to Parliament, like the Auditor-General, and the only encouragement I got was that my motion was ruled out of order.

I want to say a few words in defence of our Commissioner for Railways, and I want particularly to refer to what was said yesterday by the hon. member for Murilla. That hon. member said very distinctly that the Commissioner for Railways had no business ability whatever. I want to defend the Commissioner, because I believe that if any Commissioner had the business acumen and technical knowledge of Henry Ford, combined with the financial instincts of the first Rothschild and the patience of Job thrown in, he could not do anything under the present system of carrying on our railways. Everybody knows that the employees in the Railway Department have their wages fixed by the Industrial Court. That means that his main expenditure is fixed for him.

Again, the hon. member for Murilla mentioned that he had reduced the freights himself, as Secretary for Railways, without consultation with his Commissioner. Whether

that has also been done already by the present Government I do not know; but it is most unfair to charge any Commissioner for Railways with lack of business ability when, on the one hand, his wages, and on the other hand his revenue in the shape of freights, can be fixed without him having any say in the matter. The railways should be under a board or a single Commissioner responsible directly to Parliament in the same manner as the Auditor-General is.

Parliament, of course, holds, and should hold, the power of the purse. It may be argued that it is necessary for members of Parliament to be able to protect the interests of the producers, consumers, and users of the railways in regard to freights and fares, and so on. That seems to me to be unsound, because, to my mind, the railways are absolutely dependent on the people in the country, who are equally dependent upon the railways. There should, therefore, be no question of hostility or hostile interests between the country and the railways in regard to their respective interests.

We know that the railways want efficient working, and there is room for enormous improvement in many ways. We are all aware that a large part of our State debt is invested in the railways, and we want a better return for the money put into the railways. We want the best service and lowest freights possible that we can get in regard to the carriage of passengers and goods. And there is certainly scope for improvement in the direction in the conditions and pay, with fuller time for the railway employees. As everybody knows, a great part of the railway work is both arduous and even dangerous. But I consider that all these improvements involved in administration must come out of the increased business, and that is increased earnings of the railways.

In regard to the competition of the railways with motor traffic, I admit that my sympathies are very much with the ex-Minister, the hon. member for Murilla, in the attitude which he takes up; but we have to realise that motor traffic has also fair and just rights to be considered. I do not myself believe in all this interference and restriction that is being brought nowadays into industry. But I do believe that motor traffic should pay its fair and full proportion of the interest on loan moneys spent on the roads; and also its full share of redemption, depreciation, and damage which the motors cause to the roads, whether out in the country or on the more expensively built main roads. I consider that the proper method of obtaining this payment should be by way of a tax or duty on petrol. I know that would mean some complication with the Commonwealth, but I think it can be overcome. It is essential that motor traffic should pay its fair share of the expense of constructing roads which it uses and of the maintenance thereof, and the best, fairest, and simplest method we could adopt would be through a tax on petrol.

If we do that, keep the railways free from political influence, and allow the Commissioner a freer hand, we would be giving a fair chance for competition to the railways, on the one hand, and to motor competition on the other; and I believe that is the best way to bring about a solution of the present trouble between the two rival systems of transport.

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Mr. C. TAYLOR (*Windsor*) [4 p.m.]: I have listened to the discussion on this measure, which deals with the very important problem which is facing, not only Queensland but also the whole of Australia, of just how we are to put our railways on a better footing without doing injury or injustice to the community. A few years ago nobody would have thought for one moment that the railways of Queensland and Australia, which had always been looked upon as being our very best asset, would become the liability they are to-day; yet we know perfectly well that, if we had the money which we have lost on the running of the railways during the last fifteen or eighteen years, conditions would be very much brighter. However, we have not got that money; and we have to discover whether we cannot do something to improve the position as we find it without injury or injustice to the primary producer.

That is just where I am afraid the Bill is going to fail. The hon. member for Fassifern was quite right and logical a few moments ago when he said that heavy motor vehicles in various parts of the State ought to pay a very considerable amount for the upkeep of the roads over which they run. That is only fair and equitable, because the roadways have been built by the same people who built our railways; and they are kept in order by local authorities, who draw their revenue from those same people.

