

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 19 OCTOBER 1932

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WEDNESDAY, 19 OCTOBER, 1932.

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

ASSENT TO BILLS.

Mr. SPEAKER announced the receipt of messages from His Excellency the Governor, conveying His Excellency's assent to the following Bills:—

Financial Emergency Relief Extension Bill.

Income (Unemployment Relief) Tax Acts Amendment Bill;

Abattoirs Agreement Ratification and Meat Industry Act Amendment Bill.

QUESTIONS.

RAILWAY FREIGHTS ON ORE AND WOOL FROM MOUNT ISA AND DAJARRA TO TOWNSVILLE.

Mr. G. P. BARNES (*Warwick*) asked the Minister for Transport—

“1. What is the present rail freight on ore and other mining output from Mount Isa to Townsville?”

“2. What is the railway freight on wool from Dajarra to Townsville?”

The ATTORNEY-GENERAL (Hon. J. Mullan, *Carpentaria*), for the MINISTER FOR TRANSPORT (Hon. J. Dash, *Mundingburra*), replied—

“1. The rate on lead bullion from Mount Isa to Townsville Jetty is 37s. 10d. per ton.

“2. The rate on greasy wool from Dajarra to Townsville Jetty is 155s. 4d. per ton.

“There is a great difference in the value of lead bullion and greasy wool, and, moreover, in the case of the bullion the traffic is balanced by coal and coke on the opposite journey of the wagons, in addition to which mining provides employment to a greater extent than any other industry.”

RAILWAY FACILITIES ON DARLING DOWNS FOR EMPIRE TOURISTS.

Mr. G. P. BARNES (*Warwick*) asked the Premier—

“In connection with the visit of Empire tourists, will he do all possible to facilitate their movements, so as to arrange such rail and rail motor transport as necessary to view the Darling Downs, and in the itinerary to include such branch lines as Killarney, Maryvale, and Goomburra?”

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

“The Empire tourists have been brought to Australia under the ægis of Messrs. Thomas Cook and Son, and the Brisbane Office of that Tourist Agency will be handling the land transport arrangements while the party is in Brisbane. It is understood, however, that the stay here will be limited to three days, and Messrs. Thomas Cook and Son are making arrangements for day trips to Tambourine, Blackall Range, etc. If, however, members of the party desire

transport inland during the brief period available facilities will be afforded either by rail or by air."

PAPER.

The following paper was laid on the table:—

Amendment of Regulation No. 315 under "The Primary Producers' Organisation and Marketing Acts, 1926 to 1930."

SUPPLY.

FINANCIAL STATEMENT—RESUMPTION OF DEBATE.

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

Question stated—

"That there be granted to His Majesty, for the service of the year 1932-33, a sum not exceeding £300 to defray the salary of the Aide-de-Camp to His Excellency the Governor."

Mr. MAXWELL (*Toowong*) [10.37 a.m.]: During the course of this debate some remarkable statements have been made. If I had been told that a number of men representing constituencies in a country such as ours had made such statements. I would hardly have believed it to be possible. I would have had to hear them in order to believe that they had actually been made. Yet such statements as I refer to have been made by hon. members on the Government side, from the highest to the lowest; and, this being the case, we can understand and excuse some of the comments that were made during the election campaign through which we have passed.

Notwithstanding the contradictions of our Leader, notwithstanding the denials of such statements that have been made by other hon. members on this side, the Premier and his colleagues persist in their allegations. First of all, there are their statements on the question of unemployment, the reduction of wages, and similar questions. But, after hearing all their statements, I do not grudge hon. members the power they have secured. I would rather be on this side as a result of the statements which my Leader made when he went to the country and following him than I would be on the other side with hon. members opposite.

Mr. G. C. TAYLOR interjected.

Mr. MAXWELL: When the hon. member gets a little more experience and settles down to work, he will realise that levity is out of place when we are discussing matters of a serious character. I think I shall be able to show to the satisfaction of some hon. members, at any rate, and to the country generally, that hon. members opposite are irresponsible, and have made statements not in accordance with facts. It seems to me that the Labour Government and their supporters never by any chance admit that any blame attaches to them. They always blame somebody else for the difficulties which beset the State.

When the Moore Government were in power, the Labour Party informed the people of Queensland that Labour could not do anything in their interests because they had not the opportunity of controlling the destinies of the State. They pointed out that the Moore Government were ruining the country by their policy of deflation, and, to use the expression of the Treasurer, by their "poverty competition." Unfortunately,

they were eventually able to gull the people into believing that they and they alone would be the saviours of Queensland and of Australia; but the fact remains that Labour is unable to govern in a crisis, and can govern only when it has millions of pounds of loan money to squander. As Mr. Theodore said on one occasion, Labour could govern only if they were permitted to expend loan money at the rate of £5,000,000 per annum. Here, in Queensland, when the exchequer is practically empty, they resort to the old stock argument of blaming the previous Government, of blaming other Governments—in short, of blaming everybody but themselves. They attribute what they allege to be the present deplorable position to the Tory Party, but my experience of the Labour Party leads me to the firm conviction that they are the Tories in the political life of this State. They have done more to damage the good name of Queensland and of Australia than any other political party. My statement is amply confirmed by the harmful legislation passed by Labour Governments and by their tragic misstatements to the public. I have to admit that they have made their bed and that they will have to lie upon it; but politics have got to such a low ebb in Australia—

Mr. G. C. TAYLOR: You can leave politics to-morrow.

Mr. MAXWELL: It is necessary that some decent men should remain to watch others who are indecent. A certain section of the people are prepared to accept any old bunch of political carrots or political thistles that are offered to them.

To illustrate the mentality of some of the electors, I need only say that I was informed by one of them that the Labour Party had promised to secure additional money to be expended in this State, and that he was going to give the Labour Party a chance to try to secure it. With the Labour Party someone else is always to blame. The Moore Government were to blame when they were in power; but, now that the Moore Government are not in power, some other excuse must be found. As an instance, yesterday we had the Billingsgate address of the Treasurer when he endeavoured to deal with the speeches delivered by the Leader of the Opposition and some of his colleagues.

The SECRETARY FOR PUBLIC INSTRUCTION: Mr. Hanson, I rise to a point of order. Is the hon. member for Toowong in order in referring to the speech of the Treasurer as a Billingsgate address?

The CHAIRMAN: I ask the hon. member for Toowong to make use of parliamentary language.

Mr. MAXWELL: Yes, Mr. Hanson.

The TREASURER: He is more to be pitied than laughed at, Mr. Hanson.

Mr. MAXWELL: Hon. members opposite are the finest body of excusers and apologists that one can find. They now claim that the capitalistic system is wrong, and that all will be right if they can obtain control of the capitalistic system or of the financial institutions.

It would be well that I should draw attention to the views expressed by the last Labour Premier, Mr. McCormack, as to the causes of our present trouble. One section of the Labour Party has one viewpoint,

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another section of the party has another viewpoint; but Mr. McCormack had a different viewpoint again. His views do not coincide with those of some of his colleagues at present in the Government. A report published in the "Daily Standard" of an address delivered by Mr. McCormack to the British Labour Party discloses that he blamed his own people for his defeat. According to the "Daily Standard" of 10th September, 1931, he said—

"What brought about the collapse of the Labour Government in Queensland after fourteen years in office?"

"Many members of the Parliamentary Labour Party who attended a meeting addressed at Westminster by Mr. William McCormack, the former Premier, must have experienced a rude shock as he unfolded his reply to the query that was in all our minds (says the Glasgow 'Forward.') There were many factors, of which Mr. McCormack has agreed himself to write in 'Forward,' but perhaps the most striking declaration was: 'Our own people did not give us a fair go.'

"They had had fourteen years in which to try out their plans, said Mr. McCormack. They had removed the House of Lords so that they could not blame a Second Chamber.

"That is one of the great tragedies of Queensland. It was not Socialism, or nationalisation that was wrong. We failed because our own people considered we, as a Labour Government, were fair game—that they could go slow. We gave them good wages, and good conditions and we expected good service, and we did not get it. And in one after another of our industries we were compelled to close down.

"There was nothing wrong with Socialism, but there was something wrong with our propaganda, and our people had not that civic spirit which is necessary if we are to succeed."

To-day the Government blame the administration of the Moore Government for the position of the State; but a number of their supporters attribute the present position to the operation of the so-called capitalistic system. Mr. McCormack thought otherwise; he blamed his own supporters. Let us proceed a little further. Some hon. members opposite condemn the ramifications of the financial institutions as a contributory cause of our economic position, and say that, before anything can be done to rectify matters, the State must control those bodies. The "Daily Standard," in a further report of Mr. McCormack's address, said this—

"He ventured the opinion that perhaps they had started at the wrong end in Queensland, and said: 'I am convinced that we cannot establish a Socialistic State without first getting a grip of the banking and financial corporations.'"

Some hon. members opposite have stated that the control of these financial institutions is necessary before they can carry out the fetishes which they are placing before the people. They had an opportunity of doing those very things for fourteen years, and, when they vacated office in 1929, they left a dreadful trail of disaster behind them. Yet we have these men standing up in this Cham-

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ber and acclaiming themselves as the only people who can control the destinies of the people and deal with the problem of unemployment. They had the opportunity for fourteen years to do so; they have the opportunity again. They must ask themselves the question: How is it that unemployment in this State is more rampant to-day than when we took over the reins of government in June last? I shall not be so uncharitable as to say that the Government are wholly and solely responsible for present conditions, but they are in a great measure responsible, and their policy and administration have accentuated those conditions.

Let me proceed a little further and give additional opinions by Mr. McCormack, as contained in the "Courier" of 27th September, 1929—

"One of the mistakes Labour made was to persuade the Government to do uneconomic things,' declared Mr. W. McCormack (ex-Premier of Queensland), in the course of an address to the Birmingham Chamber of Commerce."

Then we are told by hon. members opposite that the whole blame can be attributed to what they term "previous Tory Governments." The Liberal Governments occupying the Treasury benches prior to 1915 did all the pioneering work in building up the State. It is quite true that in undertaking all this pioneering work they accumulated a public debt of £56,000,000 over a period of fifty-five years, but the State had good returns for that expenditure. Out of that money many of our railways were constructed, postal and telegraphic facilities were established, as well as lighthouses, defence, educational establishments, and all that social work inseparable in the building up of the State. During the fourteen years that Labour administered the affairs of this State the public debt increased from £56,000,000 to £112,000,000, or by 100 per cent. What is there to show for the expenditure of such a huge amount? This was the party which, prior to taking office, declared that it was opposed to borrowing money, and that its policy was to live within its means! It only shows how foolish it is for the electors to trust a party of men like hon. members opposite. One can scarcely understand that people should be so gullible as to accept the statements of hon. members on the Government side. Let me put this question: If a navigator were required to steer a ship down the Brisbane River, would it be right and proper to appoint an inexperienced man to do the job? Certainly not! In the sphere of State business we might ask a similar question. I have no wish to be uncharitable, and I readily admit that there may be one or two capable men on the Government side; but, considering the matter by and large, would any business concern feel disposed to place any hon. member on the Government side in charge of that business concern even for a short time? Again, I answer emphatically, No!

The Secretary for Public Instruction attempted to reply to the charge made by the hon. member for Kennedy, who deplored the lack of business methods adopted by the Government in certain directions. The Minister stated quite definitely that government business could not be carried out on lines similar to those adopted in private business. That, in my opinion, is the curse of government to-day. If men with business experience

and knowledge had been charged with the responsibility of conducting the affairs of the State during the fourteen years that Labour held the reins of government in Queensland, the disastrous effects that we are feeling now would have been avoided. The affairs of the Government would have been conducted on business lines—not on the lines of political largesse.

Statements have been made by Government members concerning moneys loaned to other States by the Moore Government. It is well to trace the history of such transactions, which commenced long before the Moore Government took office. In 1926 the then Treasurer of Queensland, Mr. McCormack, was appointed as the Queensland representative to the Loan Council. At the meeting of the Loan Council which was held on 27th May of that year a motion was carried to the effect that States in need of temporary advances pending the flotation of loans should endeavour to secure advances from States having excess cash, and that the Commonwealth Treasury should be the clearing house for information both in regard to excess cash held by States and the advances required by other States. Mr. McCormack agreed to that motion, and, in accordance therewith, he loaned, on behalf of Queensland, £500,000 on four occasions, £400,000 on one occasion, and £250,000 twice.

Then we are told by hon. members on the other side that the Moore Government did wrong in lending that money; that it should have been conserved to assist the unemployed, who wanted it very badly. Let me ask hon. members: Do they realise the position when the Moore Government took over the reins of power? Do they understand that unemployment was rampant? The "Daily Standard" of 28th September, 1932, had this to say in its leading article—

"The unemployment legacy from the Moore Government has created a formidable task for the Minister for Labour and Industry, Mr. Hynes, but in the short space of three months he has, with commendable courage and forethought, devised a series of schemes which, with the sympathetic support of the people of Queensland, should be productive of excellent results."

That is on a par with many of the statements that have been made by members of the Government and their supporters. I want to know what the Secretary for Labour and Industry has done. I notice that it is almost impossible for hon. members to get into the various rooms at Parliament House owing to the number of unfortunate men and women who are in the vestibules and passages trying to secure interviews with hon. members associated with the Government for the purpose of trying to obtain employment—employment that was promised—not intermittent work at the basic rate, but continuous employment. The electors were told that the money would be forthcoming; but the Leader of the Opposition pointed out the impossibility of it all, and at the same time pointed out how delighted we would all be were it possible to tell these men—not that they would be drawing only £2 or £3 a week, but that they would be able to draw something that would be worth having and sufficient to keep their families decently. How far have they gone? We were told that unemployment only came into existence

when Mr. Moore and his Government took over control. That is untrue, as I shall prove as I proceed. According to the "Economic News" of September, 1932, the unemployed in the following months of this year totalled—

May	34,136
June	35,151
July	35,823
August	37,450

In fairness let me quote the following comment by Mr. Bridgen:—

"Commencing with May of this year the figures have been swollen by the registration of single men who were formerly unemployed, and who have been given inducement to register by the prospect of relief employment under the £620,000 winter relief scheme."

Notwithstanding that fact, the Moore Government were similarly situated in the months of May and June in dealing with the question of single men. Hon. members opposite told the electors that they were going to give the boy—not a chance but a job—and give the father—not the basic wage, but the award rate. They stated that they were going to give plenty of employment to those out of work and at the same time give them award rates of pay.

The Leader of the Opposition and the ex-Treasurer pointed out the difficulties that would exist when the promises were made. The onus of honouring their promises rests upon hon. members opposite, and they have three years in which to fulfil them. They twitted the Leader of the Opposition when he was in office for not keeping his promises.

I say on this occasion that the statements which have been made by the "Daily Standard" are not true, and the statements which have been made by hon. members opposite with regard to unemployment are not correct; and no one knows that better than they do. If they do not know it, they have no right to be here; and, if they do know it, they are only misrepresenting the case to the people.

The hon. member for Maree dealt during the debate in a casual sort of way with the Budget, and, with a wave of the hand, brushed aside the question of unemployment. He denied that there were as many unemployed in 1928 as the Opposition stated, and quoted from "Hansard" for 1928—at least he said he quoted from "Hansard," but I challenge him to produce the statement from "Hansard"—to the effect that there were only 11,000 unemployed in 1928. He also said that in the number quoted by Opposition members of 116,000 they had included parsons and others. I would strongly recommend the hon. member to make himself conversant with his subject before he makes such remarks in this Assembly. This is not a soap-box Assembly; this is not a place where he can gather a few unfortunate unemployed people and address them. This is a body of intelligent men, who are not going to be bluffed and allow things to be put over them, and there are no votes that can be caught from hon. members on this side, because we know and have had experience of the position.

The hon. member for Maree also said that, if the hon. member for Aubigny had gone south instead of the present Premier, the workers of Queensland would have been

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reduced to the vicinity of £2 18s. a week. That was also an untrue statement. It is the custom amongst gentlemen, at any rate, to accept another person's statement. Throughout the whole of the election campaign the statement was made that there was going to be a reduction of 10 per cent. in wages, and that the hon. member for Aubigny had made that promise at the Loan Council. Notwithstanding that the hon. member for Aubigny said the statement was untrue, hon. members opposite still persisted in making it; but the people now know the position of affairs, and realise who told the truth. I have here the report of the Premiers' Conference, and I challenge any hon. member opposite to show me one sentence in it indicating that the hon. member for Aubigny ever said that he would agree to a reduction in the rate of pay. The Secretary for Public Lands told us that he was pleased to notice that, at the conference held in the South, the hon. member for Aubigny had refused to accept the instructions that there should be a 10 per cent. cut in wages; but he got a bit weak afterwards and accepted the statement of other Government members. On the other hand, we have the statements of those who were present at that conference, and the minutes of the conference, to show that such a thing did not happen.

We know that experts have been appointed to do certain things, and in that connection we had the speech of the hon. member for Normanby, who talked about an economist, Professor Eckersley, of the Columbia University, United States of America. After all, the statement which Professor Eckersley made with regard to the capitalistic system was the opinion of only one man; and, if hon. members opposite are prepared to accept the dictum of one man, is it not fair that they should accept the statements of the economists who were appointed by the Federal Government when it was led by Mr. Scullin? They cannot have it both ways. They have the recommendations of those economists in the South who were appointed by a Labour Government and who made recommendations to the various Governments of Australia as to what should be done to meet the position. At that time a Labour Government was in power in the Commonwealth, another in South Australia, and another in Victoria, and the members of those Governments accepted the recommendations of the economists, not because they wished to do so, but because they realised the seriousness of the situation, and realised that it was absolutely essential that they should do what was suggested. If it is right for the hon. member for Normanby to accept the advice of one economist, is it not right to accept the advice of these others? The fact is that hon. members opposite wanted a slogan. I remember that on one occasion Mr. Hughes said, "Get a slogan and stick to it, be it right or be it wrong!" So Labour got a slogan in which they said there would be a reduction of wages by 10 per cent. if the Moore Government were returned to power.

One hon. member on the other side wished to know why hon. members on this side, when on the hustings, did not contradict their allegation. I did contradict it; and the fact that the people accepted my contradiction as true has been proved by the fact that, notwithstanding all the devices of hon. members opposite, I still represent the people of Toowong.

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The hon. member for Maree said in the course of his remarks that, when labour handed over the reins of government, the number of unemployed in Queensland was only 11,000. I have here an extract from the "Standard" of 23rd March, 1929. These are not statistics prepared by hon. members on this side of the Chamber, but by a Labour Government. The extract reads—

"Discussing unemployment yesterday, the Minister for Labour and Industry (Mr. D. Gledson) said—

"The statistical survey as at 30th September, 1928, disclosed the following: Number employed on 30th September, 1928, 143,433; number registered at labour agencies as unemployed on 30th September, 1928, 7,704 (domestic labour in private homes is not included).