This aspect of the question must also be considered. Recently the cost of transport has entered largely into the discussion of reducing the cost of production; and we must be very careful to see that any action we may take under a Bill such as this does not add to the cost of production. We are endeavouring in various ways to reduce it so that, if it be possible without inflicting hardship or reducing wages, we may lower the cost of living throughout the Australian States. There is no doubt that during recent years the motor vehicle has given a considerable impetus to cheaper transport on present lines; but I feel certain that we shall continue to have our railways. It is unthinkable that all the transport of the produce and trade of Queensland or any of the States can be handled satisfactorily by other forms of transport. Go to Victoria, and see the huge trains of twenty or thirty trucks, each of them carrying to the seaboard 30 or 40 tons of wheat—600 or 700 tons of wheat in a train. Watching those trains, one realises how impossible it would be to do without our railways.

Taking them all in all, the Queensland railways are very well managed, and are in a very excellent condition. The system has been subject to some criticism; but, despite that criticism, I feel that we, as Queenslanders, have every reason to be proud of our railway system. The late Government reduced the capital indebtedness of the railways from £64,000,000 to £36,000,000, or a reduction of £28,000,000. This amount was transferred to another account, so that the railways might be in a position to exhibit better working figures. I believe that every hon. member will agree that our present railway mileage could not be constructed to-day for the present capital cost of £36,000,000. The sum of £28,000,000 was written off so that the railway managers might be in a position to make the railways pay. I feel that, with the reduced capital

cost, the railways will be able to pay in spite of the competition from motor transport that exists to-day. The railway managers have been given an excellent opportunity, and I believe they will be able to make the railways pay. The action of the late Government in writing down the capital indebtedness of the railways should have been commenced sixty years ago. If the principle of writing down, or the provision for depreciation or the establishment of a sinking fund—whatever it may be termed—had been established fifty or sixty years ago, the railways of Queensland would not be in their present unfortunate position. All business executives provide for the depreciation or obsolescence of their manufacturing machinery. There is a writing down of the capital cost annually so that a fund will be available to cover the cost of replacement upon the expiration of the working life of the unit of machinery.

At 4.7 p.m.,

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

Mr. C. TAYLOR: The late Government provided for a renewal and replacement fund, and stipulated that 1 per cent. should be set aside every year to cover depreciation in respect of the reduced capital indebtedness. It was also provided that, in the case of excess profits after these charges had been met, a certain percentage should be utilised to pay the interest and amortisation of the £28,000,000 which had been transferred to another account. That was a very wise provision.

With other hon. members, I feel that the Minister is assuming powers under this Bill that are altogether too far-reaching. Consider for a moment the conditions that obtained some years ago in the Cleveland and Redland Bay districts and along the North Coast line, when small growers of fruit and vegetables sent their goods by rail, and in other cases conveyed them to the Brisbane market by their own lorries and drays.

Since the introduction of motor cars, quite a number of these people have acquired motor vehicles to transport the produce of their small farms to the markets in Brisbane. This Bill gives the Minister the power to say, "You shall not do that." If I am wrong, I would like the Minister to correct me. These men have taken up 10, 15, or 20 acre blocks, worked very hard, sometimes the round of the clock, to make it possible for the people in the cities who benefit by their labour to live. Because they have acquired motor vehicles for the quick transportation of their produce to market, the Minister will now be able to step in and say, "You shall not continue to cart your produce to market; it must go by the railway." Is that progress? Will it tend to cheapen the cost of living to compel produce to be handled two or three times when one handling is sufficient? When farm produce is carried in a motor truck, there is only one handling. If that produce must go by railway, it must be loaded on to the railway at the point of production, unloaded again at Roma street, and unloaded again at the markets. That is absolutely wrong; and legislation that will permit this to be done will circumvent all the efforts of those men engaged in making their living from the land. We are continually telling our people that they must go on the land to relieve the

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congestion in the cities and add to the wealth of the nation; yet under this Bill we are asked to agree to legislation which will interfere with the right of these men to convey their produce to market in the most economical and expeditious manner possible. You might just as well tell the farmer that he shall not bring his produce to market in a cart, for, if it is right to impose a restriction in one direction, it is right to do so in another. The Minister should take into consideration the factors which operate in the carriage of goods by motor. I agree that heavy motor vehicles should pay a fair proportion to the upkeep of the roads; and the fact that the capital cost of our railways has been reduced by £23,000,000 should be a means to enable them to pay; and, if properly managed, they should pay without any of the restrictions which it is intended to impose on motor traffic.

A good deal has been said about the motor business. Hon. members must not lose sight of the fact that hundreds of thousands of pounds have been spent, are being spent, and will be spent, in Queensland in connection with the motor industry. At the present moment a company engaged in the distribution of petrol is constructing a huge building in Ann street at a cost of £40,000 or £50,000. Hon. members should reflect on the number of buildings that have been erected by the motor and allied industries, and attempt to visualise the number of men employed in them. If the Government wipe out those businesses to-morrow, what will be done with the men employed? Thousands of men are employed in the motor industry. The Government want to do a fair thing by that industry; and, because a certain Bill was introduced by the late Government, that is no excuse for bringing in such a drastic Bill as this. Its introduction is a great mistake, it is a retrograde step, and will not react in the best interests of Queensland, especially of those engaged in primary production. The question has to be considered in all its aspects and ramifications. Who is responsible for the motor industry? The people of Queensland. We are all responsible for its great growth. I admit that quite a number of people who could not afford to do so have purchased motor cars, but that is an aspect of the question which I need not discuss.

The motor industry has become established in Queensland and throughout the Commonwealth. We are essentially a primary producing State; and within a few miles of the metropolis there are many hundreds of men engaged in primary production in a small way, many of whom convey their produce to market by means of motor vehicles. This Bill will hit those men very hard.

Mr. G. C. TAYLOR: It is not going to hit them at all.

Mr. C. TAYLOR: If these men are not to be permitted to use their trucks to convey their produce to the Brisbane market, it will do incalculable harm, not only to the producers but to the people of Queensland generally, because it will increase the cost of production. That is undesirable. All our efforts should be directed to reducing costs of production as much as possible. The position of those industries which provide food for the people must be carefully considered when legislation is being framed. All primary industries must be safeguarded.

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The pastoral industry has been carrying the railways along for many years because of the exceedingly high freights which that industry has been called upon to pay. The industry was able to do that in years of prosperity; but the position is entirely different under present conditions. Certainly the last wool sales have shown a substantial increase in wool prices, which we hope will be maintained and even increased, and that will be of benefit to those in the industry. At the same time, we do not want to make the position of these people more difficult than it is. Those who have travelled throughout the State know the difficulties to be overcome by these people in normal times, quite apart from the distressing periods when droughts are being experienced. All these things are impeding the progress of the primary producers; and it is the duty of Parliament to remove the burden as far as possible—not to add to them by passing this Bill.

With regard to the constitution of the board, what justification is there for the inclusion of the Commissioner of Police? Mr. Ryan is probably as efficient a Commissioner of Police as we have had in Queensland, and he enjoys the respect of all hon. members; but it is questionable whether he should be a member of the proposed board. In any event, it is arguable whether a board to deal with the transport arrangements of the State composed entirely of public servants is in the best interests of Queensland.

I have no desire to recapitulate the arguments of hon. members on this side of the House, but I do emphasise that other interests should have proper representation on the board. The Commissioner for Railways—a very able man—is mainly concerned with making the railways pay, whilst the Commissioner of Main Roads is solely interested in the construction and maintenance of roads.