"The statistical survey for the quarter ended 30th September, 1928, resulted as hereunder:—

"Permanently employed ...	121,512
Casually or part-time ...	69,664
Domestic labour ...	34,835
Unemployed registered at labour agencies ...	7,704
Number unemployed on account of sickness, etc. ...	46,512
Number assisting, but not receiving wages ...	6,953
Number of employers ...	23,915
Number who work on their own account and who do not employ labour ...	65,687"

I wish to stress this point for the special benefit of the hon. member for Maree. It was stated by the hon. member opposite that the 116,000 unemployed included ministers of religion, persons of independent means, and inmates of charitable and religious institutions; but the late Secretary for Labour and Industry said—

"Dependents, ministers of religion, persons of independent means, inmates of charitable and religious institutions, 538,689."

Those official figures explode the fallacy and lay bare the ridiculousness of hon. members opposite in their endeavour to bulldoze, not only hon. members of this Committee, but also the people outside. How can such irresponsible members hold a brief for the Labour Party in face of the definite statement by a man who was an accredited Minister of the Crown? Let us suppose, for the sake of argument, that the contention of hon. members opposite is right—that there were only 11,000 unemployed when they vacated office. If their statement is correct, how does it come about that the Auditor-General in his report on the public accounts for the financial year 1928-29 had this comment to make—

"Outdoor relief—increased £61,714 11s. 9d. The increase in this service was abnormal, and indicates the widespread distress prevailing during the past year, the increased expenditure being general throughout the State. The cost of outdoor relief has increased from £20,832 12s. 9d. in 1924-25 to £110,419 19s. 11d. in 1928-29; the figures for the past five years, covering the period subsequent to the coming into force in 1923 of 'The

Unemployed Workers' Insurance Act of 1922,' are as follows:—

	£	s.	d.
1924-25	20,832	12	9
1925-26	29,258	5	7
1926-27	46,161	18	0
1927-28	43,705	8	2
1928-29	110,419	19	11

Why was the increased amount required for outdoor relief? I do not wish to take an undue advantage, and I am quite prepared to admit that a number would be incapacitated through sickness; but, at the same time, there were a great number who were unemployed. How can the hon. member for Maree justify his statement that there were only 11,000 unemployed in the face of the figures for outdoor relief submitted by the Auditor-General?

The convincing test is to be found in an examination of the unemployment insurance fund. A cursory examination of the position of this fund is sufficient to explode the fallacy and to skittle the "Aunt Sallies" raised by hon. members opposite in this Chamber and during the election campaign. During the year ended 30th June, 1929—the year that the Moore Government took over the reins of office—the expenditure from this fund was £414,257 5s. 9d. These figures do not lie. They are taken from the report of the Auditor-General. What is the good, therefore, of hon. members opposite trying to bulldoze the people by telling them that unemployment was not in existence when they were in office; that, not only were the people employed then, but that there was plenty of work, and a standard of living prevailed which was only interfered with when the Moore Government introduced what the Treasurer termed the "poverty competition"? If a poverty competition existed then, what is there in existence to-day? Men and women to-day are, metaphorically speaking, eating their furniture and their homes. I do not attribute the whole of the blame for unemployment to Labour; but I do want hon. members opposite to take their full share of responsibility, and not misrepresent the position to the people by reiterating statements which they know are untrue.

I desire to refer hon. members opposite to the position of unemployment as it existed as far back as 1921. I find that on 25th April, 1921, His Grace Archbishop Duhig, in laying the foundation stone of an ecclesiastical building at Ashgrove, referred to the unemployment problem existing then. We all are acquainted with the broadness of vision of His Grace, and with his intellectual ability. We also know that he is fully alive to the position, and that, when he drew attention to it as it existed then, he knew full well what he was talking about. The "Daily Mail" in a report of his remarks stated—

"His Grace said he did not know where they could place the responsibility for the number of people unemployed at present. It might be a wrong thing for him to say it, and perhaps he had not knowledge enough at hand, but he believed our social condition had not been at all improved by the legislation that had been brought to bear on Labour in this country. He believed there were many longing for the 'flesh pots of Egypt'—longing for the old relationship which existed between men

and their masters in the time gone by. He was afraid Labour legislation had gone too far and that too much was demanded of the struggling industries established here. It was not necessary to know much of the various avenues of employment to understand that no industry could pay out more than it took in; that, in order to carry on an industry on a sound footing, the wages paid out must be in accordance with the amount of profit the industry was making. It would be a great mistake to say that industries could be carried on without labour, and it would be still a greater mistake to say that Labour deserved the lion's share of profits out of industry. . . . If their arbitration courts continued to press for more than an industry could bear—well, then things must come to a breaking point. They had already come to a breaking point, for people told him that many industries would have been established here and throughout Queensland were it not for the precarious state of the labour market."

That is the statement of a prelate whom we all know and respect.

In 1923, when His Grace was opening the St. Francis Convent, Dornoch terrace, West End, he again referred to the relationship of the employee and employer. The "Telegraph" of 2nd April, 1928, in reporting his remarks, said this—

"Why is there now more unemployment than formerly, and why is the worker under these new conditions more discontented than formerly? He asked, have we created for him a false paradise in which he finds more shadows than realities, or have we promised him a millennium which we cannot enable him to reach? . . . While we have this dreadful epidemic of unemployment the Registrar-General of Queensland (Mr. George Porter) tells us that we have practically 100,000,000 acres of land unoccupied, of which nearly 18,000,000 is reserved for public purposes."

He goes on to say that one of the solutions of the problem was the settlement of the people on the land.

THE SECRETARY FOR PUBLIC LANDS: Most of that land he referred to is freehold land held by your people.

MR. MAXWELL: The hon. gentleman will have an opportunity of displaying his statesmanship. I sincerely hope that he and his colleagues will solve the problem of unemployment. As Mr. McCormack once remarked, I hope the Government will set the ship of State on an even keel. We know what put it off the even keel—extravagant public expenditure and withdrawing from industry to place in Government loans money that should have been utilised for the development of industry.

Let me now quote what Mr. McCormack said in 1927 when speaking on the floor of this Chamber—

"I am at my wits' end to find any suitable work in the metropolitan area to relieve genuine unemployment."

I have given statistics showing the condition of affairs that existed when the Moore Government took office. In the face of all these irrefutable statements, we have an allegedly

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intelligent body of men attempting to gull the people of Queensland by stating that the Labour Government are not responsible in any way for the conditions existing to-day. We know, too, that the claim has been made by Labour candidates that "Labour has always given you a fair deal." How does that claim square with the broken promises regarding the pensions for widows, childhood endowment, and no increase in railway fares and freights? Why, the Labour Government have done what no other Government in Queensland ever did. They have discriminated between city and country in the matter of railway fares and freights.

Mr. GODFREY MORGAN: They stole the farmers' butter once.

Mr. MAXWELL: Yes, they are capable of doing anything. (Laughter.) Instead of doing what they promised to do, the Labour Government have "done the people." But the whips of the electors are ready, and they will be used at the proper time. The electors do not forget the house to house canvass conducted during the election campaign by Labour candidates, who had no hesitation in telling the housewife whose husband was unemployed, "Put me in and you're 'shot' to get your husband a job." Now those hon. members who were shot into power on these false promises will be shot out of power by the disillusioned electors.

The following is a report of a meeting of the Trades and Labour Council which was held in January, 1928:—

"UNWARRANTED, HARSH, AND UNJUST.

Government criticised by Trades and Labour Council.

"Prior to Christmas a deputation from the Trades and Labour Council waited upon the Home Secretary, Mr. J. Stopford, to urge that the policy of the Government in withholding rations from unemployed married men be withdrawn, and that such unemployed be granted their share of relief.

"A report of this deputation was submitted at the meeting of the Trades and Labour Council held last Wednesday evening, and the attitude of the Home Secretary on this question, as reported by members of the deputation, was strongly condemned by delegates. Eventually the following motion was adopted:—

"That, if no relief be forthcoming within a fortnight for the unemployed married men, this council call a special mass meeting in the Domain of the unemployed and others interested, and that the position be explained to them."

"Mr. R. J. Carroll (A.E.U.) reported that the deputation had been unsuccessful in its mission to induce Mr. Stopford to relax the regulation not to provide unemployed married men with rations, the purpose of this being to compel these unemployed to leave Brisbane in search of employment. The deputation had pointed out the utter futility of men leaving Brisbane seeking work at the present time, as work was just as unprocurable in all other districts in the State as in Brisbane. The argument of the Home Secretary, said Mr. Carroll, was that if it was made easy for these unemployed to get food in Brisbane they would not go away to look for work."

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Who sent them away? The Labour Government! Yet they have the impudence to accuse the Moore Government of doing these inhuman acts; and the man who started it was the then Home Secretary, Mr. Stopford! He told the Trades and Labour Council that, if the men did not go away and look for work but stopped in the cities, he would not give them any relief.

The TREASURER: According to you, it is a frightful thing to expect a man to look for work.

Mr. MAXWELL: We on this side show as much practical sympathy towards unemployed as any hon. member on the other side. It is lamentable to see a fine body of decent men who cannot get employment, but they were told by the Leader of the Government and his satellites that they were going to get employment right away, and that they were going to be paid not the basic wage but award rates. Notwithstanding that the Leader of the Opposition proved conclusively the impossibility of it, the Government are perpetuating a system that no Government should perpetuate—the encouragement of unemployment, or employment for three or four days a week. Men do not want that. A man wants to know that his income is assured for fifty-two weeks in the year.

Mr. G. C. TAYLOR: What did you do?

Mr. MAXWELL: Why did the hon. member not get the men in Enoggera the jobs that he promised them?

Mr. G. C. TAYLOR: Mr. Hanson, I rise to a point of order. I never made any promises in Enoggera to find men work. (Opposition laughter.)

Mr. MAXWELL: The Trades and Labour Council condemned the Labour Government for not playing the game. For the benefit of the hon. member for Kelvin Grove, I will quote the report of a meeting of the Trades and Labour Council held on 13th January, 1928—

"Mr. F. Waters (Postal Workers) said that the only solution of the position was, by consistent agitation to publish the facts of the case and thus arouse the workers to take action. He moved—

'That the industrial committee be called together to consider the advisability of organising the unemployed with a view to solidifying the working-class movement.'

If there was no unemployment in 1928, as has been stated by the Government and their supporters, how does it happen that the Trades and Labour Council were taking the then Home Secretary to task for refusing to help them? How does it happen that resolutions were passed that meetings be held to protest against the inaction of the Labour Government in connection with the matter?

I have some information here in connection with Mr. Henry Ford's works in America. I have here the "Commercial Transport" of 28th March, 1932, in which there is some information that is not very nice reading. I would rather be able to say that the unemployed have been taken off the road and given permanent employment at a good rate of wages. This is the quotation:—

"Four unemployed rioters were killed by police bullets and at least fifty men, including fifteen policemen, were injured, many seriously, in a clash between unem-

ployed and police at the Ford plant in Dearborn early this month, states a Detroit message.

"Three thousand unemployed, under Communist supervision and at their instigation, marched on the main Ford plant at Dearborn, and stormed the gates. They were repulsed by police fire.

"This is the most serious employment labour trouble Mr. Ford has encountered.

"The ostensible object of the marchers was to present a petition demanding employment, and they now allege that they were not given a chance to present it."

I have another quotation from the "Daily Standard." Mr. Ford has been held up as a model employer—a man who pays the highest rate of wages and gives conditions of working that no other employer gives. This is what is stated in the "Daily Standard" of 8th September last:—

"Henry Ford is making widespread reductions in wages at several of his plants, says a cable message from Vancouver."

They are suffering very seriously over there, and the man who was held up by unionists, Labour organisations, and others as a pattern to the world as an employer has had to submit to the financial difficulties which exist. I do not believe any employer would take advantage of the unfortunate position of his men.

Mr. LLEWELYN: Oh, yes, they do!

Mr. MAXWELL: What does the hon. member know about it? He has not had experience. A man who said what he did with regard to the hon. member for Wynnum, the hon. member for Warwick, and others associated with the wheat industry, is not entitled to much attention.

I want to deal particularly with the statement made by the hon. member for Enoggera when referring to the trouble which existed in North Ireland, in reply to an interjection made by an hon. member on this side, that everything was all right. I will show whether it is all right. The hon. member quoted a statement about the trouble which existed in one of the most loyal parts of the British Empire—that is one of the things about which I can agree with him—that is Belfast. What has been the cause of that?

Mr. WATERS: The same policy you pursued in Queensland.

Mr. MAXWELL: The hon. member is not old enough to understand.

Let me draw attention to a cable which appeared in the "Daily Standard"—

"GENERAL STRIKE PROPOSED—BELFAST TROUBLE.

"Trade union leaders are discussing a general strike which would paralyse heating, lighting, and transport in the city."

Mr. G. C. TAYLOR: Isn't Russian money being used there?

Mr. MAXWELL: No; Belfast never used Russian money. It is one of the most loyal parts of the Empire—

"Belfast, 13th October.

"The situation here has greatly improved, although the curfew continues to operate. The moderate Labour leaders are working for peace."

Labour agitators have been trying to stir up strife there. Then, in the Sunday "Mail" of the 16th instant, we have the following:—

"Tom Mann, the British Communist leader, attended Baxter's funeral, after which the police detained him and escorted him to a boat. He was deported fifteen hours after his arrival."

Yet hon. members wish to say that conditions here are similar! I say without any fear of contradiction that the very same things might have occurred in Queensland if certain agitators had had their way. We know very well that they tried to make the unemployed stand out for money instead of bags of bread and other things to keep body and soul together.

We know very well that the "Daily Standard" commented upon the statements made by some of the union leaders that men who were receiving only 12s. a day should only give 12s. value for it. We know what Senator J. S. Collings said. We know what the Treasurer and the Secretary for Public Lands said in the North. But the people of Queensland were too intelligent to accept what they said as true. They did not listen to the cheap talk of hon. members opposite, whose only aim was not to help the people, but to get political kudos for themselves—not "My country first," but "My party first!"

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

Mr. FUNNELL (*Brisbane*) [11.37 a.m.]: The Financial Statement presented by the Treasurer is most thorough and complete. The hon. gentleman must have been working almost like a machine, carefully compiling and preparing his Budget from the information supplied by the administrative heads of the various departments, with the result that to-day we have a statement superior to any other presented to any Parliament in Australia.

At 11.38 a.m.,

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

Mr. FUNNELL: Much has been said by hon. members opposite about the financial position of Queensland, our interest bill, and our obligations to the overseas money-lenders; but not one word has been uttered about the enormous amount of money which was lost to Australia and her industries during the war period by the reckless and unpatriotic handling of Australia's primary products by the Federal Nationalist Government. Had Australia's primary products been handled properly, Australian producers and the Commonwealth as a nation would have received sufficient, not only to wipe off our national debt but also to free Australia of all her obligations when the war ended. It is a well known fact that our primary products were exploited overseas because the Federal Government entered into an arrangement with the British Government for their disposal, and thereby a great deal was lost to Australia and her producers. It was a result of the Hughes Administration, and much could be said about it by hon. members opposite in the interests of the people they are supposed to represent, if they cared to do so.

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It is interesting to contrast the financial position and the condition of unemployment when the Moore Government took office in 1929 with the corresponding condition when Labour assumed office again in June last. The Moore Government assumed control of the government of this State under more favourable circumstances than any other Government has assumed control in any part of the Commonwealth. At that time approximately £5,000,000 of loan money was available to them, and the unemployed totalled a mere 11,000. The hon. member for Toowong has challenged the figure of 11,000, but it is known that the total number of registered eligible unemployed in this State at the time was just on 11,000.

Mr. MAXWELL: Then the ex-Secretary for Labour and Industry did not know what he was talking about.

Mr. FUNNELL: The late Government endeavoured to give effect to their policy of deflation, with the result that when Labour assumed control in June last the deficits of the late Government aggregated £4,000,000, and the registered eligible unemployed had almost reached 40,000. The aggregate deficits of the late Government exceeded the aggregate deficits of all Governments in Queensland since Queensland has had responsible government.

The speeches delivered by hon. members opposite can be collectively termed as a frantic defence of their maladministration. The Labour Government were not responsible for the position which they inherited on their return to office. Much has been said by hon. members opposite of the fact that the Government intend to increase taxation; but one would conclude from their speeches that the present Government were the only Government to increase taxation. It is an elementary principle that there can be no government without taxation; and it is the policy of the Labour Government to impose taxation upon those best able to bear it. It is just as well that I should mention that during the term of office of the past Government, taxation was increased by £2,700,000; yet they have the audacity to state that the only Government prone to increase taxation is a Labour Government. It is worthy of note that the late Government reimposed the super land tax during the first and second years of their administration, but decided during the third year to lift this impost in view of the impending election. Their action was intended absolutely as an electioneering bribe and to mislead the primary producers into believing that the Tory Government were in earnest in endeavouring to relieve them of a portion of their taxation burden. The late Government took advantage of the super land tax during their first and second session. The Labour Government intend to reimpose that tax, because they recognise why it was not re-enacted in the last session of the late Parliament. In the present condition of finances, it is only right that this tax should be reimposed.

The Opposition—particularly hon. members representing country electorates—have had much to say in connection with the land policy of the Government. The Labour Party are solely responsible for the existing land laws and land policy. Their policy from time to time has resulted in the enactment of the finest set of land laws that have ever existed in the Commonwealth; and they have contributed very largely to

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successful land settlement, because they have had for their aim the assisting of the primary producer. Had it not been for that policy and the assistance afforded primary production by the appointment of inspectors and technical advisers, the progress in primary production existing to-day would not have taken place. Hon. members opposite believe that inspectors and experts appointed under various Acts of Parliament are merely for the purpose of harassing and not assisting industry. That is not the case. Every primary producer knows full well the splendid advice received from these technical advisers, which has resulted in much wealth being gained for the State.

The land policy of the Government has received a great set-back by the action of the Federal Government in partially lifting the embargo on Fijian bananas. The banana industry provides a splendid avenue for closer settlement. There is any amount of land available on the easterly slopes of this State eminently suited for the industry. There are many districts close to the Brisbane market where bananas are profitably grown, because of the ready access to a central market. The banana industry is now firmly established from the Clarence River in New South Wales to the far North of Queensland. A prolific crop is received from its cultivation in Southern Queensland, and there is still plenty of room for expansion. The Secretary for Agriculture had in hand a scheme to settle 100 farmers on banana plantations in the Nerang district because that area is eminently suited for the industry; but the partial lifting of the embargo by the Federal Government will probably vitiate the Minister's plans in that direction. Banana farmers whose plantations are in full profit believed they were possessed of a good asset; but to-day they view their plantations more or less in the light of a liability. The lifting of the embargo will not only affect the farmer, but the labour employed. Banana cultivation gives a considerable amount of employment, as practically the whole of the cultivation is done by hand. Bananas are grown in more or less rugged country, and it is necessary to do the cultivation work by hand. The wages paid in the industry compare more than favourably with the wages paid in other agricultural industries. I have the opinion of hundreds of banana-growers whom I know personally that the class of labour engaged in banana-growing is very suited for the purpose. I know the banana industry well, and I have had the pleasure of inspecting some of the largest banana plantations in the Southern hemisphere. I know from my own knowledge that the advice and assistance of the technical experts of the Government have meant much to the industry. There was a time when "bunchy top" and other diseases practically decimated the plantations; but to-day ways and means are adopted of combating the ravages of these diseases.