Those whose interests it is proposed to restrict are to have no say whatever in the matter. Why should not the local authorities have some say? Take the Rockhampton City Council! I understand the tramways in Rockhampton are under the control of the City Council, and that authority should certainly have some say in the matter. We know that the tramway system of Brisbane is controlled by the people of Brisbane. The Brisbane City Council was compelled by the Labour Government to take over control of the tramways. In the metropolitan area there are buses running through the various suburbs carrying passengers every day and all day. In spite of this, the Brisbane City Council is to have no representation whatever on this Transport Board; yet the board can say to the tramway authority in Brisbane: "We are not going to allow these buses to run. We are going to do this, that, and the other thing," and the tramway authority will have no voice in the matter. I hope the Minister will give a little further consideration to the Bill than I think he has yet given to it, and that many of the anomalies will be removed before it becomes law.

Mr. RUSSELL (*Hamilton*) [4.21 p.m.]: I can hardly understand the indecent haste displayed by the Government in annulling the Act passed last session by the Moore Administration. It is on all fours with other legislation brought before the House this session. There seems to be a desire on the part of

the party at present in office to destroy the legislation that was passed during the last three years. Probably this is being done in a spirit of vindictiveness, or with a view to cajole the people into thinking that their solutions of the various problems are more in accord with the wishes of the people than the measures passed by the Moore Government. We know that problems of transport have occupied the attention of experts in the economics of transport in all countries of the world for many years, the idea being to evolve some plan whereby the overlapping that has taken, and is taking, place in every civilised country between rail and road transport should be in some way co-ordinated. This word "co-ordination" rises very readily to the lips of our friends opposite; but, when we analyse their scheme of co-ordination, we find that generally it implies the subordination of one interest to another; consequently, I say that their schemes of co-ordination are not based on proper principles.

To my mind, co-ordination implies a scheme whereby given activities of equal status are brought together in an homogeneous whole, so that conflicting interests between one department and another can be woven together in a co-ordinated scheme controlled by a responsible Minister. But this so-called co-ordination of transport implies the subordination of every interest to the interest of the railway authority. We know that, owing to the way in which prosperity operated in the world for a period of twenty years, people, Governments, and local bodies became somewhat extravagant in their ideas; and, through the enormous increase of prosperity, the motor industry became one of the largest industries in the world, and the temptation was for everybody to try to get a motor car. The old form of transport became obsolete, and the horse has practically gone, to the regret of our esteemed colleague, the ex-Secretary for Railways, the hon. member for Murilla, who, like all decent men, is a lover of the horse. While the horse has gone by the board to some extent, we still see in many parts of Australia the horse occupied in various work; but the tendency has been in the direction of an enormous growth of the motor industry. Owing to its rapidity and extreme flexibility, motor transport has become so popular that the older forms of transport are destined to be abolished. With the tremendous advance in motor transport, railway traction has consequently suffered a very severe reverse. In every country in the world railway authorities are experiencing great difficulties in making revenue and expenditure meet, so that in Australia we are not alone in our troubles, because we have felt the competition of motor transport similarly as other countries in the world have felt it. The problem of what has to be done with all the Government undertakings in which a tremendous amount of the people's money has been invested is occupying the minds of all Governments to-day. We see in Australia the railway revenue shrinking year by year. It must be admitted that, generally speaking, motor transport has attempted to attract the cream of the traffic; but I say that under a proper scheme of co-ordination it is possible to arrange for motor car and railway transport to operate under reasonable conditions. Motor traffic must take its responsibility in the carrying of cheaper goods, and not leave the railway

traffic entirely for the long haulage and cheaper class of goods.

As far back as 1924 the Fay-Raven Commission sat in Australia to deal with this problem, which since that day has become very acute. It was stated by that commission—

"Governments come and go, policies change, and are revised according to the political hue of the Ministry of the day; but the transport needs of a State are constant; they are vital factors of everyday life of all the people, and should not be made the shuttlecock of politics."

These words are very apropos of the present situation.

The Moore Government made an honest attempt to grapple with the problem. In conformity with the resolutions agreed to at various conferences, it was decided that some effort should be made to prevent a good deal of the overlapping that was taking place in our transport system. It is economically unsound to have two systems of transport competing one with the other for the traffic of the country. The Moore Government took an interest in this problem with a view to bringing about some system of co-ordination in order to prevent economic waste and to give the best transport service to the public.