It is the policy of the present Government to place at least 1,000 unemployed practical men on the land. That will permanently remove from the unemployed ranks men who will be an asset to the State.

The important timber industry we have in this State is seriously affected at the present time. Much could have been done by the late Government; but no steps were taken by the Moore Administration to revive or in any way help the timber industry.

Since the present Government have taken office the Secretary for Public Lands has made a determined attempt to revive the timber trade. A representative conference has been held, and evidence has been received from others interested in the industry but unable to attend the conference. As the result of that conference Queensland will probably capture some of the Southern trade. At the present time the Southern States are exporting soft and fancy timbers to New Zealand. If we cannot participate in that trade, at least we can attempt to secure a portion of the Southern timber requirements; and it is confidently expected that at least 10 per cent. of the Southern trade will be captured by the Queensland timber industry. In this connection the following interesting statement was made by Mr. C. W. Campbell, President of the Employers' Federation of Queensland, at a meeting of the Timber Merchants Association:—

“The timber industry was never before in such a wretched condition, and the only ray of sunshine to-day was that, as a result of the present Government's action, they were able to get some of the trade in the Southern States.”

I would go further, and recommend to the Secretary for Public Lands that co-operative mills and yards be established in Sydney and Melbourne, the State sawmills also to participate in the supplies to be made available to these mills and yards. If properly managed and controlled, and with a continuity of timber supplies maintained from Queensland, these mills should be successful in capturing more than 10 per cent. of Southern trade. If 10 or 15 per cent. of the Southern trade could be captured for Queensland, practically the whole of the industry in this State would be revived, and would enjoy fair average prosperity. The sawmilling industry gives considerable employment both directly and indirectly; and, if the industry can be revived, nearly half of those at present unemployed in this State can be found employment in the industry.

It is worthy of note that members of the Federated Master Builders' Association are in conference in this city at the present time; and, if the master builders of this State were loyal and patriotic supporters of local industry, we would not have imported timbers competing on the Queensland market with timber of equal quality produced in this State. The master builders have all the best materials available in this State; and, if they give preference to Queensland timbers, they will not only be assisting themselves but will give employment to our own citizens, and will assist trade and industry. I might say that the master builders in the Southern States should do likewise.

I also wish to touch upon the statement made by hon. members opposite in reference to the position of Mr. Swain and Mr. Duffy. It is well known that the measure recently passed by Parliament constituting the Land Administration Board automatically wiped out the Forestry Board; and I congratulate the Secretary for Public Lands on appointing Mr. Grenning in the place of Mr. Swain. A defence has been put up by several hon. members opposite on behalf of Mr. Swain and Mr. Duffy. I cannot see any justification for such defence in the face of the statement which has been made in this Chamber in reference to the forest service sawmills. That statement shows that the losses incurred

in connection with those sawmills under the supervision of Mr. Swain were—

	£	s.	d.
1929-30 loss	3,008	12	2
1930-31 loss	5,131	10	10
1931-32 loss (balance-sheet not yet audited) ...	6,876	18	1
Total trading losses ...	£13,017	1	1
Add reserve applied 1930-31 for stock valuation adjustment ...	3,400	0	0
Add bad debts written off against reserves—			
1930-31	7,838	17	7
1931-32	366	4	7

Total losses—Three years ended 30th June, 1932 ... £24,622 3 3

That justifies the appointment of Mr. Grenning by the Secretary for Public Lands. I mention the matter because attacks have been made in this Chamber by members of the Opposition on the Secretary for Public Lands for not retaining Mr. Swain and Mr. Duffy in preference to Mr. Grenning in the service. These are the true facts, and the Secretary for Public Lands is to be complimented on the investigations he has made into the working of his department and placing it in a much better position for the future.

On listening to the speeches of hon. members opposite, one would be led to believe that they are wholly in sympathy with the unemployed. We find that unemployment is also very prevalent in other parts of the Commonwealth. I am inclined to think that the number of unemployed will be greatly increased through the vicious vendetta and unwarranted attacks of the Nationalist Government of Australia in regard to our primary industries. I would like to remind hon. members opposite of the advisability of making a protest through their organisations to the Federal Government to stay their hand from attacking the industries of this State. We have had the repudiation by the Federal Government of the cotton agreement, which meant the breaking down of the contribution made to the growers; also the smashing of the protection for the local growing of tobacco; the repudiation attack on the sugar agreement, the dumping of the sugar interests at Ottawa, the unsympathetic support that is being given to the beef cattle industry, and the recent attack on the banana industry.

The meat trade of Australia, and particularly of Queensland, should be in a much better position than it is at the present time. If the British Government is in duty bound to give us the patriotic support to which we are justly entitled, we are particularly entitled to support in regard to the beef industry. It will be remembered that during the war period Australia sent every possible pound of meat to the British Government for army requirements. At the present time there is considerably more British capital invested in Argentina than in Australia, which is the reason why Australia is not obtaining from the Imperial Government that support for our meat industry which we should enjoy. If a revolution took place in Argentina—which is more than likely, as several unsuccessful attempts have been made previously—the whole of the British capital invested in the republic would be confiscated. If such a contingency occurred, the British investor would only

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have himself to blame, because there has been, and is, ample opportunity for him to invest his capital in Australia or other British Dominions.

I wish to point out the bad effect of the wholesale withdrawal of the tariff imposed by the Scullin Government by the Federal Government. It is well known that quite recently a number of millinery manufacturers have had to close their doors in Sydney and Melbourne. During the last few years practically the whole of the millinery trade of the Commonwealth was confined to those two cities. At the present time, through the tariff being lifted, millinery is again dumped into Australia, and the only employment given now is in trimming the hats before they are retailed.

There are many other industries which are similarly affected through the withdrawing of the tariff by the present Federal Government. If Opposition members used their influence with their branch organisations, I am satisfied that some redress could be secured, and probably the tariff conditions reimposed, saving our industries from the onslaughts of the present Federal Government. If that is done, considerable relief will be given to the unemployed of this country, and it will have the effect of placing not only the Queensland Government but also every other State Government in Australia, in the position of possibly being able to balance their budgets.

Members of the Opposition have emphasised that loan money should be spent wisely and on reproductive works. I know of no sounder proposition in this respect than sewerage. Brisbane is the only large city in the Commonwealth that does not enjoy a complete sewerage system. If only from a health point of view, there is ample justification for the completion of the sewerage system in the city of Brisbane. Much fault can be found with the present system. We all admit that mistakes were made, but they were due to the engineering and technical staffs, and not to the men who did the work. The sewerage system was not started on a sound financial basis, or it would be in a much better position to-day. The sum of £7,000,000 has been spent on mains and sub-mains which are not taxed to their capacity; and, until they are taxed to the full, the system will never be efficient. The present Government offered to the Brisbane City Council £50,000 by way of subsidy and £50,000 as a loan at 5 per cent., which means that the Brisbane City Council could get £100,000 at 2½ per cent. At no period has such cheap money been offered to any local authority in this or any other State; but the offer so far has been refused. If it is not accepted, the Brisbane City Council will not again get such cheap money to complete its sewerage system. At least four sections have been surveyed for reticulation for a number of years, including Kelvin Grove, Hamilton, and two in South Brisbane. This work would give employment to many sewerage workers and many others in the sawmilling, pipe manufacturing, sand and cement, and other industries. I am satisfied that no sounder proposition for the expenditure of loan money could be embarked upon.

It was interesting to hear the hon. member for Dalby go off in this Chamber last Friday. He no doubt is Sparkes by name and sparks by nature, but the only damage

he did was to himself and his own party. Speaking in this Chamber on Friday last, the hon. member said—

“Wages must come down. I do not want to mince matters in this regard. All this claim for shorter hours and higher wages will have to go by the board.”

Mr. MAHER: Was that all he said?

Mr. FUNNELL: That expression of opinion and other opinions expressed by hon. members opposite fully confirm the policy pursued by the late Government. If the basic wage is not sufficiently high to provide an adequate wage fund to supply the necessary purchasing power to absorb the products of the State, then industry must languish and businesses must fail. Not only will labour be seriously affected, but the avenues for the employment of capital will also be jeopardised. The consumers throughout the Commonwealth, who are the worker and his family, are paying a higher price for butter and other primary products than is paid by consumers overseas, and they are prepared to do this in the interests of the industries receiving protection.

Mr. SPARKES: Are you opposed to that policy?

Mr. FUNNELL: The consumers of this country are prepared to assist in the provision of that benefit, provided the workers engaged in the industries are permitted to enjoy a fair and reasonable wage. Some of the supporters of Labour wonder why the Labour Party whole-heartedly supports the sugar industry in its endeavour to maintain a reasonable price for sugar—a price that must be paid in the main by the supporters of the party. The Labour Party is quite willing to support this industry because of its importance to the State—amongst other things, because of the employment it provides. The Labour Party is prepared to support the industry so long as the industry is prepared to treat the workers engaged therein in a fair and reasonable way by allowing them to enjoy their fair percentage of the profits derived by the industry. It is just as well that the hon. member for Dalby should be reminded of these facts.

Before I conclude, I desire to refer to the condemnatory remarks by hon. members opposite which were directed against the Government for issuing an Order in Council to permit the Industrial Court to grant preference to unionists in this State. The primary producer has his product to sell. If the primary producers be allowed to enjoy a protective or preference benefit, sustained largely by the consumers of this State, the self-same consumers—the workers—are denied the right and benefit of preference of employment! During the last election campaign Labour stated definitely that, if returned to power, preference to unionists would be granted again. The Labour Government were returned to power, and there should be no complaint now by members of the Opposition against the Government carrying their promise into effect. It is my experience that preference to unionists results in peace and harmony in industry. The employers are also able to secure an advantage by the granting of this measure of justice to the trade unionist. If a bricklayer inquires for work on a job, the employer has the opportunity of ascertaining whether he is a member of the bricklayers' union. The fact that he is a member of the union is a guarantee to the

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employer that he will receive the service of a thoroughly qualified artisan. It is necessary for a bricklayer apprentice to produce his credentials as proof of his apprenticeship before he is admitted as a member of the union. Hon. members opposite, particularly the ex-Secretary for Labour and Industry, laugh at such a statement. That hon. member knows perfectly well that, if he required a navy for construction work, he would not prefer to engage a clerk. Under the system of preference to unionists an employer requiring a navy for building or road work knows to what organisation he must apply for his employee, because only those who follow that class of work are members of the organisation; therefore, under preference to unionists, employers readily secure the right class of labour.

Mr. SIZER: The right class of labour can be obtained without preference being granted to any organisation.

Mr. FUNNELL: The hon. member has about as much sympathy for the working man or woman as the draught-horse on our roads.

Hon. members opposite in their remarks on the Financial Statement have been merely setting up a defence for their never-to-be-forgotten three years' administration. The Government intend to proceed with their policy and endeavour to place upon the statute-book the promises made during the election campaign. Those promises are being fulfilled one by one; and, when the three-year term of the Government is completed, it will be found that every promise made has been carried out.

Mr. C. TAYLOR (*Windsor*) [12.17 p.m.]: When the record of the Government becomes a matter of history and the comparison is made with the record of the administration by the late Government, it will be acknowledged by every fairminded and impartial person that the late Government endeavoured to do the best in the interests of the whole of the State, and not of a section. They came into power at a difficult period and had to do a lot of unpleasant work; but the remarkable thing is that the big things they did and which count in the administration of this State are all being continued and amplified by the Government.

We all know that we are passing through a period when it is difficult to make any accurate forecast. After listening to some speeches delivered by hon. members opposite one would think that the end of the three-year period of the Government had come about. We are almost given to understand that the policy of the Government as contained in the Budget, and the forecast made by the Treasurer have been realised, when, as an actual fact, no person can say whether they will be realised or not. In my opinion, unless the Government change their policy in quite a number of directions, their anticipations will not be realised. I would like to see them realised. No person desires to see this State or any other State continuing to lose money, because it is humiliating for any Treasurer to have to acknowledge continued deficits. Yet all States are compelled to acknowledge that they cannot balance their Budgets. There are three factors operating which will prevent Parliaments or Treasurers bringing about any improvement in the financial position, because they have no control over them. The three factors are interest,

exchange, and railway deficits. Interest, exchange, and railway deficits are matters beyond the control of any Government. Of course, we are hopeful that there may be an improvement—that, for example, there will be a reduction in interest and exchange rates, and that the railways may function in a much more satisfactory way and thereby reduce the tremendous burden that they impose upon the State. We do not know, however, whether any improvement will be effected in these directions, and at the same time we are increasing our public debt.

Reference has been made to the sum of £620,000 which has been made available for unemployment relief. A number of hon. members have the idea that we are finding only half that amount of money; but, in point of fact, we have to repay the whole of it, the only advantage to Queensland being the rebate of interest on one-half of the amount, which will be paid by the Commonwealth Government. That addition to the public debt will increase the interest burden, and will add to the Treasurer's already difficult position.

The Treasurer is prone to use two words which are pregnant with meaning. The hon. gentleman often refers to "solvent demand," and points out that there is a demand for the primary products which we are producing to excess in Queensland, but that it is not of a solvent nature in other parts of the world. Until that solvent demand is restored—until people have the money to pay the extra price which we in Queensland require in order that we may balance our accounts—we shall continue in our present difficulties. I hope that the solvent demand will soon be brought about, although there is very little sign of it at the present time. In that great industry on which we have been dependent for so many years—the wool industry—there will be a reduced income of £100,000 on the 90,000 bales of wool which will be offered at the next sale owing to a drop in price of from 10 per cent. to 15 per cent. That is a serious position, and one that is beyond the control of any Treasurer or Government.

A great deal of criticism has been directed at the Ottawa Conference; but if, after weeks of negotiation by representatives from all parts of the British Commonwealth of Nations, no benefit will accrue to Australia and other countries concerned, then the outlook is black. Empire delegates have striven to bring about a more satisfactory condition of trade. No nation could expect to participate in that conference without adopting the principle of give and take.

Mr. LLEWELYN: In the case of Queensland it is all sacrifice and no benefit.

Mr. C. TAYLOR: That statement has yet to be proved. We know, for example, that we are getting a decided preference so far as butter is concerned; and dairying is one of our most thriving primary industries.

When the Empire Parliamentary Delegation visited Queensland a few years ago, I had a conversation with Mr. Arthur Henderson, at one time a prominent member of the British Labour Government. At that time considerable attention was being devoted to the question of British preference to Queensland and Australian goods. I shall never forget what he said. He said, "Mr. Taylor, what you want to try and get into your mind is our view of the position. Do

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you think for one moment that we would refuse to grant you preference if it was not going to affect our relations with other countries? In Great Britain, as you know, we have a population of between 40,000,000 and 50,000,000. We are largely a manufacturing country. We manufacture quite a lot of goods for our own internal consumption. We want to maintain that trade, and for our surplus manufactures we have to look to the other countries of the world. If we do anything at all which is going to increase our production costs, it will make the cost of living higher for our own people, and we are not going to be able to compete with the other countries of the world." He finished up by saying, "In a word, you are asking us in Great Britain to maintain your standard of hours, wages, and living, and reduce our own."

Mr. COSTELLO: At the cost of their workers.

Mr. C. TAYLOR: That is the way he put it, and it is worth our very careful consideration.

A lot has been said in this Chamber from time to time about what Great Britain should do. I am satisfied that Great Britain is doing as much as we can reasonably expect at the present time, and has been doing so for quite a number of years.

The SECRETARY FOR PUBLIC WORKS: We give a tremendous preference to the British people.

Mr. C. TAYLOR: I admit that we do; and it is only right that we should give that preference.

The SECRETARY FOR PUBLIC WORKS: Then we should get some protection.

Mr. C. TAYLOR: We get protection in every way. Hon. members know perfectly well that the British Empire is not composed of white people only. There is the great Indian Empire. There is South Africa, and there are other parts of the world such as Fiji associated with the Empire. All these factors have to be taken into consideration when trying to make trade agreements. Not only have we to take into consideration the black countries, but take a country like Japan. Yesterday the steamer "Tanda Maru" was loading here for Japan and other eastern ports. What did we place on board that steamer? If the newspaper reports are correct, we shipped 10,000 bales of wool, and I think 2,000 tons of flour and other primary products for Japanese ports. The day has gone by when the British Empire or any other Empire can continue to exist, as has often been said in the past, by simply taking in each other's washing. We are one of the great nations of the world, and all our interests and prosperity are bound up with those of the other great nations. There was a time when our domestic affairs did not interest the other nations of the world, but that is not the case to-day. The "White Australia" policy was hardly ever mentioned outside Australia a few years ago, and it is only by the protection of Great Britain that we can maintain a White Australia policy. We have no defence.

The SECRETARY FOR PUBLIC WORKS: Whose fault is that? The Federal Government's.

Mr. C. TAYLOR: I do not know whose fault it is; but hon. members know that, so far as defence is concerned, we have practically no protection whatever, and we

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have to depend on the British Empire to maintain the great ideal of a White Australia. Hon. members know that there was a tremendous fall in income tax returns last year. Personally I fail to see where there is any chance of an increased income tax return. Business is just as bad as ever it was; but, while I realise that the condition of affairs in Queensland and Australia is not at all pleasant, there is no one who has a greater regard for the State and claims that the State is absolutely solvent in every way than I. To overcome our difficulties, we shall have to pursue quite a different method to that which we have done for quite a number of years past. We have to live within our income. We have not been living within our income in Australia. We have been paying with borrowed money the debts which we ought to pay out of income, and that state of things cannot continue. Some people may think that the proposal to borrow another £20,000,000 is all right, but I think it is all wrong. We have heard quite a lot about the balance of trade being in favour of Australia since certain action was taken by the late Scullin Administration; but what has happened? Are we any better off for that favourable balance of trade?

The SECRETARY FOR PUBLIC WORKS: About £80,000,000 better off.

Mr. C. TAYLOR: And we have raised an internal loan of nearly £90,000,000. We have incurred an internal debt amounting to more than we have saved in regard to the balance of trade.

The SECRETARY FOR PUBLIC WORKS: It is better to have the interest payable in Australia.

Mr. C. TAYLOR: I am sorry that so much of our interest has to be paid outside Australia; however, we have to face the position as it exists. It is no use bringing in palliatives which are only going to stave off the evil day. We have to do the best we can to provide for the present and the future in Australia.

The Treasurer expects to have a deficit of £1,485,000. A good deal has been said about the reduction of wages. We all agree that wages are lower than we like to see them, but how are we going to alter the position? It will certainly not be by the action which the Government propose. We are given to understand that they are going to introduce a 44-hour week in the railway service; but no one will say that that would be a wise procedure at the present time, as it would mean a greatly increased expenditure.

I now come to the vexed question of day labour versus contract. We are told that contract work is contrary to the policy of the Labour Party; but the sooner they throw over that part of their policy the better. All that we on this side ask, and all that the people of Queensland want to see, is that, if work can be done cheaper by day labour than by contract, let day labour prevail; if work can be done cheaper by contract than by day labour, then let the contract system operate.

The SECRETARY FOR PUBLIC WORKS: Day labour can be done more cheaply than contract work, provided it is honest contract work.

Mr. C. TAYLOR: All contract work, and day-labour work for that matter, are supervised by very competent and efficient officers

of the Department of Public Works. They are in absolute control of the work, and it is for them to do their job properly. I believe they do; nevertheless, from evidence which has been produced in this Chamber time after time, I believe that day labour cannot compete with contract, and the reason is to be found in certain overhead costs which a Government cannot avoid. When the Government were running State enterprises, and butcher shops were scattered all over the State, nobody could tell at the end of the day whether any given shop had made a profit or not. But a butcher running a shop in Brisbane or in any other town on his own account could tell at the end of any day whether he had made any money or whether he had lost it. In running a Government activity of any kind one must have a very complex and thorough system of bookkeeping and a very expensive system of supervision, and I do not see how a Government running such enterprises can cut down these overhead costs.

The SECRETARY FOR PUBLIC WORKS: They reduced the price considerably.

Mr. C. TAYLOR: They never cut down the price. That statement was used when the State took control of fish. We were told that we would get cheaper fish. We did not get fish at all, except what we got in tins.

The SECRETARY FOR PUBLIC WORKS: I do not know much about fish.

Mr. C. TAYLOR: I do. We were told that we would get fish extra cheap and extra good; but the only fish we got was sardines or salmon or herrings, in tins. Fresh fish was never dearer than after the Government took control. We put up expensive works at Wynnum which were nothing but a white elephant, and we lost tens of thousands of pounds. When Mr. Theodore was at the Treasury, we were going in for canning; I pointed out at the time that only three kinds of fish in the whole world were commercially canned and sold throughout the world—herrings, salmon, and sardines—and there must be a reason for that. Any other fish put into tins did not count at all. There must be magnificent fish in the waters of the North Sea and near America, but evidently they are not suitable for canning; yet we, in Queensland, were going to revolutionise the canning industry.

The SECRETARY FOR PUBLIC WORKS: The price of beef was 30 per cent. cheaper than in any other State.

Mr. C. TAYLOR: So it always should be. Queensland should be the butcher shop of all the States. Meat should be better and cheaper here than in any other part of the Commonwealth.

Another matter I would like to touch upon when dealing with the cause of our financial trouble is the cost of our philanthropic and social services of Australia. I may be wrong, but I estimate the cost at £70,000,000 per annum. Do hon. members think we can go on at that rate? I am not finding fault with any social service carried on by individuals, or churches, or Governments. The need was felt for these particular social services, and Governments, churches, and the people generally rose to the occasion and provided the money to carry them on. The Federal Government are compelled to find about £20,000,000 annually to

discharge their liability in respect of three different classes of pension; and, if we were to calculate the amount required by all the Governments for the maintenance of benevolent asylums, for State aid to children, education, etc., it would probably be found that my estimate of £70,000,000 per annum is under the mark. We have to raise the money. How have we been raising that money—simply by borrowing. The whole of Australia has been living on the dole.

At 12.40 p.m.,

The CHAIRMAN resumed the chair.

The SECRETARY FOR PUBLIC INSTRUCTION: And businesses have made more out of the dole than anybody else. One has only to look down Queen street to see the buildings constructed out of the dole.

Mr. C. TAYLOR: I am very pleased that the hon. gentleman agrees with my contention. We have lived upon the dole supplied in the form of loan money by the people of Great Britain, and now we are squealing about the interest burden and talking about the cancellation of war debts; and in the same breath we claim that we have the finest country on God's earth.

The SECRETARY FOR PUBLIC WORKS: They got hundreds of millions out of us during the war.

Mr. C. TAYLOR: And we got hundreds of millions out of them. We have every reason to be proud of our association with the British Empire. Great Britain is our best customer for our primary products. Where are we to send our butter? To whom are we to send our surplus sugar, even though it be at a loss? To whom are we to send our wheat? A record crop is in sight. We shall probably have to be content to accept the lowest price ever received in the history of this country. A negligible quantity—negligible in comparison with the total crop—is exported to China, but the bulk of the balance is sent to Great Britain. The same applies to beef.

The SECRETARY FOR PUBLIC WORKS: Why do they take it? Because they cannot get it anywhere else?

Mr. C. TAYLOR: I cannot understand the hon. gentleman being so foolish as to make a statement like that. Only to-day the newspapers inform us that the United States of America have intimated just how much that country will lose on its export of wheat and other products because of the adoption of the Ottawa agreement. Great Britain could obtain her wheat supplies from the United States of America.

Mr. COSTELLO: Why do hon. members opposite pretend to overlook Russia?

Mr. C. TAYLOR: A section of woolgrowers and others in Australia are of the opinion that a scheme should be formulated to provide for the stabilisation of wool prices; but I am sure that they have not paused for a moment to visualise the results. I do not always agree with the hon. member for Enoggera, but I did agree with his statement the other day when he stated that Russia and probably other countries would become large producers of wool. There are foreign countries to-day producing wool. If wool is stabilised at a certain figure in Australia, it might provide a very profitable boost and boom to Russia, South Africa,

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and other competitive foreign or inter-Empire countries. If we do stabilise the price competition will result.

The SECRETARY FOR PUBLIC WORKS: They take our wheat and wool because they are cheaper than they would have to pay elsewhere.

Mr. C. TAYLOR: It is very desirable that we should establish amity between all nations, and, if we desire progress, it is very desirable that harmonious relationship should be established between Australia and the component parts of the Empire. If we are going to be at each other's throats by raising tariff barriers and other matters, the reaction that will follow will be adverse to our interests. It is rather a remarkable thing that on every occasion when the tariff schedule is increased an increase in the cost of living follows. That should not be. I believe that we should, as far as possible, provide for our own requirements, and that this can be done only by a protective tariff: but, when we find that the imposition of customs duties imposes hardship on the people, we must put on our thinking caps and get at the root cause.

The Treasurer is leaving shortly to attend a conference of Premiers in Melbourne. I certainly hope that his efforts will be successful. There is some suggestion that the conference will consider the flotation of a loan. If we are going to increase the debts of Queensland and Australia, we shall be proceeding along the wrong track, because we shall set about creating greater difficulties than we are called upon to deal with at the present time.

Mr. COSTELLO (*Carnarvon*) [12.47 p.m.]: Quite a lot has been said on the Budget during the last couple of weeks. Some of what has been said has been interesting, but a great deal has been uninteresting. Some speeches made by hon. members opposite have not tended to bring about closer relationship between the Australian States, or between the Australian States and the Imperial Government. In fact, several speeches delivered by hon. members opposite, particularly the speech delivered by the hon. member for Enoggera, proceeded very closely along the lines of communism. I wonder whether that hon. member was pleased when he read in the newspapers this morning that Britain had broken off her trade relations with Russia. It is to be deplored that men who live in this country and who live under the protection which it affords can see no good in its system of government, or any advantage in having closer relationship with the Imperial authorities. Even the Secretary for Public Works interjected a few minutes ago that Britain only purchased meat, butter, and wool from Australia because she could not obtain those commodities from any other country.

The SECRETARY FOR PUBLIC WORKS: I said she purchased them from Australia because she got them cheaper.

Mr. COSTELLO: It is to be regretted that a Minister of the Crown in this State should give utterance to such an opinion. I do not question his sincerity.

The SECRETARY FOR PUBLIC WORKS: It is true.

Mr. COSTELLO: We have just witnessed the completion of trade agreements between the Dominions and the Imperial authorities. After all, who are the Imperial people but

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the workers of Britain? The hon. member for Windsor was correct in saying that preference given by Britain with respect to meat, butter, and other primary products of Australia is for the benefit of our workers and to the detriment of the British workers. Hon. members must recollect that, when the Empire Delegation visited Australia, a socialist member for the West Riding of Yorkshire said when we talked about preference for our goods that the consumers of the secondary industries at Bradford were just as much entitled to cheap meat and butter as any other worker in any other country, and that they were dependent on cheap food in order that they might live in comfortable circumstances. The workers of England have to work very much harder and under worse conditions than obtain in Australia; yet hon. members opposite are all the time running down the Imperial Government because they have attempted to create a trade for our products. Intra-Empire trade is not the policy of the Liberal or Labour Parties of Britain. The Conservatives are the only party that is of any value to the Dominions in that respect. If a Labour Government had been in charge of England when the Ottawa Conference was held, the producers and workers of Australia would not benefit to the extent they will in the future from the agreements there come to. There is a good sprinkling of Conservatives in the British Cabinet. If that Cabinet were entirely composed of Labour representatives there would have been no agreement such as was arrived at at Ottawa—an agreement which has resulted in preferences to our butter and wheat.

Some nasty remarks were made in this Chamber last Thursday evening when the hon. member for Kelvin Grove was delivering his speech, supported as he was by the youthful and inexperienced hon. member for South Brisbane. These hon. members had some interesting remarks to make about the Imperial Government, returned soldiers, etc. I really wondered where the hon. member for South Brisbane had been when he made reference to a lot of returned soldiers volunteering for service to avoid their obligations to this country. He has not very much respect for those people.

Mr. GAIR: Mr. Hanson, I rise to a point of order. I deny the statement—

Mr. KENNY: You made it.

The CHAIRMAN: Order!

Mr. GAIR: I observe that, according to the last issue of "Hansard," I am reported as having said that men went to the war to avoid their obligations.

Mr. KENNY: That is what you said.

The CHAIRMAN: Order!

Mr. GAIR: If it were not for the fact that you would compel me to withdraw, Mr. Hanson, I would have no hesitation in calling the hon. member for Cook—

The CHAIRMAN: Order! Will the hon. member make his point of order?

Mr. GAIR: My point of order is that I did not make such a statement.

OPPOSITION MEMBERS: Everybody heard you.

The CHAIRMAN: Order! In accordance with parliamentary procedure, the hon. member for Carnarvon must accept the denial of the hon. member for South Brisbane.

Mr. KENNY: The party whipped you up.

The CHAIRMAN: Order! I ask the hon. member for Cook to observe my call to order. It is most disorderly to make interjections whilst I am speaking.

Mr. COSTELLO: Statements such as these cannot be made here and got away with immediately afterwards. These statements are made by members of Parliament who are looked upon as the representatives of the people. When the hon. member for South Brisbane says that soldiers volunteered for active service to avoid their obligations to this country, I say it does not do credit to him. I was one of those who heard the hon. member utter those words.

Mr. GAIR: Mr. Hanson, I again rise to a point of order. I have already denied making the statement, and it appears to me that there is a distinct misunderstanding on the part of hon. members opposite as to what I did actually say on that occasion.

The CHAIRMAN: Order! I ask the hon. member for Carnarvon not to repeat the statement which has been denied by the hon. member for South Brisbane.

Mr. COSTELLO: I accept the denial.

The CHAIRMAN: I ask the hon. member to proceed with his speech.

Mr. COSTELLO: I resent the remarks of hon. members opposite, including the hon. member for South Brisbane, that, while people had been waving the flag with one hand, they had robbed Red Cross funds with the other.

Mr. GAIR: Mr. Hanson, I rise to a point of order. The hon. member for Carnarvon said that statements had been made by hon. members on this side of the Chamber, including the hon. member for South Brisbane, that, while persons had been waving the flag with one hand, they had been robbing the funds of the Red Cross Society with the other. I deny that I made any such statement or any statement that could be construed to mean anything of the kind.

The CHAIRMAN: Order! The hon. member for Carnarvon must accept the denial of the hon. member for South Brisbane.

Mr. COSTELLO: I accept the hon. member's denial, but these things should be checked. They should not be allowed to pass without some reference being made to them.

The CHAIRMAN: Order!

Mr. COSTELLO: They cannot get away with a thing like that.

The CHAIRMAN: Order!

Mr. COSTELLO: I accept the hon. member's denial. I am not going to do anything to discredit the proceedings of this Committee. I shall do everything possible to assist you, Mr. Hanson, in seeing that the debates are carried on in a becoming manner and prevent this Chamber becoming like a Soviet, as some hon. members opposite apparently would like.

The CHAIRMAN: I ask the hon. member to continue his speech.

Mr. COSTELLO: Some hon. members opposite may be a little new in this Chamber, but they should be a little more cautious in their utterances and in their abuse towards returned soldiers and the

patriotic workers of this State. Members of the A.I.F. enlisted voluntarily for the protection of the rising generation. We did not have a system of conscription such as existed in other countries. We volunteered for the preservation of our liberties; and it is very disappointing when we find the rising generation have no more respect than was displayed in this Chamber last week for the work of the A.I.F. and patriotic workers in this State. We are part of the British Empire, and the members of the A.I.F. enlisted to make conditions better for the workers of this State.

Mr. FOLEY: They have been worse since the war.

Mr. COSTELLO: I think the conditions have been better in this country as a result of the services of the A.I.F. The returned soldiers are still paying the price. Statistics show that since the Armistice one-third of the men discharged from the Imperial forces have passed away. We must realise that the price was not all paid on the battlefield. It has been paid since, and is still being paid. Even to-day men who were in the A.I.F. are compelled to fight for an existence in the labour market of Australia. We know that the returned soldier is not as efficient a worker as the younger generation who are living in the lap of luxury as a result of the efforts of the A.I.F. men; yet the unions of this country deny these men preference for a job. That is the policy that hon. members opposite have been standing for. They deny preference to ex-A.I.F. men, who probably are now suffering from war disability, and are not in a position to give the same return that they would have been able to give had they stayed at home and kept the home fires burning like some others did. Yet they are denied preference.

A GOVERNMENT MEMBER: Your party denied it.

Mr. COSTELLO: Our party stands for preference for returned soldiers, and not a preference that the hon. member for Kelvin Grove stands for. That is why I am not supporting Labour to-day. I could not think of having any sympathy with people who embrace the same ideas as those of some hon. members who spoke in this Chamber last week. I am not hostile to the Labour movement; but I am hostile to those people who are running the Labour movement in Queensland and Australia to-day. They are the curse of the Labour movement in Australia, and they are the curse of the Labour movement in Great Britain. They are the agitators that the hon. member for Toowong told us about this morning who have been creating the disturbance in Belfast.

In his Budget the Treasurer indicates increased taxation from various sources, and we must all realise that taxation plays a very important part in any Budget which is brought down in view of the depressed conditions of industry. It is rather regrettable to find that the fresh taxation outlined by the Treasurer is to be levied on our industries, on which we are depending to help us out of our financial difficulties.

The Treasurer proposes to reimpose the super land tax, and expects to receive £130,000 from that source. He also anticipates an increase in income tax, and, although income tax is a handicap to the progress of the country, we have to admit

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that it is the fairest form of taxation. The additional income tax to be levied on companies, however, will be a handicap on those companies which are operating to the advantage of Queensland, and will not be of any assistance to the State.

Another proposal which is going to hit our industries heavily is the increase of railway freights and fares to the extent of £325,000.

It has been stated by hon. members opposite that no Budget presented by the Treasurer of any other State or of the Commonwealth has been so free from wage reduction proposals as the Budget which we are now considering. Hon. members opposite glory in the fact that there are no further cuts in wages to be made by the Government. Before Parliament met, however, the workers' wages were attacked to the extent of £500,000 with respect to unemployment relief taxation. Surely that is a reduction in the spending power of the wage earner?

Mr. GLEDSON: Not many wage earners get over £500 a year.

Mr. COSTELLO: The wage earners have suffered a 50 per cent. increase of taxation in this respect, and it has been placed on the shoulders of many who are unable to bear it. It was continually stated by hon. members opposite that the present Government place taxation on the shoulders which are able to carry it. We know that the people who pay taxation are getting fewer and fewer in number, because the taxation has been increasing greatly, while incomes have been decreasing. It is all very well for hon. members opposite to say they place taxation on the shoulders of the men and the industries that are able to bear it. We depend on those industries to bring Queensland into a satisfactory position. We are really loading the people with taxation to such an extent that we shall ultimately have the people of the country pauperised. There is nothing in the Budget for the Government to be proud of. Perhaps it is the only Budget the Treasurer could bring down, seeing that the promises he and his supporters made at the election have hamstrung him. He has had to keep them in mind when preparing his Financial Statement. Those promises of the Treasurer and the candidates who followed him and who have been returned to support him are the curse of his Government. He has the assistance of youths on the Government benches. It is on their support that he relies to remain in office.

Mr. W. J. COPLEY interjected.

Mr. COSTELLO: I shall deal with the hon. member in his proper place. Anyway, I fight with men, not with women. To-day the Treasurer is hamstrung by the promises he made and the unfortunate position he finds himself in in this Parliament because he is dependent on the support of such persons. We are, therefore, confronted with a Budget involving fresh taxation amounting to £1,250,000. Considering the conditions which prevail in Queensland, additional taxation should be the last thing that any Government should bring down. It will cause more unemployment and take from industry the bit of money it has, or hopes to get. In place of that money we are to have a small loan; and artificial conditions such as those we lived under for years under previous Labour Governments are to be revived. Hon. members on the other side may say, "Do

you not believe in borrowing?" We do not disagree with borrowing entirely; but the results of over-borrowing are one of the things from which we are now suffering. It misleads our youth and deceives the people of the country. They cannot possibly get the same returns that they have enjoyed for the last ten or twelve years. The facts are that, unless we can go on lavishly borrowing and squandering the money we borrow, straitened conditions will soon return. It is no use at all for hon. members opposite to tell the people that they are going to give them better times. The Government have borrowed £940,000 from the Commonwealth, and are squandering it.

The SECRETARY FOR PUBLIC WORKS: No.

Mr. COSTELLO: The Secretary for Public Works is squandering it throughout Brisbane on what he calls a revival in the building trade—an artificial boom. In twelve months where will that money be? Will it not mean more taxation to the unfortunate householder and greater responsibilities? It is merely being spent in order to make the worker believe that times are not so bad. It is not making the position better by one shilling; and surely the Secretary for Public Works knows it! He must not deceive himself. After a lapse of twelve months the fund will be exhausted, and borrowers will be called upon to meet their interest and redemption commitments; and they will then be worse off than they are to-day.