Last session the Moore Government passed the State Transport Co-ordination Act, to which a great deal of thought had been given. Many conflicting interests had to be reconciled. We knew that, on the one hand, we would be faced with opposition from people who had established themselves in the motor transport trade and the motor industry generally. It must be admitted that our paramount duty was, as far as possible, or so far as it deserved, to preserve our Government assets, whilst not inflicting on the public a system of transport that was too costly, or deny to them a means of cheaper transport than the railways could afford to give. Recognising that, in addition to the Government, very powerful interests had to be considered, we decided that the board constituted under the measure should include a representative of those outside interests. Representatives were, therefore, appointed of commercial and financial circles, Messrs. Forth and Douglas, both well known men. The former is a very successful commercial man, who, from the ramifications of his own business, must have a very intimate knowledge of transport problems, whilst the other had a thorough training in financial matters. We considered that their appointment would be an acquisition to any board. Moreover, it was only just. Otherwise, we might have had the spectacle of a board representative only of Government interests; and, in fairness to those who had invested so much money in motor transport, we held that that would be one-sided. Thus we made an honest attempt to provide for the benefit of the whole community a board that would endeavour to do the fair thing by all parties. Now the present Government—to my mind very foolishly, and without having given the matter due consideration—have decided to abolish that board, and appoint one purely representative of Government interests, neglecting other interests worthy of the greatest consideration.

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The Commonwealth Transport Committee, after making exhaustive inquiries into the whole question of the co-ordination of transport, reported in 1929—

“Throughout Australia transport services have been provided whose capacity for movement of passengers and freight is greater than the business offering.”

That was the position then, and it is accentuated to-day. The question is how we are going to reconcile the conflicting interests. In 1930 a transport conference went very carefully into the question, and made a very valuable report, from which I would like to quote a few extracts. Professor Copland, to my mind one of the greatest authorities on economics in Australia, made these comments—

“Governments would not be serving the best interests of the community if they sought to establish a complete railway monopoly merely for the purpose of reducing the burden of railway finance upon Budgets. On the other hand, the claim of private transport interests that unrestricted competition should be allowed cannot be sustained.”

This is very important—

“Where motor transport is not a common carrier and merely takes the cream of the traffic on favoured routes, it may return a handsome profit to the private owners. This profit may be less than the net loss to the community through the reduction of railway revenue on routes where the railways are forced to carry the less profitable freight. It is necessary to regulate competition between road and rail transport by rationing services.”

Professor Copland hit upon the crux of the situation. Where the motor transport has secured the business in first class merchandise for which the railway authorities charge the highest rates it has certainly entered into undue competition with the Government asset. Professor Copland infers that the remedy would be to declare every owner of a transport vehicle to be a common carrier, and to insist that he shall carry his proportion of the lower-grade merchandise in the same way as the railways are compelled to do. By those means we would eliminate the undue competition by motor transport people in the high-grade merchandise, for which the railways secure a high rate of freight, and which the motor transport people are prepared to carry at a lower rate. The truck owner is not very anxious to carry low-grade merchandise, such as chaff, hay, potatoes, etc.; but he will carry petrol, beer, kerosene, and other items that attract the high railway freights.

In dealing with the problem from a railway standpoint the Commissioner for Railways in Victoria expressed his view at the conference referred to. I propose to read his views so as to arrive at a fair balance between the two opinions. On the one hand, we have many motor owners who desire unrestricted competition, whilst, on the other hand, most of the railway authorities would like to squeeze these people out of competition altogether. It is our duty to hold a balance between them, if we possibly can. Mr. Clapp said—

“The problems of transportation are not only for transportation experts. They are equally problems for business

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men who will be obliged, sooner or later, to decide—not by any casual rule of thumb but by a careful study of the economics of transportation—what is best for the State and thus for business itself. Obviously, it is not merely a clear-cut issue between railways and road services. Both are needed by the community. Both, in their proper places, can be powerful factors in increasing the prosperity of the State. The question to be determined is what is the proper sphere of each of these transportation agencies, and in what respects is either economically superior to the other.”