The SECRETARY FOR PUBLIC WORKS: The money is being expended in reproductive channels.

Mr. COSTELLO: No one can object to the expenditure of this money in industry; but it is not being expended in industry. I am sure that the Treasurer agrees with me when I state that the only money that has been wisely expended by this Government has been the sum of £190,000 made available to the people in the country for fencing, water conservation, and ringbarking. Of the total amount available that is the only sum that offers any prospect of being able to provide for the return of interest and redemption.

The SECRETARY FOR PUBLIC WORKS: What is the use of constructing a fence before erecting a house?

Mr. COSTELLO: In the country it is essential that a fence be erected first so that the property will not become over-capitalised. It is necessary to proceed cautiously, and to start in a small way. What is the use of constructing a house if it is not backed with the means of support?

The SECRETARY FOR PUBLIC WORKS: Would the selector sleep under the fence in the meantime?

Mr. COSTELLO: It is better to sleep under a fence than to starve in an empty house. It is a mistake to over-capitalise any industry; and it is a mistake for any selector to over-capitalise his holding.

I have taken considerable interest in a scheme inaugurated by the Moore Government to provide funds for rural development; but I express my disappointment with some of the conditions that have been imposed. Of course it will be said that the late Government were responsible for the imposition of those conditions. They are rather

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irksome. The most irritating restriction is the condition insisting that labour must be drawn from specified centres. It is all very well to make money available at 3 per cent., repayable in fifteen years, and to call it cheap money; but, when a condition is imposed calling upon the borrower to make use of certain specified labour, the alleged cheap money is cheap no longer, but is really dear money. Capital obtained elsewhere at 6 per cent. free from irksome restrictions is cheaper in the long run than Government money at 3 per cent. carrying unfavourable conditions. There is a Government taint about the scheme.

THE SECRETARY FOR LABOUR AND INDUSTRY: To what conditions do you refer?

MR. COSTELLO: I refer to the condition relating to the employment of labour. The selector is not given a free hand in the matter. Of course he could evade the spirit of the arrangement by requesting reliable labour to become unemployed and register at a labour bureau so as to be eligible for employment in the scheme of rural development. The selector cannot hope to make a success of his venture when he is ordered to employ labour indiscriminately secured from labour bureaux for ringbarking, fencing, or water conservation purposes. At times he is not able to secure 50 per cent. value for his money. It was stated this morning by hon. members opposite that no one would think of employing a clerk when a navy was wanted; but where can practical bush workers be engaged in the city? It is a pity that these irksome restrictions have been imposed upon borrowers under the scheme. It would be quite all right to insist upon the present labour conditions provided a subsidy were granted by the Government. I am afraid that in the future the Government will have to consider the question of granting a subsidy if labour restrictions are to be imposed when money is loaned.

MR. W. T. KING: Where shall we get money to pay the subsidies?

MR. COSTELLO: At the present time the Government are prepared to subsidise local authorities £1 for £1 for the money expended by them in providing employment. It is the same thing. If we desire primary producers to borrow money in order to engage in reproductive work to absorb the unemployed, then we must deal with them on the same basis as we have dealt with local authorities, and subsidise their efforts. It is all very well to say that they should borrow money to improve their properties in order to make them reproductive, but the day of reckoning must come. In many instances the selector can only say, "There is my selection. Take the lot!" rather than undergo hardships in attempting to repay.

I desire now to deal briefly with the question of unemployment.

THE SECRETARY FOR PUBLIC WORKS: You are getting away from the question of loans to settlers.

MR. COSTELLO: It is the cursed borrowing policy that has brought about the unemployment existing in Queensland to-day. Will the Secretary for Public Works deny that fact?

THE SECRETARY FOR PUBLIC WORKS: Certainly.

MR. COSTELLO: His denial is only a half-hearted one. Does the hon. gentleman advocate a continuation of that borrowing policy and the setting up of more artificial conditions, which will only aggravate our difficulties?

Unemployment has agitated the minds of supporters of Labour and the recent triennial Labour Convention. Some remarks made by delegates to that convention are very interesting. The hon. member for Ipswich, who was Secretary for Labour and Industry in the previous Labour Administration, said—

"He advised convention to maintain the attitude of giving no official sanction to rationing proposals. They should insist on every man being given a full week's wages."

Such statements are all very well on the hustings, and probably the electors of Ipswich said, "Hear, hear!" to those sentiments; but where are the Government giving the unemployed a full week's wages to-day? Is there any prospect of the Government giving them a full week's wage? The Treasurer, speaking at the convention, said—

"When the scheme came before Parliament, the Labour Party, after considering it very fully and completely, decided to oppose it on the ground that it was actuarially unsound."

The hon. gentleman is right there; it is unsound—

"If Labour became a Government, its policy would be to have a thorough investigation and be guided by the results."

He was very correct in that statement also. The hon. gentleman said that the scheme of taxation for the relief of unemployment was unsound. I agree with him to that extent. I do not believe that we shall relieve unemployment by the imposition of unemployment relief taxation or floating loans for the relief of unemployment.

THE TREASURER: Why don't you give the facts?

MR. COSTELLO: I have quoted the reported utterances of the Treasurer. I agree with him that the principle is unsound, and that he opposed it when the Moore Government brought it down because its basis was unsound.

THE TREASURER: You are quoting from my speech in relation to the railway superannuation scheme.

MR. COSTELLO: I am quoting the hon. gentleman's speech made at the Labour Convention. It appears to me that in present-day politics one section of the community is working to divide to the others. Some hon. members opposite appear to be working to bring about a state of socialism or communism, when all will be able to work for a common master. We are all human, and, instead of all being workers, I am afraid that the great majority will be shirkers. It is only natural to think that men will not work under conditions where the standard of rates of payment is similar. That is one great drawback in the policy of the Labour Party—that all workers should be paid on a flat rate instead of by results. That policy has driven the efficient workers

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of twenty years ago into becoming inefficient workers because ability and efficiency are not recognised. The Labour Party has killed all incentive in workers to become efficient or to give of their best.

We find from the September issue of "Economic News" that unemployment is still increasing. In June last the number of unemployed in Queensland was 25,616, while in June this year the number had increased to 35,151. That is an increase of 9,535. In July, 1931, the unemployment figures were 23,294, as compared with 35,823 for July, 1932, or an increase of 12,529. August is one of the best months of the year so far as seasonal work is concerned, and we find that in August, 1931, 22,770 persons were unemployed, and that in the corresponding month of this year the number had increased to 37,450, or an increase of 14,680. In the face of these figures let the Secretary for Public Works stand up to the position! I implore him not to do as the ostrich does—bury his head in the sand. The unemployed are here, and expecting the Government to do something tangible for them. What is the good to them of promises which the Labour Government know cannot be fulfilled? In the face of the unemployment figures I have quoted, to tell the people that the conditions of the State are improving is to delude them.

Unfortunately, local authorities are not able to participate to the extent they should in the moneys made available by the Department of Labour and Industry unemployment relief. The conditions under which the money is made available to local authorities are not suitable. If the Government made a straight-out grant to local authorities for approved work to be done under the supervision of main roads authorities, genuine unemployed in the various districts would be employed and the taxpayers would get value for their money. At present, in many instances, the money is being wasted.

The SECRETARY FOR PUBLIC WORKS: You want a loan without interest.

Mr. COSTELLO: I am asking for a direct grant to local authorities. Since 1929 these local authorities have participated in moneys under the unemployment relief scheme. Local authorities are the best and most useful employers under that scheme, and the Queensland Government might, with advantage, follow the lead of the Federal Government of a few years ago and make grants to local authorities for approved works.

The SECRETARY FOR PUBLIC WORKS: We have done that; yet you are criticising it.

Mr. COSTELLO: So many restrictions have been put on the money that is made available for local authorities that the position is not satisfactory.

One direction in which the Government have misled the people is in relation to the claim of the Secretary for Labour and Industry that he is settling 1,000 workers on 1,000 farms. That is altogether misleading, and, as a result of that statement, a good many of the unemployed thought they had a chance of getting off relief work. Where are the Government going to get the money to take 1,000 men off relief work and make successful farmers of them? I say to the relief workers, Do not be misled by these wild-cat statements. The newspapers should know better than to publish such statements. It is

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impossible to find the money to put 1,000 relief workers on 1,000 farms. We cannot put inexperienced men on the land without money. Even the Secretary for Public Lands has found that out in his short experience in the department, and his officers will tell him, that this talk about 1,000 farms for 1,000 unemployed is a wild-cat scheme.

The hon. member for Brisbane said that he regretted that, owing to the reduction of the duty on Fiji bananas, the Secretary for Public Lands was unable to go on with the Ncrang settlement scheme. I think it is a good thing that he does not go on with that scheme. We do not want people to go on the land under starvation conditions as has been the case in the past. Our long experience of land settlement in this State has proved that we must, first of all, give the selector a living area. We must make it possible for him to borrow money on his land. Even the Agricultural Bank will not advance money if the area is not sufficient to give good security. Applications for advances have repeatedly been turned down by the Agricultural Bank—and rightly so—because the area was not sufficient to enable the selector to make a decent living.

A good deal of capital has been attempted to be made out of the recent agreement come to by our representatives at the Ottawa conference. We all agree that a great hardship has been inflicted on the banana-growers of this State owing to the reduction in the duty on Fiji bananas; but the Leader of the Government should look to his own Government before he criticises the Federal Government. I would draw his attention to the fact that he told the wheatgrowers of Queensland recently that the Government could not offer them any protection. The Labour Government are forcing the wheatgrowers of Queensland upon the world's market, and at the same time they are condemning the Commonwealth Government for allowing Fijian bananas to be imported into Australia in competition with Queensland bananas. It is all very well to blame the other fellow. Why not stand up for our own industries? When wheat was 2s. 10d. per bushel in the other States, the Moore Government realised that the wheatgrowers of Queensland could not compete with the Southern wheat, and, through statesmanlike action, the Moore Government secured for our wheatgrowers 3s. 10d. per bushel. Are our wheatgrowers going to get 3s. 10d. per bushel this year? They were told yesterday that the Government could not see their way clear to give them any further protection.

The TREASURER: We did not tell them anything of the kind. Your statement is deliberately false.

Mr. COSTELLO: The wheatgrowers will have to accept the Sydney price, plus the cost of railage to Queensland. That means that our wheatgrowers will have to compete with the growers in northern New South Wales. Although we have interstate free-trade, the wheatgrowers of Queensland have enjoyed practically the whole of the Queensland market for flour; but now they will have no protection against Southern wheat. Why condemn the Federal Government and then refuse to do something tangible for our own producers? Surely our wheatgrowers are worth something to Queensland! When the wheat industry was faced with difficulties

in 1929, the Moore Government gave the Queensland growers preference for their wheat over the wheatgrowers in the South. Is it reasonable to condemn the Federal Government for not protecting our industries, and then to allow an industry in our own State to depend on world prices? The Government assured the wheatgrowers that protection would be afforded to them, but it was not given.

The TREASURER: Somebody has been pulling your leg very badly. I have never turned down the wheatgrowers.

Mr. COSTELLO: I am glad to hear that the Government are going to reconsider the matter, because it has been definitely announced—and the statement has not been corrected by the Government—that the Government could not see their way clear to accept the agreements entered into by the Wheat Board which gave protection to Queensland wheat as against New South Wales and Victorian wheat.

We have had a lot of discussion in this debate with reference to the wool industry. We all recognise that the wool industry has carried us along for a good many years; but now the bottom has been practically knocked out of it, as the world's prices do not give a remunerative return. I regret that we have to face the industrial award in the pastoral industry. We know that industrial awards are very hampering to industries which are struggling for existence. The continuance of awards in rural industries will not be to the benefit of the workers of Queensland or to those who are unemployed. We know that men would rather work in the country at rates lower than the awards give instead of having to come to the city to seek relief work or to get rations. Work in the country at award rates is more or less temporary; and, when a job is finished, a man has to leave the place and get work elsewhere, or else go on the unemployment market until the pastoral employer can give him another job. We would have been well advised to leave the rural industries free from the imposition of awards for a time to see what improvement took place.

The wool industry is at present not in the healthy condition we anticipated it would be when the Brisbane sales were opened in September. There has been a fall of 15 per cent. in the prices of our best wool in the Brisbane market this week. We are very little better off in regard to price than we were in 1931-32.

The following figures represent the quantity and value of our wool sold on the Brisbane market in the years specified:—

	1931-32.	1930-31.
Bales	446,047	456,987
Value	£4,650,589	£5,767,272

If in the year 1931-32 we had enjoyed the peak year price of 25.69d.—that of 1924-25—we would have had a wool cheque of £15,415,952—in Brisbane and not all over the Commonwealth. That would have been equal to an amount of £37 3s. 2d. extra to every breadwinner of this State. Those figures are worth consideration when we are dealing with the problems facing us. Even if we got 16d. per lb., at which price we consider we could carry on the industry profitably if seasons were favourable—we would be £9,101,216 better off, or £21 18s. 9d.

per breadwinner of the State. Since we estimate that the breadwinners in the State are only 45 per cent. of the population, hon. members will at once see that a great deal of extra money would be in circulation. That means that, if we could get the peak year price, we would be £10,765,363 better off, whereas, if we could get even 16d., we would have an extra £4,450,627 to distribute, and we would not be coming to the Government for relief work. This is one of the reasons why the Government ought not to impose extra taxation on the industry. Such a step is one of the cruellest things for which a Government could be responsible.

The Government propose to reimpose the super land tax. Hon. members opposite say that it is imposed on Queen street property; but who actually pays the taxation? Do the people who own the Queen street property pay it out of their reserves? The answer is that they pay it out of the pockets of the consumers who deal with them. Hon. members opposite who are so ready to spring from their seats and abuse capitalism are the very gentlemen who are thus imposing fresh taxation on the breadwinners of the State, and imposing taxation to add to the privations of the producer in the country, who cannot pass it on. He has to get the money out of his industry and if his industry cannot pay he has to economise. How does he economise? It means that something has to go off the place or somebody has to go on to the unemployed market. He cannot say to the bank, "I want a cheque to pay my land tax." Surely the Treasurer knows he is not helping industry in this way. Is he putting taxation on the shoulders of those who can best carry it when he imposes a land tax? Taxation has been paid by people who produce our wool, butter, and meat, and that is one reason why we have had a false prosperity. The Government have been bleeding white the industries that I am pleading for to-day. They are telling the workers round Brisbane that this taxation does not touch them at all, that it is passed on to those who can carry it. In the final analysis this impost must be carried by the workers. The business people pass on the extra burden to the consumers in increased retail prices. The selector cannot pass on the impost by adding it to the price of his commodity; so he is compelled to seek the only other course, and that is to economise by discharging some of his employees, who are compelled to fall back on to the Government for assistance.

Mr. WATERS: Do you believe in low wages?

Mr. COSTELLO: I do believe in railways. (Laughter.) I am sorry to say that the railway employees are not now being as well treated as they were under the late regime. I propose to deal with the railways, because it is a pet subject of mine. A late Labour Treasurer, Mr. McCormack, stated that, if the railways could be made to pay in Queensland, the Government could reduce taxation by 25 per cent., and I agree with his statement; but the railways were not made to pay in this State. The late Government inaugurated a scheme with a view to placing the railways on a more satisfactory position in the interests of both the employees and the railway users. The late Government, during their three years of office, placed the railways on a fairly sound footing. It was a very difficult task, particularly in view of the fact that the system was losing

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£1,500,000 per annum and was over-staffed by at least 3,000 or 4,000. The system had reached such a pass that the question was repeatedly asked: How much longer can this railway system go on; and how much longer are the ratepayers and industries to be expected to carry it? The late Secretary for Railways may not have been popular with all classes of the community, but he certainly put up a wonderful fight for the Queensland railway system. If his successor in office is prepared to stand by the railways and its employees to the same extent, the employees will not be in doubt as to how much longer the system is to be maintained in Queensland. The railway users were able to enjoy a saving of £1,200,000 at the hands of the late Government, and the railway employees, despite the fact that they might have had to work a few more hours, were assured of a good job. The running costs were reduced, and the late arrival of trains was reduced by 67 per cent. These are figures of which we might well be proud. Should not the Labour Government now ask the question: Why on earth did so many trains run late when we were in power; and how was it possible for the Moore Government to reduce the number of late arrivals by 67 per cent.? I am sure that the hon. member for South Brisbane, who knows something about the railway system, could tell us quite a lot if he felt so inclined. I am sure he could explain why, under a Labour Government, the trains were permitted to run to an old time-table at all. Some of the old pioneers of the Labour movement have stated that Labour can never govern, and that Labour's place is in opposition.

Mr. WATERS: Who were those old pioneers?

Mr. COSTELLO: I hesitate to mention their names alongside those of some hon. members opposite who pose as Labour representatives. The Government propose to remedy the railway position by imposing a further burden of taxation, amounting to £325,000, upon the users of the railway system. Those people who refrained from taking advantage of the motor system, much to their own personal inconvenience, and stood loyally by the railway system in the interests of the taxpayers of this State, are now to be burdened with a further sum of £325,000 per annum. Motor transport has reaped a wonderful harvest consequent on the increased freights and fares. During the regime of the ex-Minister for Transport motor transport had a very lean time. That form of competition with the railways was to a large extent due to the socialistic policy of the previous Labour Administration, supported by the action of the railway employees. The users of the railways at that time were compelled to take advantage of the more reliable system of transport. As a result of the policy of this Government in increasing freights and fares, thousands of pounds have been lost to the department. In my opinion, producers and others are quite justified in obtaining their goods by the cheapest form of transport. When the department increased its charges, the users practically said, "If the Railway Department does not want our business, we will employ some other means of getting our commodities to and from the markets." It must be remembered that primary producers, especially those engaged in the growth of wool or in the production of butter, must compete on the world's markets, and have no fixity

of price. It was a very short-sighted policy on the part of the Government to make the increases they did in the railway charges at a time when the prices of these products had fallen. It is also a short-sighted policy to make those increased charges applicable to the country districts only, and not make the city dweller pay the same increase.

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

Mr. LLEWELYN (*Toowoomba*) [2.47 p.m.]: I desire to congratulate the Treasurer on the Financial Statement he has submitted to this Assembly. Judging by the speeches on both sides, it is recognised that the hon. gentleman has a gigantic task before him, and that, under the circumstances, he has manifested vision. I am sure that the Budget will meet with the approbation of the public at large. One recognises that the problems besetting our State are of a kindred nature to the problems besetting other States and nations. A good deal has been said as to their effect, but very little has been said as to their cause. I do not pretend for one moment to possess even an elementary knowledge of finance; but the fact which appeals to me is the tremendous money influence which is at work somewhere. It certainly behoves the legislative bodies in every country to consider the problems in order to find some means of solving them.

Much has been said of the unemployment question; and it has been referred to at length in almost every speech. Some of the criticism has not been merited. Some hon. members opposite claim that the unemployment position to-day is more aggravated than when the late Government went out of office. The "Economic News" has been quoted at length to substantiate some of the arguments. I, too, desire to quote from the September issue of that publication. It shows that in June last the ratio of unemployment in Queensland was 32.1 per cent., and that at the end of August it had decreased to 29.6 per cent. That was only a small improvement, admittedly, nevertheless it was an improvement. The figures of wage-earners show that at the end of June the number was 35,151, but by August the number had increased to 37,450, all indicating that some progress is being registered in finding work for our unemployed. In my own district it is pleasing to note that there are fewer registrations of unemployed. It is also gratifying to know that the policy of the Government which I have the honour to support is manifesting itself in the employment of men who only a few weeks ago were out of work.

On the general question of unemployment there can be no doubt that the policy of the Moore Government created a timidity complex in the public mind. A lack of confidence permeated all sections of the community. The private employer was afraid, did not know what was likely to happen, and felt that he had no encouragement to expand his business or even to maintain it at its existing standard. With the return of the Labour Government matters are different. Business people, including those who are not in accord with our brand of politics, claim that a vast improvement has taken place, and that more employment has been given.

The policy of our opponents entirely disregarded the industrial conditions which Labour has always prized. That intensified the unemployment problem. I know beyond

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any doubt that in some Toowoomba stores employees were working after hours without being paid overtime. As a matter of fact, there was a tacit understanding with the industrial inspector to wink his eye at that. Such conduct condemned the policy of the Moore Government in the eyes of every wage-earner of the State.

Other factors have intensified the difficulties of Queensland. A good deal has been said concerning the policy of the Commonwealth Government in regard to our primary industries. That Government first commenced its attack on cotton; it followed that up by interfering with the tobacco industry; and then, as a result of the sugar negotiation, affected Queensland disastrously. The reduced income of £1,300,000 to the sugar industry will be reflected in a loss of £100,000 in the income of the Government. The Commonwealth Government also harassed Queensland in regard to peanuts. Moreover, we must not forget the attitude of the Federal butter experts in regard to Queensland butter. It was stated that Queensland butter suffered from wood taint. I do not say that the butter was right or that the timber would taint the butter. The point I wish to make is that, when the experts of the Department of Agriculture asked permission to inspect that butter and timber, it was refused. I submit that it was a reasonable request, having regard to the fact that our butter export is of tremendous value to the State and to those who get a living from that industry.

Then we are told that the Canadian preference to Queensland pineapples has been taken away. Why is it that Queensland industries have been singled out for this treatment? South Australia, Tasmania, and other Australian States may receive some benefit as a result of the Ottawa Conference, but Queensland industries have been singled out for attack. That being so, one is warranted in asking what is the reason for it. Is it because General Glasgow was defeated at the last Federal elections? We can only make that deduction when we remember the harsh things that have been done since to Queensland industries. If hon. members opposite representing farming centres did their duty, they would get up in this Chamber and condemn the Commonwealth Government for their attacks on Queensland primary industries.

I am convinced that the action of the Commonwealth Government is only on a par with their attitude in regard to old-age pensions. An old-age pensioner at the present time is practically compelled to pawn his home to the Federal Government so that, when he passes out, the home will belong to the Government.

AN OPPOSITION MEMBER: The previous Federal Labour Government agreed to a reduction in pensions.

Mr. LLEWELYN: Mr. Scullin and Mr. Theodore went to conference after conference in regard to this question, but each conference was abortive. It will be remembered that the bankers practically put a pistol to Mr. Scullin's head, and said, "If you do not agree to a reduction in pensions, we will not agree to a reduction in interest."

Mr. BRAND: That is quite different from what Mr. Scullin said.

Mr. LLEWELYN: I do not care what Mr. Scullin said. I make that statement here. It is obvious that Mr. Scullin was told, "If you do not agree to a reduction in pensions, we will not consider a reduction of interest." The circumstances were such that Mr. Scullin had to capitulate; hence the agreement at the Premiers' Conference. I would stress the fact that the Labour policy with regard to tariffs and the protection of Queensland industries is going to have a very bad effect on this State. We are losing to a great extent the benefit of the Labour policy, which assisted us to build up our industries, and the position in regard to unemployment is being accentuated. So long as the Federal Administration proceed on the lines they are adopting, more unemployment is going to be created. The favourable trade balance is gradually diminishing, and that is a further proof in support of my statements.

A great deal has been said with regard to taxation. I make bold to say that there was no avenue of taxation which was not increased by the Moore Government. I am not quite sure of the figures, but I think the aggregate increase must have been between £1,500,000 and £2,000,000 more than the taxation imposed when the Labour Party left office in 1929.

Mr. COSTELLO: In what way?

Mr. LLEWELYN: I am not prepared to specify that at the moment, but the hon. member can get the information from the Budget.

Hon. W. H. BARNES: Why didn't you find out before you delivered your speech?

Mr. LLEWELYN: I make the definite statement that the taxation of the late Government was £1,500,000 more than when the Labour Government left office.

Not satisfied with that, the Moore Government had the impudence to lend to other States the loan moneys which were available to them when they came into office. They claimed that there was some merit in that action; but it put hundreds of men out of work in Queensland, thus accentuating the troubles with which we were then faced. Furthermore, by decreasing the money available for farmers through the Agricultural Bank they restricted agricultural development in the State.

There has been a great deal said with regard to the wheat industry. I do not propose to say very much about the question; but I say that every word I used when speaking on the Address in Reply I believe to be true. The hon. member for Warwick was hurt about my statement. I did not mention his name in that debate; but, if the cap does not fit him, why does he wear it? It goes without saying that there must have been something seriously wrong when an auditor's investigation showed that there was nearly £7,000 short in the adjustment on the stock on hand when the Sugar Acquisition Act was put into force. Hon. members opposite may accuse me of using this Chamber as a coward's castle in which to make a statement that I would not make outside; but it is my duty, as a representative of the people, to draw attention to matters which are vital to the State.

Mr. COSTELLO: Why not have an inquiry?

Mr. LLEWELYN: I would be prepared to have an inquiry, and, if any statement I

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made was not substantiated, I would be willing to resign my seat. I have a high regard for the honour and integrity of the hon. member for Carnarvon; but the trouble with some hon. members opposite who claim to represent the farmers is that they are sometimes prepared to farm the farmers. Is it not a peculiar feature of the agreement that it was not drawn up by the Wheat Board's solicitors, but by a Brisbane solicitor, who consulted the Crown Law Department?

HON. W. H. BARNES: Why did you block an inquiry?

MR. LLEWELYN: I did not block an inquiry. If there is any sincerity in the move for an inquiry by a select committee—

MR. G. P. BARNES: It was your own legal man.

MR. LLEWELYN: Is it not peculiar that the board's solicitors were not consulted? Something requires explanation there.

MR. G. P. BARNES: You are mistaken in that.

MR. LLEWELYN: If I am wrong, I shall be the first to admit it, and withdraw the statement. I recognise that the world's price for wheat is going to be very low; and I consider it to be the duty of the Government to protect the consumer, having regard to the difficulties that the growers have to face—many of them greater than we can possibly realise. The present agreement made possible such a tremendous rake-off between what the growers should get and what the consumer should pay that there is something wrong. I believe that, when a new agreement is made, the Government will have due regard to the interests of the consumer, consistent with those of the grower, and will see that the miller gets a reasonable return for his capital, but does not exploit either the grower or the consumer. I believe that, in the hands of the present Secretary for Agriculture and the Treasurer, an agreement will be made that will prove satisfactory to all parties.

MR. PLUNKETT (*Albert*) [3.8 p.m.]: The Financial Statement we are discussing is a most important one, viewed from the aspect of the general welfare of the whole community. It is our responsibility as members of Parliament to look after the interests of the whole community, and not one section of it, although the contrary is sometimes asserted. Indeed, it is somewhat humiliating at times to hear hon. members say that they represent one section, because, when all is said and done, the welfare of the whole community is bound up with our financial position. I do not intend to go back fourteen years and say that the Labour Party borrowed extravagantly and that sort of thing. Our job here is to analyse the position as we find it, profit by past experience, benefit by failures that have been made, and endeavour to find a way out of our difficulties. It seems to me that Financial Statements are submitted for this purpose; and it is from that point of view that I propose to raise a few points on this occasion.

To my way of thinking, the position is very serious. I do not propose to blame anybody; but a serious co-ordinated effort should be made by Parliament to explain clearly to the people just what situation the country is in and just what sacrifices are necessary to restore financial stability.

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It is necessary that we should have a clear knowledge of our aggregate commitments. I take it that we wish to be honest and to pay our way; but, if we wish to honour our obligations, we must ascertain our commitments, the amount of our revenue, and the rate of expenditure. We should study these three important items with a view to arriving at a favourable balance; but, if we cannot provide for financial harmony in these three financial items, we cannot balance the Budget; and, if we cannot balance the Budget, we cannot pay our way; and, if we cannot pay our way, we must either increase our borrowings or impose further taxation. Both have the same result. Increased borrowing means additional taxation upon the community; and additional taxation accentuates the unhappy result that we all like to avoid. I refer to unemployment. It must be recognised that every unemployed person in Queensland to-day is a liability to the State; whereas, every person who is employed and every person who is providing income is an asset to the State. We could achieve much better results in this Chamber if we concentrated upon those viewpoints instead of indulging in political propaganda.

We must have proper regard to our commitments, to our revenue, and our expenditure if we are to alleviate the position. We must seriously consider just what taxation the people can afford to pay, and what people are able to pay it. The Government, in their wisdom, and after careful consideration, have decided that taxation must be increased. Perhaps it is necessary, but it is a great pity that it should be so. The increased taxation appears to me to be rendered necessary by the enormous burden of taxation imposed up to date. The burden has reached such dimensions that it is impossible for industry to observe labour conditions and operate upon a competitive basis. The Government propose to obtain additional revenue in the following way:—

£	
Reimposition of super land tax	130,000
Increased income taxation	270,000
Increased railway charges	325,000
Transfer from main roads fund	250,000
Increase in unemployment relief tax	486,000
	£1,461,000

Some hon. members opposite have suggested that the Government are justified in reimposing the super land tax merely because the late Government declined to reimpose it just prior to the election. That is a silly thing to say. When this party went to the country in 1929, we stated that the super land tax would not be reimposed if we were returned to power. We kept it on for two years.

THE TREASURER: You reimposed it in two different years.

MR. PLUNKETT: The financial position was such that it was impossible to carry on without this additional revenue at the time. However, we did not reimpose it during our third year of office, but, unfortunately, the present Government intend to reimpose it this year.

Let me analyse the various taxation proposals of the Government. Take the super land tax. We find already that the people who are assessed with land tax cannot pay it. That is proved by the fact that a large

number of applications has been made to the Commissioner of Taxes for extension to pay the tax or for permission to pay it piecemeal. The only remedy the Government have to offer for such a condition of affairs is to increase the burdens of those people by reimposing the super land tax. It is conceivable that these people cannot pay this extra load of taxation if they must obtain relief from the department to pay the present tax. Even if they get an extension of time to pay the tax already accrued, they will be unable to carry the extra load of taxation. If a person applies for an extension of time to pay taxation, it is a natural assumption that its incidence is too heavy for his income. The whole principle of taxation is wrong. The Commissioner of Taxes has informed us in his annual report that thousands of pounds are outstanding already for land tax. What is the use, therefore, of this fresh imposition?

The position in regard to income tax is somewhat similar. We know from the figures supplied by the Commissioner of Taxes that taxable incomes in Queensland decreased by £1,408,223 between 1927-28 and 1931-32. We also know that a large amount of taxation is outstanding because the taxpayer has not the wherewithal to pay. According to the policy of the Government, the way to remedy that state of affairs is to increase taxation. The policy of the Government in regard to income tax is somewhat similar to their policy in regard to land tax. They are simply imposing further commitments on that section of the community who cannot meet their present commitments. Taxation is becoming so great that industry is being crippled. It is destroying the initiative and industry of the people. That is the logical result of excessive taxation. It is time that some relief should be given if we desire rehabilitation to take place in this State.

Let me now take the Railway Department. The quarterly statement issued by the Treasurer shows that for the first three months of the financial year the revenue of the Railway Department has dropped by £134,000. We all know that the railway revenue is decreasing every quarter. That is to say, each quarter the position of the railways is becoming worse. How do the Government attempt to remedy that position? By increasing freights and fares. If the revenue is decreasing under past rates and conditions, and if the competition from motor services is increasing, how do the Government believe they can recapture the trade for the railways by increasing freights and fares? They will simply drive more business from them. When we come to realise that, in the face of decreasing revenue, the Government hope to retrieve the position by further financial imposts, it makes us realise all the more that we cannot carry on. Taxation has reached breaking point, and if the Government attempt to increase it, a financial crash and disaster involving everybody is inevitable.

A careful study of the figures can only lead to one conclusion—that we are heading for financial disaster. We are told that we should not say such things because it will affect our State. No one wants to talk in that strain merely for the pleasure of doing so; but I take it that it is our duty to try to realise and to make others realise that we cannot carry on for all time under

conditions which involve increasing the taxation burden on people who cannot afford to pay. We know perfectly well that revenue from land and income tax and railway fares and freights has depreciated; yet the Government increase taxation and raise fares and freights in order to overcome the position. Surely that is a most extraordinary way of treating the position!

The Treasurer anticipates the withdrawal of £250,000 from the main roads fund. That is wrong. That fund was created as the result of special legislation, and specific taxation was imposed upon the owners of motor vehicles and the owners of land in the vicinity of main roads to raise certain funds. Immediately the Government take a portion of the fund and place it to the credit of consolidated revenue it is imposing another burden on the people in the country. In the case of lands adjacent to main roads local authorities have penalised the landholders. The money so raised has been paid into a particular fund; but, if that fund or any portion of it is to be utilised for general revenue purposes, instead of the money being spent in the country, it will be expended in the cities. I take exception to that, because, where taxation is levied for the specific purpose of building roads throughout Queensland, the money should be so utilised. The action of the Government in this respect is in no way different from that of the father who utilises the contents of his child's money-box to buy beer. Moreover, a regrettable precedent is being created. There is no assurance that next year and the year after the whole of the main roads fund will not go to consolidated revenue. I object strongly to the action of the Government in this regard.

The unemployment relief tax has been increased to the extent of £430,000, which can only mean that we have more unemployed to cater for. Following the matter to its logical conclusion, one need only go on taxing the people to reach the point when nobody will be working. People are experiencing the utmost difficulty in paying the existing taxation; and to impose increased taxation will not improve the position. If the Government were expending the money to abolish unemployment, it would be different; but the fact is that the Government are imposing conditions under which employment cannot be maintained. It is not sound to pay relief workers the basic rate of wage. Such action has resulted in hundreds of men leaving the country districts, where they were getting £1 or £1 5s. per week and keep and doing some work for the good of the country, to come to the cities in search of something that cannot be found. Instead of having the effect everyone would wish, the increase in the relief tax has accentuated the unemployment problem.

It is stated that there can be no objection to taxation so long as it is imposed on those best able to pay it. That is all wrong, because you do not know that they can afford to pay the tax. The Government do not care. They tax anybody and everybody that they can get something out of; and then members supporting them come here and say, "We tax those people who can best afford to pay." I say the people cannot afford to pay. We are not game to tell the people the true position of Queensland. We are afraid to tell them because the sacrifice they will have to make will be too great. We do not tell

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them because we think they will vote against us at the next election if we tell the truth. The position is a more serious one than a question of votes. It is more serious than a question of whether the Nationalists or the Labour Party shall rule. If this country is to be saved from financial disaster, then the whole of the people will have to accept the responsibility of trying to right the position; and it cannot be righted by making promises that may or may not be made in good faith during an election. After an election the Government say, "We made these promises, and must carry them out." Why penalise the people to such an extent that they will be forced out of existence? To-day every Government in Australia, every local authority in Queensland, and every public body, is financially embarrassed, and the Government are forced to pass legislation to protect the woolgrowers, meatgrowers, and the dairy people. Still we are carrying on as though we had any amount of money. The position is so serious that it looks as though we cannot escape borrowing; but, if we do borrow, someone has to pay in the end. It means that the people will have to pay more taxation, when they cannot afford to pay the present taxes.

It is a pity that we do not tell the people the truth, and not what they want to be told. They want to be told how many days' work they are going to get, and what wage they are going to get; and it pleases politicians to tell them something that is not correct; but the time is coming when we must tell them the truth. We should tell the people that the financial position does not warrant the Government going on in the way they are going.

I have heard interjections from hon. members opposite, "You believe in low wages." It is not a question of low wages. It is a question of whether we are going to get any wage at all; and each day the number of those who are getting no wages is increasing. We are getting to the position when there will be no work at all. We should not forget the old adage, "Half a loaf is better than no bread."

The following information from the report of the Commissioner of Taxes will indicate where we are headed for:—In 1928-29 the number of people who paid tax on over £1,000 was 1,825. In 1930-31—two years later—the number had decreased to 779. This year the number may be only half that, and in a few years there will be no one paying tax on more than £1,000. Cannot we realise the position we are facing? Nobody has suggested any remedy except to borrow. If a local authority got into the position which the Government are facing, it would be told that its members did not know their job; but it seems to me that, once you get into Parliament, it does not matter how much the drift is, you must not tell the people the truth. I have heard hon. members opposite say that the job of financing Queensland was their job, and they would accept the responsibility. I do not agree with them. It is our job on this side as well as the job of hon. members on that side to see that the finances are kept on an even keel and that conditions are made better for the people of Queensland. We have different ideas as to how to bring about an improvement. I say that taxation is killing industry, and it is industry which gives employment and pays wages. If we kill industry, we are killing Queensland.

[*Mr. Plunkett.*]

It is just as well to consider what is likely to happen in view of what has occurred in connection with the Toowoomba Foundry Company. The more unequal we make the conditions with regard to competition between our manufacturers and those in the South, and impose a handicap on Queenslanders, the more orders will go to other States, and there will be less money to spend here, and consequently less employment will be given.

It has been said by hon. members opposite that no one on this side has suggested a remedy; but I would suggest what I think would be of advantage to Queensland under the present circumstances. It is primary production on which we depend for our prosperity; it is production, exchange, and consumption of goods which create work. We shall have to increase production to remedy our depressed conditions. I was pleased to hear the Treasurer say a little while ago that the Government were going to fix up the wheat question. The wheat growers are an important factor in Queensland, and we should not allow them to be humiliated financially after they have had bad times and a good season is now in front of them. It is the duty of the Government to help these people, who cannot help themselves.

As I said before, our remedy lies in production. I have heard hon. members opposite say that we should put people on the land; but I would point out that in many cases when we put people on the land they will remain there only so long as the Government helps them. We are not going to solve our problems by increased production of what we already have too much of; it must be done by the production of commodities we are in need of and that can be exported at payable prices.