He further said—

“If the road services were placed on the same basis as the railways, if they were obliged to carry whatever traffic is offering and to pay the cost of constructing and maintaining that essential part of the plant, the roads, there is little doubt what the result would be. All the controversy on the question of the relative merits of rail and road transport leaves one fact outstanding: The railways are indispensable. They must be retained for the essential and exclusive service which they render. That being so, it seems to me quite illogical to allow unregulated subsidised competition to take from them the goods upon which they depend to balance the ledger, and that it would be much wiser to ensure that commercial road transport should be developed upon a co-ordinated plan with a sound economic basis rather than along lines of obstructive competition.”

At 4.39 p.m.,

Mr. SPEAKER resumed the chair.

Mr. RUSSELL: There was another gentleman at that conference, Mr. Crawford, representing the motor interests, and it is right that I should cite his opinion, because what he says is also to the point and is evidently an unbiassed opinion. He said—

“In many directions, and particularly after long distances, I do not doubt the railways will continue to function to the general welfare, but as motor transport becomes progressively more efficient and cheaper so will sections of the railways become obsolete.

“Whether or not co-ordination of the various means of transport will ultimately be altered, I believe the railways will continue to be a prime factor in our industrial life. However, their activities will change to meet the need of the times, and in all probability goods traffic will be confined to heavy hauls, such as complete train loads over long distances.”

I have cited these opinions to show how these men are thinking in regard to this problem. Despite this very stupid Bill, the Government are desirous of arriving at some solution of the problem; but this Bill will not assist in that direction. Had the Government carried on under our Act and made alterations in certain directions, which I will indicate later, they would have got much nearer a solution of the problem. The Commonwealth Transport Board summarised the position in August, 1930, in these words—

“An adequate system of transportation can only be obtained by making use of the best means of transport available,

and by combining those services in such a way that they can be operated at the lowest total cost with due regard to the services required.

"There are many cases in which motor vehicles can provide a more economical and efficient service than the railway, such as for certain cases in urban areas and other places of short haul. The problem should therefore resolve itself into one of co-ordination rather than competition.

"The railway is best suited to long hauls, the motor to short hauls, air services where speed is important, and water carriage where speed is unimportant.

"The only means of attaining an ideal service is by co-ordinating the various forms of transport, since competition, which merely means a duplication of facilities, is an economic waste which is ultimately paid for by the users of the service."

My objection to the Bill is that, while the Government profess that it will bring about the co-ordination of these services, the suspicion remains in my mind that it means the absolute subservience of motor transport to railway transport. The Government have decided under this Bill that the whole transport problem of the State shall be handled by a board of three public servants. In view of the importance of the interests of the private citizens, and in view of the enormous growth of the motor industry of Queensland, I declare that it is a retrograde step to put the whole of these services under the bureaucratic control of the members of this board, who, in turn, will be controlled by the Minister. These enormous interests outside the Government, consisting as they do of private owners of motor vehicles and local authorities—which are very great to-day—are entitled to some representation on this board, consequently, I hope the Government will see the necessity for increasing the representation by allowing the local authorities, especially the Brisbane City Council, which is the second largest transportation authority in Queensland, to have representation on the board. In addition, there should be on the board a representative of the motor transport trade, in which an enormous amount of capital is invested. In their endeavour to control the whole system of transportation the Government are going to interfere with private enterprise. Private enterprise will have no say on the board, and this bureaucratic body will have power to destroy the whole motor industry if it likes.

In a genuine system of co-ordination—and most Governments of the world are endeavouring to bring about co-ordination in civil life—the people whose interests are so vitally bound up in the legislation should have some opportunity of expressing their views and should have ample representation on any board which governs this very important industry. To my mind, this is simply another incursion into the realm of socialisation, and is typical of the trend of Labour legislation—the growth of government control of the individual. There is no necessity for the constitution of a board that will poke its nose into the affairs of private enterprise. The less interference we have with private enterprise the better. The Government should hesitate to interfere with

private enterprise; but, if they do, they should see that all interests are represented on any board that is appointed.