At 3.32 p.m.,

Mr. W. T. KING (*Maree*), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. PLUNKETT: That brings me to the dairying industry, which exports such a large quantity of butter. I felt very proud to see in the papers the other day a report of the Empire Show held in London recently. The whole of the States of Australia and New Zealand sent exhibits to the show. We often hear what a great dairying country New Zealand is, and that is true; but I want to draw attention to the fact that at this Empire Show the first six prizes for salted butter were awarded to Queensland, despite the fact that there were fifty-four entrants. That demonstrates that Queensland can produce butter of the finest quality.

Then, with regard to the cheese competition at the show, I do not know how many entries there were, but Queensland was again first, and New Zealand took the second, third, and fourth prizes. That just shows what can be done in Queensland; but quite a number of our people have not wakened to the fact that we can produce butter which takes the first six prizes in competition with the world.

South Africa won all the prizes in connection with eggs. The Government, with a desire to solve our unemployment problem, have initiated a movement to settle people on the land. They have done quite a lot of good in trying to develop tobacco-growing in the State. Of course, tobacco-growing has

its limits, but good work has been done in that respect.

The Government also intend to develop the banana industry. I represent an electorate where the best bananas in Queensland are grown; and I am absolutely ashamed of the way in which the National Government have treated the banana industry in Queensland. Of course, we look at the question from a Queensland point of view; nevertheless, it seems to me that, where any concession has to be made by Australia, the loss falls on Queensland. While I regret this latest move, and say that I do not stand for it, I compliment the Minister on the effort he is making to develop the banana industry. At the same time I want him not to attempt it with areas that are too small for successful farming. It is better to have twenty successful men than thirty who are struggling or forty who are absolute failures. I hope the attempt will be successful. I think a great deal more, however, could be done by helping to develop land which is already held by farmers.

In the products of the dairying industry we have articles that can be exported with confidence. The Government have decided in their wisdom to advance sums of money up to £300 for the building of silos. I have no objection to that; but £300 could be spent to better advantage by assisting farmers with undeveloped land to improve it and erect buildings, yards, etc., and by equipment, such as separators. In many cases they have the necessary stock for the additional area; and, if they had £300 or £400, they could develop additional areas, and thus add to the production and exports of the country. Would it not be a good thing to lend them £300 at a very low rate of interest, spread over a few years, provided they made their land reproductive? The building of silos will give employment for a few weeks only, whereas my suggestion would bring about the settlement, perhaps, of another family to work the area on half shares. A man who is already established and has everything but money to improve the balance of his holding would be only too pleased to accept assistance under such conditions and employ the labour necessary for the purpose, and the result would be, not employment for a few weeks, but all the year round. I know scores of people in the dairying industry with land that is not fully developed, but who have not the money necessary to develop it.

It is scarcely necessary to emphasise the value of the dairying industry. To-day it is the greatest in Australia. From the point of view of money value, it has now beaten the wool industry. Certainly wool has been bringing low prices, but the prices which the dairying industry has received have also been low. For the last twelve months the price of butter-fat has been about 1s. per lb.; but we must not forget that one important reason why we get so much for it is to be found in the exchange, which, with the Paterson Scheme and equalisation, means a return to the farmer of 5.9d. per lb. of butter. We cannot expect the beneficial rate of exchange to be maintained for all time; and I warn those who are about to embark upon the dairying industry that the industry will not prove so attractive once the exchange rate recedes to par. I repeat that the Government should endeavour to assist the farmers who are already established before they

decide to proceed with the expenditure of a large sum of money upon the construction of silos.

It is the intention of the Government to make available for settlement a number of small areas of scrub land in the Nerang district; but I would point out to them that a much larger area could be utilised. There are small patches of scrub land highly productive and close to market that enjoy an average annual rainfall of 80 inches. This land may be reserved for forestry purposes; but, in the interests of increased production, these small patches should be made available for settlement. No revenue is being derived from these areas to-day, nor is there any likelihood of any revenue being derived from them as forestry reserves for a number of years to come; but, being beautiful scrub lands suitable for primary production, they should be made available for settlement.

I feel that I must repeat that the Government should give the closest attention to the amount of revenue received and the amount of money expended throughout the State. The amount expended is far too heavy, having regard to the amount of revenue that is obtained, or is likely to be obtained. Ordinary Government expenditure has been increased. The time has arrived when a person or a body of persons, not being heads of departments or in any way associated with the public service, should be appointed thoroughly to investigate the operations of all Government departments with a view to economy. The taxpayers of Queensland can no longer afford to provide the necessary funds to maintain the existing rate of expenditure in the public service. It gives me no pleasure to suggest that efforts should be made to economise in the expenditure of Government departments; but let us definitely ascertain whether the present expenditure is warranted. It is repeatedly stated, with what truth I am unable to say, that the public service is over-staffed; and the opinion is frequently expressed that an investigation should be made with a view to economy. One hon. member opposite recently complimented the Secretary for Public Lands upon dismissing two highly placed officials in the Forestry Department. I am unable to say whether the hon. gentleman should be complimented upon his action; but I hold that an investigation of the whole public service should be made, not with a view to dismissing one or two public servants who may not be earning their salaries, but with a view to effecting justifiable economies. The view held by the public to-day is that the present Government expenditure is not justified, and that a number of public servants are not earning the amounts they are paid. I am unable to confirm or to deny that assertion; but I am satisfied that an investigation would allay public suspicion, and would probably result in justifiable economies being effected. The position is so serious that every avenue of departmental expenditure should be explored with a view to making a saving in expenditure. It is not really the amount of revenue the State receives that matters, but the cost of its collection and the possibilities of effecting economies. If an investigation such as I have suggested is undertaken, I conscientiously believe that it will be revealed that greater economy can take place in public expenditure than is taking place to-day.

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Mr. BRAND (*Isis*) [3.45 p.m.]: During the last three years preceding this, the Financial Statement was submitted to Parliament by an hon. gentleman who had very long experience in parliamentary life. On those occasions the hon. member for Wynnum gave the people the benefit of his mature advice on the difficult position confronting the State, and offered suggestions as to how to overcome our difficulties. Since the hon. gentleman presented his last Financial Statement an election has taken place, when the leader of the then Government placed the true facts before the people. I was prepared to stand behind him as my leader, more particularly as he was prepared to tell the people the truth, the whole truth, and nothing but the truth. During that campaign many statements were made about the Moore Administration. In fact, the air was almost hot with criticism levelled at them by supporters of the Labour Party. The present Treasurer had very much to say in that criticism. From the time he issued his policy speech until the campaign closed he implied to the people that, if Labour were only returned to power, all would be well, that unemployment as a problem would be finished with, and that prosperity would return to the State. I have looked in vain through all the verbiage connected with this Financial Statement to find where any alteration has taken place in our finances. I have also looked in vain to find where something different to what was undertaken by the last Administration is being attempted.

The Treasurer budgets for an estimated deficit of £1,490,868, yet, during the election campaign he criticised the past Administration for daring to present Financial Statements to Parliament which forecast deficits. The people were led to believe that the great difficulties confronting them were due to the acceptance by the Moore Administration of the Premiers' Plan—a plan which was subscribed to by all the Governments of Australia in their desire to rehabilitate the finances of this country, with the idea of enabling money to flow more freely. The people were told that, if Labour were returned to power, the plan would be reviewed, and that the Labour Party would not submit or subscribe to it. A conference of Premiers was convened in June last, and I have read its proceedings in vain to discover any evidence that the Treasurer secured a revision of its principles, as has been stated by many of his supporters. During the policy speech which he delivered at Mackay on 28th April last, the hon. gentleman said—

“The Labour Party oppose that part of the Premiers' Plan which provided for arbitrary reductions in wages, pensions, and social services. It has already been disclosed that this scheme has also failed to produce the results that its sponsors claimed for it, and Labour criticism generally has been amply justified.”

This Financial Statement does not offer any hope that the Government intend to deviate from those “arbitrary reductions in wages, pensions, and social services” which were made as a result of the adoption of the Premiers' Plan. All the votes included in the Estimates provide for those reductions to take place. In other words, whilst the Treasurer complained that he was bitterly opposed to the Premiers' Plan and that his Government would not subscribe to it, the hon.

gentleman has presented a Financial Statement and Estimates which seek to carry out those reductions.

The TREASURER: You have been improving your mind lately reading my speeches.

Mr. BRAND: If I desired to improve my mind by reading useless verbiage, I would continue to read the hon. gentleman's speeches. One thing the hon. gentleman can do—he can talk.

The TREASURER: So can you, but the difference is that I can think. (Laughter.)

Mr. BRAND: We want more than talk in this country; we want action. The Financial Statement submitted to Parliament does not indicate that we shall get the results that the people of Queensland hoped for. Labour's election platform said definitely that there would be—

“A review of the Premiers' Plan in the burden of interest and relief therefrom.”

Where is there any indication that there has been that review of the Premiers' Plan in the direction that the hon. gentleman stated? I say definitely that there is no indication; nor does the report of the Premiers' Conference which the hon. gentleman attended on behalf of Queensland indicate that he reviewed the Premiers' Plan in any particular direction. This is what the hon. gentleman said at that conference—

“The Premiers' Plan was agreed upon at a time following an intensely bitter controversy. During its operations certain economies have been effected. Wages have been reduced, social services have been curtailed, and other efforts have been made; but it has yet to be shown that Budget equilibrium has been restored or that stability in industry has been achieved.”

Then the hon. gentleman moved this amendment to the motion of the Prime Minister—

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

I cannot find in that any review of the burden of interest and relief therefrom; yet that was a solemn promise that the hon. gentleman made to the people of Queensland. In fact, the hon. gentleman agreed to meet all interest burdens.

The Premiers' Plan was devised for a very particular reason. The then Prime Minister, Mr. Scullin, intimated to the State Premiers that, unless something was done to reduce controllable governmental expenditure, the point would be reached at which the country could only pay 12s. in the £1. Prior to that the Prime Minister had invited Sir Otto Niemeyer, a Director of the Bank of England, to visit Australia and advise the Governments generally as to the best means of rehabilitating the finances of the Commonwealth. Sir Otto Niemeyer came, and he advised Australian Governments to reduce their controllable expenditure by 10 per cent. The Government led by Mr. Moore carried that out, and reduced expenditure by 10 per cent., and in that respect he was one of the first Premiers in Australia to

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do something that was likely to restore the position of Australia and restore prosperity. Undoubtedly the wisdom of that policy is being shown to-day; and the Treasurer will meet a far better financial atmosphere than that met by the late Treasurer when he attended conferences in the South. We know that there has been an improvement in financial conditions generally—not brought about by any action of the Treasurer of this State, but by the action taken by the various Governments in the last three years to rehabilitate the finances of Australia.

The Premier of South Australia, who is a Labour Premier, told the present Premier of Queensland that the Premiers' Plan had been worth while, and that it would be cowardly to depart from it. I intend to quote a few of the remarks made by Mr. Hill at the conference, because they are very apropos of the reasons why Australia entered into the Premiers' Plan; and possibly it was Mr. Hill's remarks which actuated the Premier of this State in accepting the Premiers' Plan. Mr. Hill said—

“There is no need at this stage for us to make long speeches on the economic ills from which the world is suffering. We may have to review our internal policy, but before doing so we have to determine whether any very great improvement has been effected in our position in the period during which the Premiers' Plan has been operating. We are all aware of the reasons which led to the adoption of this plan. We know that twelve months ago Australia had drifted into such a position that her various Governments were facing a deficit of £41,000,000. We all remember the statement made by the then Prime Minister in this Chamber, and at various Premiers' Conferences, that unless something was done Australia would be able to pay only 12s. in the £1. I have been in the struggle for nearly two years, and I say very definitely to Mr. Forgan Smith that the Premiers' Plan embodies more than an emergency and financial policy. It was adopted by common-sense Governments with the object of rectifying the financial position of Australia, and in the realisation that we have drifted into that position partly through causes which we ourselves could have controlled, and partly through causes over which we had no control whatever. The fall in the world prices of our export commodities compelled us to adjust our position accordingly. To say now that we should depart from this plan which has saved Australia, simply because certain Governments did not meet their obligations, nor attempted to do so, would be cowardly.”

Mr. Hill set out the reasons why it was necessary to support that policy. We find the Premiers at that conference, including the Premier of Queensland, all agreed to the following resolution:—

“This conference affirms its adherence to the principle of the Premiers' Plan of 1931 and undertakes to meet interest obligations, to continue progressively to reduce budget deficits, and to conduct public policy with a view to reviving industry so as to restore normal employment to those of our citizens who now have neither work nor wages.”

It is evident even from the records of the conference which the Treasurer attended that he has submitted to the Premiers' Plan and is carrying it into effect. That policy, which a previous Administration brought into being, has been of great service in enabling the financial position to be strengthened and practically rehabilitated. We know that, before the Premiers of that day brought this plan into being, Australian stocks, both at home and abroad, were at a very low level. Most of them were down as low as £65 and £70; yet to-day, after the plan has been in operation for two or three years, we are again able to borrow money in London, and the loan issued recently by the Commonwealth Government to meet the maturing New South Wales loan of £12,360,959 was over-subscribed and closed within three-quarters of an hour. The fact that Australia was able to secure that loan abroad and that it was over-subscribed to the tune of £39,000,000 has had a splendid effect on the financial position of Australia and the Dominions generally. Press advices from Canada show that the authorities there look upon the success of this loan as an advantage to the Empire. The cables state—

“The unparalleled success of the Australian conversion loan in London to-day was regarded here as justifying the view generally held in Canada that Australia is as sound economically as any part of the Empire. Political, industrial, and financial leaders regard the loan success as a happy augury for a big improvement in Australian trade in which mutual exchange of goods Canada and other Empire countries are sure to benefit.”

It is gratifying to know that we have turned the corner and are enabled again to borrow money, and that Australian stocks are at par or above par on the money markets of the world. Australia has been able to rehabilitate her finances as a result of the activities of the Moore Government, and it is assisting to-day all Governments in Australia, and will assist to bring about that prosperity which we all wish to see.

Hon. members opposite have congratulated themselves on the fact that employment is increasing in Queensland. The hon. member for Toowoomba quoted figures from the “Economic News,” which he claimed indicated that more employment was being given in the State, and he said that he was pleased to note that there was some relief in that respect in his own town. I do not think there is any improvement as yet. The “Economic News” is a bulletin issued at the end of each month by the Queensland Bureau of Economics and published by the Government Printer, and it must, therefore, be a reliable index of the conditions of unemployment in the State. The figures quoted in it show the registration of wage-earners, including relief workers not registered, and at 30th August, 1931, there were 22,770 registered as unemployed, whereas at the close of August this year the number had increased by 14,680 to 37,450.

Mr. P. K. COPLEY: Be honest, and read the footnote.

Mr. BRAND: It states definitely that these are Queensland's unemployed, as registered. I take it that no improvement could be found in the unemployment figures as quoted in the “Economic News.” The movement of unemployment in the months June, July,

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and August, 1931, was a decrease of 2,346, whereas this year the movement for the same months discloses an increase of 2,299. We know from our own practical experience that the numbers of the unemployed are such that we may say that we have a huge army of men out of work, not receiving sufficient to keep their families in a state of comfort or according to what are known as Australian living conditions.

At the Premiers' Conference the Treasurer, by his amendment, stressed the fact that it was necessary to conduct public policy so that there would be a revival of industry. We were told at the elections that a revival loan would be raised. I contend that the Premiers' Plan threw upon every Government the obligation of doing their utmost to revive industry; and nobody gave more attention to that phase of the question than the late Premier. His Government continuously gave every assistance to industry in the effort to revive it; but no such effort by the present Government has yet been discovered. I do not know one industry that the present Government have assisted, or given any indication of their intention to assist. The wool industry—the most important in Queensland, and which in the past has provided a great amount of the wealth which has made Australia and Queensland prosperous—was greatly assisted by the previous administration. It suffered a slump because of the fall in prices on the world's market, as indicated by the following prices received for greasy wool:—

	Price per lb.
1924-25	26.5d.
1930-31	9.86d.
1931-32	7.73d.

The last-named figure is below the cost of production. Recently there has been a slight movement upwards, so that the average price at present is round about 9½d. per lb. We must admit that in 1929 the late Premier had a very difficult position to face; but he faced it to the best of his ability and in a way that did assist the industry. It cannot be said that the present Government are giving it any assistance. On 30th October, 1929, the hon. member for Gregory, who is one of the best informed members on wool matters in the Government Party, and also in the House, pointed this out in an article in the Brisbane "Courier"—

"It costs 12.43d., to produce 1 lb. of greasy wool, but the average price obtained at the last wool sales in Queensland—according to the Registrar-General was 10.64d. per lb. for greasy wool, nearly 2d. per lb. below the cost of production. If that condition of things is to last, it is merely a matter of mathematical calculation to determine how long it will take for every selector to leave his homestead and every worker in Western Queensland to carry his swag away from the sheep districts. Unless speedy action is taken to produce wool at least at a profit, this state of affairs must inevitably ensue. That is briefly the position of the Western people."

The report of the Commissioner of Taxes discloses a tremendous decline in the profits from this industry. For the financial year 1928-29 the amount of £312,035 was secured from sheep pastoralists by way of income taxation; but last year the amount had declined to £41,095. With the ruling price of greasy wool, 9½d. per lb. to-day, the

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Government cannot hope to squeeze additional taxation from this industry. That should be well known to the Government, but they are determined to endeavour to obtain an additional £270,000 by way of increased income taxation. The Moore Government were alive to their responsibilities and to their duty to the sheep pastoralists, and rendered valuable assistance to the industry by granting extensions of leases, by allowing reductions of rentals, and by a reduction in railway freights. The present Government have failed to recognise their responsibilities and the difficulties confronting primary industries; and their very first act was to increase by 12½ per cent. railway freights, which constitute one of the heaviest items of production costs in the primary industries. Hon. members opposite who represent country constituencies are prepared to pat the Government on the back and to applaud them for their action. During the election campaign the Treasurer and Labour candidates generally stated that the people of the country would be reasonably treated in the matter of railway freights and fares; but they have failed in their duty, and have stated in effect that they are not prepared to lessen this heavy item of cost in the wool and other primary industries.

The wheat-growing industry has not developed to the same extent as it has in some of the other States of Australia. Prior to the advent of the Moore Government the annual production was approximately 2,000,000 bushels; but the Moore Government, fully alive to their responsibilities, decided to encourage further wheat production in this State. A measure of stability was provided for the industry, and production reached a record figure. The sympathetic treatment received by the wheat-growers at the hands of the late Government enabled the industry to be placed in a comparatively prosperous condition, and the output was doubled. It is necessary that the industry should be fostered still further; and I stand behind the wheat-growers in an endeavour to secure the assistance so necessary to enable them to enjoy a decent livelihood.