Are the Government justified in using their powers of taxation to prevent legitimate competition? I said just now that local bodies will have no representation. This Bill takes away from the people of Brisbane the control of their own transport services. The city of Brisbane is important enough to govern its own affairs without interference by the Government. We have a community of 350,000, to whom we granted a charter of civic government, under which the essential services of water, electricity, and electric traction are managed by the City Council. Nothing should be done to whittle away those powers; but this Bill will put the city of Brisbane under the control of a State Transport Board in regard to transport. It is a very serious derogation of the powers conferred under the City of Brisbane Act; and the people of Brisbane should resent the retrograde step under which their powers are being whittled away. What applies to Brisbane has equal force with respect to every other municipality. There is too much of this centralisation of authority. Better service can be secured by decentralising the powers of government. The people of Brisbane should resent any undue interference with them in the matter of the transport of their own citizens. In Brisbane we have the finest tramway system in the Commonwealth, and the only system making a profit; yet under this Bill a State Transport Board can step in and dictate to the Brisbane City Council how that tramway system is to be managed. The Minister may say there is no intention to do that, but the power is there; and I am not prepared to hand over powers possessed by the city of Brisbane to the bureaucratic control of three public servants—and in saying that I speak in no derogatory terms of the three gentlemen concerned.

When it comes to a matter of economical transport, the only man who really has any knowledge of the question is the Commissioner for Railways. It is his business; he is a transport man; and I suppose he is the man best fitted to be chairman of the board. Mr. Kemp, the Commissioner of Main Roads, is one of the finest road engineers in Australia; but the economics of transport is quite foreign to the profession of Mr. Kemp, whose business it is to make roads—and he certainly makes good roads. Let him stick to his job. Then why appoint the Commissioner of Police? It is his duty to preserve law and order and to see that the pedestrian gets fair play and that the regulations are carried out under the control of the police. We have imposed on the police the duty of looking after traffic matters; but that actually does not come within the duties of the police. At one time it was thought that it would be wise to have traffic policemen; but, to save expense and prevent undue overlapping, the traffic duties were handed over to the police. However, the police do control our traffic, and it would be unwise to alter that. But I do not think that constitutes any reason why the Commissioner of Police should have a seat on a board which deals with transport matters.

On the other hand, there is no reason why the motor transport people, who are largely affected by this measure, should not have a seat on the board. In the motor business

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there are men of experience who are expert in the game, and whose advice we should listen to. The board has no power, as the Minister is the last court of appeal. No matter what the board decides to do, the Minister has the power to veto, and will see that the policy of the Government is carried out. Therefore, I ask the Government to see that these various interests are represented. I am not asking them to do anything that would run counter to their policy; but I do suggest that, in addition to the Commissioner for Railways, there should be on the board a representative of other transport interests. There should also be a representative of the second biggest transport interest in Queensland, that is the Brisbane City Council; and, to apply that in a wider sense, the local authorities throughout Queensland, who are all interested in transport, should be represented on the board. If we have a board of that nature, we shall be able to solve this problem, and see that the right balance is preserved between railway and road traffic, always bearing in mind that the Minister will see to it that the Government policy is not interfered with.

We know that Mr. Davidson has been a very zealous servant of all Governments; but naturally he is biased in favour of his own system, so you can depend upon it that, as head of the Railway Department, he will take very good care to see that his interests are paramount. I do not blame him for that. That is his job. He is there to make the railways pay, and to see that the railways are run efficiently; and consequently, as a member of the board, railway interests must be paramount. Mr. Davidson has already expressed his views on various occasions as to what prominence should be given to railway interests. He has criticised the report that was lodged by Mr. Leonard Morris. Whether Mr. Davidson is consciously or unconsciously biased, his thought is in the one direction—to boost the railway interests to the greatest possible extent. In dealing with this report by Mr. Morris, who thought it was necessary that road and rail transport should be co-ordinated, and that we should indulge in a larger programme of road construction, Mr. Davidson asked—

“Exactly what interests are served by a first-class road, say, between Brisbane and Toowoomba?”

We know that was a burning question at the last elections; and I dare say the Moore Government lost a good many votes because we decided not to build that road. I believe that all big cities should be connected by good roads; but we take the view that, before that is done, roads leading to railways must be built to enable the producers to get their goods to the railway. Mr. Davidson went on to say—

“Such a road cannot economically carry the agricultural produce of the Darling Downs, nor could it deal with timber, the limestone which comes from Gore to Darra, cattle and sheep traffic, etc. What interests then does such a road serve? It really only benefits the touring motorist, the motor-lorry proprietor who makes a bare living wage by skimming the cream of the railway business, and the few storekeepers, graziers, etc., who utilise such form of transport. The real benefit to the State is almost

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nothing; it is time we took stock of the position and asked ourselves exactly what we are spending this money for.

“It may be desirable that certain tourist motor roads be built even if they affect railway traffic to some extent, but very careful consideration should be given to the projects before any such roads are authorised.”

I merely mention that to show how Mr. Davidson thinks that railway interests are paramount.

We must not forget that the main revenue derived by the Main Roads Commission comes from motor registration. According to the report of the Commissioner, dated 30th June, 1931, the total revenue was £1,567,093. After deducting the balances in hand amounting to £159,283 13s. 6d. there remained £1,407,809 6s. 6d. The main items in that revenue consisted of—

	£	s.	d.
Motor vehicle registration	476,720	1	1
Heavy vehicles registration	16,850	9	5
Total	£493,570	10	6

Practically half a million pounds came from registration fees paid by the owners of motor vehicles. Are these people not entitled to some consideration? What do they pay their fees for? It will be said—to use the roads—including such roads as have been built at the pleasure of the Commissioner for Railways. The motorists are entitled to some consideration in return for the enormous amount of money they are paying in registration fees. That is why I am advocating their representation on the board. I think that is a fair proposition to put up to the Government. I have an objection to a purely bureaucratic board of public servants.

In regard to the Bill generally, it is a piece of hastily conceived legislation. The Government are evidently striking out blindly. Firstly, they decided to abolish our Bill, because it was probably too liberal for them, inasmuch as it did to some extent detract from the authority of the Minister. That is to say, under the board we constituted we would certainly have had the advice of two very good men representing outside interests and whose advice must have been very valuable to the other members of the board.

The new board is to be representative merely of Government departments, although we know that the problems are too difficult and complex for these three nominees, with their other duties, to do justice to them. They really will not have the time to delve into those problems which are disturbing the minds of the people in all the States; yet the Government are putting this extra burden on them. Throughout the transport conferences the argument was that the problems were such that experts in economics should be asked to assist in solving them. If the Government had followed that course, and had proposed to appoint to the board men who would devote themselves wholly to the solution of the problems, they might have got somewhere. They need not have had any fear of losing their power, because, no matter what happens, the Government have the last word.

I am very sorry to think that the Government have decided to repeal the legislation passed last year, which preserved a fair balance between road and rail transport.

One hon. member has already said that most farmers own their own trucks, and wish to carry their own produce to market. Under this Bill all those facilities may be wiped out, and the farmers can be compelled to cart their produce to the nearest railway siding. I do not think that is a good step. We must admit that a characteristic of present-day civilisation is the desire for rapid and comfortable transit by a means that will be available at any time and is handier than the railway. The railways have opened up the country and have done their work. Foolishly, like other countries, Queensland has invested too much money in railway construction. It has done its part in the development of the country; but I am afraid that we have paid too high a price for the privilege, and that a number of lines will have to be closed down and another system of transport adopted to cater for the smaller traffic that is offering. In every country town nearly every farmer and other citizen has some sort of motor vehicle. It has become so popular a form of transport that it is wrong to endeavour to correct the tendency for the quicker and more comfortable transit which it provides.

Mr. G. P. BARNES (*Warwick*): I move the adjournment of the debate.

Question put and passed.

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

The House adjourned at 5.4 p.m.