One wonders to-day just where the Government and the Secretary for Agriculture stand with regard to the assistance which they said would be afforded by them to the wheat-growers. The Premier, when enunciating the policy of his party at Mackay, said that the wheat industry would be fostered in every possible way, and that the agreement imposed upon the wheat-growers at the behest of the Government would be reviewed and the interests of the farmers and general community would be safeguarded. When the Government took over the reins of office, the wheat-growers in this State were receiving the highest price for wheat obtained in Australia, while the price of bread was lower than in any other State. We want to know to-day what is going to be the result of negotiations between the Wheat Board and the Government. The press has indicated that the Government have turned down the policy of the Wheat Board as being unacceptable to them. The press had this to say on the negotiations between the Wheat Board and the Government:—

"The proposed policy which the State Wheat Board placed before the Cabinet in connection with the disposal of the current season's crop has been rejected

by the Government, and referred back to the board as being unacceptable.

"The matter came before the Cabinet after the board and its chairman (Mr. E. A. Thomas) had conferred with the Minister for Agriculture and Stock (Mr. F. W. Bulcock). 'The next move is with the board,' said Mr. Bulcock yesterday, commenting on the Government's decision."

A later press statement said—

"When questioned to-night regarding the refusal of the Government to accede to certain proposals made by the State Wheat Board, Mr. E. A. Thomas (chairman of the State Wheat Board) said that the board had asked for a guarantee of 4s. per bushel on next season's crop. He had not, however, received full details of the Government's decision, but apparently it was thought that the amount asked for was too high."

The SECRETARY FOR AGRICULTURE: The Board asked for a good many more things than a fixed price for wheat.

Mr. BRAND: Evidently the Minister considers that some of the other conditions were too onerous; but I would remind him that during the election campaign he was foremost amongst the supporters of the Government in the statements made to the wheat-growers that, if the Labour Party were returned to power, they would see that they got a better deal for their products than they received under the Moore Administration. It was common property that the Labour candidates in Brisbane exhibited posters in regard to what they call "The Flour Ramp." They condemned the Moore Administration as to the price of bread, and contended that the wheatgrowers were not receiving a fair deal for their products. It is up to Ministers to show in a practical way their sympathy for the wheatgrowers. I do not think that a guarantee of 4s. a bushel for wheat is altogether too high.

The SECRETARY FOR AGRICULTURE: Your Government only guaranteed 3s. 10d.

Mr. BRAND: The Moore Government guaranteed 4s. per bushel in 1930, since when growers have received 3s. 10d. per bushel, which is considered satisfactory. A guarantee would enable the industry to prosper and progress. We should so fix the price for our commodities as to enable the growers to compete with other producers and progress. The Secretary for Agriculture has interjected, but, as I have already mentioned, he stated during the election campaign that the policy of the last Administration was not acceptable to his party. Now he says that the policy of the Wheat Board is not acceptable to him. I ask him to give these producers what they richly deserve, and nothing more than what he said on the hustings that he would give them.

Mr. COSTELLO interjected.

The TEMPORARY CHAIRMAN: Order! I would remind the hon. member for Carnarvon that he must cease interjecting.

Mr. BRAND: The late Administration recognised their responsibilities to every industry. When they ascended to power, they guaranteed cotton growers 5d. per lb. for their product. The Federal Labour Government then deemed it advisable to take over the control of the industry. I have yet to

learn of any intimation by the Government opposite of their intention to give any guarantee to primary producers for their products, thus enabling them to carry on profitably.

During this session there has been a continuous condemnation on the part of hon. members on the Government side of the action of the Commonwealth Government; but not in one instance have those hon. members given the primary producers of this State any indication as to where they stand. The attitude adopted by the Moore Administration in regard to the cotton industry was worthy of emulation. We can commend to this Government the wisdom of giving the primary producers some guarantee for their products in order that they may carry on.

The tobacco industry was commenced and actually established by the Moore Administration.

The SECRETARY FOR AGRICULTURE: That is not so.

Mr. BRAND: It is; and the hon. gentleman is merely carrying out to-day what the Moore Government commenced three years ago. The late Government gave assistance to the farmers who undertook tobacco growing, making freehold land available to them at 2s. 6d. per acre. Every action of the last Government so far as the primary producers were concerned was an endeavour to establish primary production on a sound financial position, and in order that, when people were settled on the land, they would be there permanently, and would not be forced later on to claim the dole.

Coming to the sugar industry, which is easily the most important agricultural industry in Queensland, no person engaged in the industry can cavil at the action of the Moore Administration. The hon. gentleman who is now Leader of the Opposition never allowed himself for a moment to wait for the industry to take up the cudgels on its own behalf; when he was Premier of Queensland he was prepared to defend the industry at all times and to claim for it what was due to it—a reasonable price for the commodity produced. The result of the activity of the Leader of the Opposition was the Moore-Scullin agreement, which fixed the price of sugar to the consuming public in Australia at 4½d. per lb. The agreement was satisfactory to the industry generally, and in that regard the highest tribute must be paid to the work of the hon. gentleman who is now Leader of the Opposition.

In his policy speech the Treasurer stated definitely where he stood so far as the sugar producers of Queensland were concerned, when he stated that the Labour platform included the complete maintenance of the sugar embargo and the existing agreement. In amplification of that statement, the hon. gentleman had this to say when speaking at Babinda on 4th June last—

"If Labour was not returned to power, the sugar agreement would be reviewed with a view to further reductions which he knew the industry could not stand. Labour would never agree to any alterations to the sugar agreement that would have a detrimental effect on the industry."

If that indicated anything, it indicated that, so far as the Labour Party were concerned,

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notwithstanding any action taken by the Federal Government, they would not permit the sugar agreement to be altered. We know that other members of the Labour Party claimed that the only salvation of the sugar-growers was to vote for the Labour Party which would maintain the sugar agreement. The hon. member for Cairns was very outspoken, and on 1st June, as reported in the Cairns "Daily Times" of 2nd June, 1932, he said—

"The only protection the people had was to return a Labour Government to power, as it had been definitely stated by the Leader of the Labour Party that he would not agree to any alteration in the sugar agreement."

It is very interesting to compare that with a telegram from Canberra which appears in to-day's "Courier"—

"PRICE OF SUGAR.

"Legislation Pending.

"Canberra, 18th October.

"The Prime Minister (Mr. Lyons) announced to-day that he had received advice from the Premier of Queensland that the Queensland Cabinet had approved the draft of the revised sugar agreement, which provides for reducing the price of sugar by one half-penny per lb. Mr. Lyons said that legislation would be introduced in the Federal Parliament within a few weeks to implement the new arrangement."

The SECRETARY FOR PUBLIC LANDS: Do you want the Government not to do that?

Mr. BRAND: I am just pinning two or three statements together, as they read very nicely. Why did the hon. gentleman tell the sugar-growers of Queensland that he would not permit the sugar agreement to be altered?

The SECRETARY FOR PUBLIC LANDS: You spoke differently from that at the Australian Sugar Producers' Association meeting.

Mr. BRAND: I was not present at any meeting of the Australian Sugar Producers' Association when a revision of the Moore-Scullin agreement was discussed. The previous Premier, on all occasions, took up the cudgels on behalf of the sugar industry.

The SECRETARY FOR PUBLIC LANDS: They will laugh at you now.

Mr. BRAND: I am not troubling much about that. The hon. gentleman will remember the action taken some time ago in regard to the transfer of a certain sugar-mill, and he knows how he was laughed at by the farmers on that occasion.

The SECRETARY FOR PUBLIC LANDS: And afterwards he got the greatest vote he had ever received in that area.

Mr. BRAND: The hon. member was not thanked by the growers of the Tully area; but no Labour Premier of the past nor the last Premier in this State stood on the doorstep and refused to face the Prime Minister of the day. They did all they could to get something better for the sugar-growers of Queensland. Even in the days of the famous William Morris Hughes, Mr. Theodore went down South and told Federal Ministers that the State of Queensland had some say in regard to the sugar industry. The last Premier, Mr. Moore, did not wait to consult the sugar-growers' organisations as to what

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action should be taken. At the Premiers' Conference held in January-February of this year, when the present Prime Minister, Mr. Lyons, said that sugar would have to be reduced in price, Mr. Moore immediately took up the cudgels for the industry. Mr. Moore was prepared to defend the sugar industry and secure for the growers the protection they rightly deserved, and, as a result of his action, there was no interference with the sugar agreement until the Labour Government came into power in Queensland. As reported on page 13 of the conference of Commonwealth and State Ministers held in Melbourne in January-February this year, Mr. Moore said—

"Particular mention is made to the position of Queensland and the sugar industry. With regard to the agreement entered into—I can only say that prior to its execution the whole of the conditions in the industry were inquired into on the spot, and evidence was taken throughout Australia by a Royal Commission appointed by the Federal Government, on which consumers, fruit-growers, employees, manufacturers, millers, and canegrowers were represented. The closest investigation was made, and the agreement was only entered into after the fullest consideration had been given to the findings, and provision was made for a revision of the agreement in three (3) years—not an unreasonable time when the costs of preparing land for sugar are taken into consideration.

"It must be remembered that people in Queensland are contributing largely to the Southern States by extensive purchases of articles manufactured under the shelter of a high tariff wall; also we must not forget that, although Queensland does not grow enough wheat for home consumption, we do not murmur at having to pay our share of the 4½d. per bushel bounty, which will amount to at least 10s. per head of the population of Australia, whereas ½d. per lb., less in the price of sugar would not be more than 4s. per head per annum.

"Again, the big factor in the sugar industry that must not be overlooked is the insurance policy it provides for Australia is quite a vulnerable part of the continent. A great deal of prejudice is engendered towards this most valuable industry, through lack of knowledge, but in gazing fixedly at the sugar industry we should not be blind to tariffs, embargoes, bounties, and bonuses that are assisting many industries in the other States, and about which little is heard.

"It must also be recognised that the grower is not getting by any means a high price; practically half the crop had to be exported, and though this was a great loss to the growers it provided £3,500,000 in England at a time when money was most needed, and the grower was answering the call of all Governments to produce more in order that we might meet our obligations."

That pronouncement on the sugar industry was responsible for the Prime Minister not pursuing his intention of lowering the price fixed for sugar under the agreement at that time.

I have quoted what the ex-Premier said. I myself warned producers about it during

the election. If there was one man who endeavoured to rehabilitate the finances of this country and to place Australia on an even keel it was the ex-Premier of Queensland, who held a high position in the councils of the country when the Premiers' Conference met. He was able on that occasion to secure the sympathy of the other Premiers of Australia, and even the Prime Minister himself. It was recognised in political circles that Mr. Moore stood against any reduction in the price of sugar. Of course things have changed since then, and we have to-day a Labour Government in Queensland. The present Government on every occasion lose no time in defaming the present Prime Minister—possibly his human sympathies were touched and he carried out what he believed to be right, but it was against the interests of the producers of this State.

Mr. WILLIAMS: You like a rat.

Mr. BRAND: I do not like a rat. The hon. member knows more about that than I do. That reduction was brought about by the Commonwealth Government. I am surprised that the present Government did not get into the scrap. They kept religiously out of it, and said that as they were not invited it was not their funeral. I am sorry the Treasurer did not go down to Canberra with the Sugar Growers' Delegation from Queensland. The presence of the Treasurer on the delegation would have had a great influence. I am sure that if the ex-Premier, the hon. member for Aubigny, had been in power, he would have gone with the deputation to Canberra. The position is going to be very serious for the sugar industry.

Mr. WILLIAMS: The ex-Premier is laughing at you.

Mr. BRAND: I am sure he is not laughing at me, but at the hon. member's discomfiture.

The CHAIRMAN: Order! I ask the hon. member to address the chair.

Mr. BRAND: The loss involved in the alteration of the agreement is equal to £4 13s. 4d. per ton of sugar consumed in Australia, which will mean a reduction of approximately 12s. 6d. per ton of cane. It cannot be argued that the growers should bear the whole of it. The method by which deductions have been worked out in the past has borne too heavily on the growers. There are others in the industry—refiners and millers, for argument's sake—who should bear their share. The drop must be borne by the whole of the industry. If the growers had to carry the whole of the burden, it would be bad for the industry as a whole. I understand that negotiations have taken place as to what proportion each section will bear; and I hope that, in the interests of the industry, especially of the growers who to-day are getting less out of the industry than any other section, the farmers will not be asked to carry an unfair share. In doing their duty by all Queensland industries, the past Administration gave to the sugar industry the assistance it needed. At least we can say that the late Premier was responsible for the Moore-Scullin agreement.

The past Administration also encouraged the dairying industry to grow until, as has been pointed out by the hon. member for Albert, it has no peer in Australia or even in the Southern hemisphere. Its product is regarded as being amongst the best, and

by the encouragement of the Paterson scheme and the Queensland Butter Pool and in other ways the late Administration gave it support.

The beef cattle industry has passed through a very bad time; and falling prices have not enabled it to enjoy that measure of prosperity which is its due. During the war years it prospered greatly, but in the years immediately following and even more recently it has had a bad time. No man did more towards putting it on its feet than the late Premier. The industry received from the late Government a reduction in railway freights, whereas hon. gentlemen opposite have reimposed on the cattle-growers the burden of higher freights. The Moore Government also gave it relief from the super land tax, which brought in approximately £130,000 a year, of which the beef cattle industry had to pay a large part.

At 4.40 p.m.,

The CHAIRMAN resumed the chair.

Mr. BRAND: Rents were reduced to an appreciable degree and an extension of leases was granted so that the industry might continue to function. The producers engaged in the beef cattle industry have recognised the benefits provided by the late Government—benefits that have enabled the industry to regain its proper economic basis.

When the Treasurer attended the Premiers' Conference, he expressed the opinion that industries should be revived; but he has seen fit to place a further impost upon primary industries in the shape of increased railway freights. The evidences are that the anticipated increased railway revenue will not materialise. Railway finances are so intimately associated with the whole financial position of Australia that Queensland citizens have to thank the past Administration for the very magnificent way in which railway finances have been adjusted by them.

The SECRETARY FOR PUBLIC WORKS: They expressed their thanks on 11th June last.

Mr. BRAND: The electors cannot be blamed for taking seriously the promises made by the present Government during the election campaign—promises that have not yet been fulfilled—but it will remain for the next elections to disclose whether they will be again so easily gulled.

These figures show the financial position of the Railway Department for the financial year 1931-1932—

	£
Total earnings	5,915,002
Working expenses	4,352,804
	<hr/>
Net earnings over working expenses	£1,562,198

This is the highest amount of net earnings over working expenses in the history of the department, and it is a tribute to the late Secretary for Railways. The train mileage was 10,881,196, and the net revenue per train mile was 2s. 10½d. The past Administration recognised that fares and freights should be reduced in the interests of the people of the country and to the advantage of State finances generally; but the present Government have undone all the good work that was accomplished. I feel that the anticipated deficit of £1,490,868 will be greatly exceeded. I am afraid that the anticipated increase in taxation will not materialise,

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and that the deficit will be in the neighbourhood of £2,250,000, and not £1,500,000. The Treasurer has indicated that expenditure is to be reduced by £220,000, but a study of the figures in the Treasury returns for the first three months of the financial year disclose that at the present rate of expenditure the total saving will be only £70,000, which means that at least an additional £150,000 must be added to the anticipated deficit.

Mr. WILLIAMS (*Port Curtis*) [4.45 p.m.]: A great deal has been said on both sides of the Chamber in connection with this debate. We have heard a lot of political propaganda put over from the Opposition benches, particularly by the hon. member who has just resumed his seat. I do not propose to make a lengthy speech, for the simple reason that most hon. members sitting on this side have covered the ground which it is necessary for me to cover, also because I am not looking for any publicity from the press or in this Chamber, while I am not bitten with the political propaganda bug which is so pronounced in many members on the Opposition benches. It is not my intention to take up the time of the Chamber by merely going over ground already covered, and it is not my intention to waste the time of "Hansard" by merely proving what has been said by hon. members on this side and disproving what has been said by hon. members opposite, although there is much which one could prove, and a lot which one could disprove.

I would be failing in my task as one of the representatives of the people if I did not compliment the Treasurer on his able Budget, especially considering the difficulties in his way. I also desire to compliment the Government on their activities, despite what hon. members opposite say to the contrary. In this connection I propose to deal with the question of unemployment. Opposition members have not given us credit for anything we have done in regard to unemployment. I for one feel that we have done something. I can go into my electorate, and, if hon. members opposite are fair, they will admit that they can do the same thing, and claim that the Government during their short period of office have done something for the unemployed, both married and single. I particularly wish to point out that the Opposition have had very much to say against us in that connection; but the unemployed in my electorate, particularly in the main centres, such as Gladstone and Monto, are very appreciative of what has been done for them. I have received sheafs of letters from necessitous farmers which prove that the Government have made an honest attempt in this direction. The Government have achieved something beyond an attempt, and that is to their credit.

Notwithstanding all that has been said, no one has yet tackled the fundamental basis of the cause of the existing unemployment. Believing as I do that the nation should control its own financial affairs, I contend that unless we can get control over our monetary system we shall not be able to control even this huge problem of unemployment. As one writer in the press the other day said—

"There can be no great forward movement for mankind until the power wielded by the banks is restored to the nation."

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As another writer in the "Daily Standard," a few days ago said—

"We must realise that political power is useless without real economic power. Consequently, democracy has never yet had a square deal. This is owing to the fact that we have made the fatal mistake of allowing the bankers' monetary system to dictate financial terms to the selected parliamentary representatives of the people. Democracy, or government by the people, is, therefore, but a pitiful experience."

This is what Professor Soddy says on the same subject—

"The tragedy of to-day is the worst that could afflict a nation, viz., that its monetary system should become the monopoly of the money lender without the public being aware of it, and without the matter being a political issue at all. To-day, fear and distrust of parliamentary representatives' honesty or extravagance are responsible for the real strangle hold of money in private hands. If a Parliament had brought about the awful crisis which has resulted from the policy pursued by the banks, that Parliament would have been hurled from office for its deadly work at the first opportunity."

That may be somewhat of a departure from the real subject we are debating to-day; nevertheless it is a fact, and to-day more than at any other time we have to look facts squarely in the face.

I agree that work other than that of road and street cleaning will eventually have to be instituted. I agree with the hon. members for Gympie, Nanango, and Normanby that the development of mining and the opening up of new land will go a long way towards relieving the position. The present Government are certainly working along the right lines in that direction.

The hon. member for Nanango also mentioned that the locking of streams was necessary if agriculture was to get anywhere. I agree with the hon. member in many respects; but what earthly use would the locking of the Brisbane river at Esk be to other people than those in that district? Similarly, what good would the damming of the Logan River be to the top end of my electorate? Something more widespread will have to be carried out. For instance, silos could be built out of relief money by relief labour. That would be reproductive work; it would establish an asset both to the people concerned and to the State.

Nurseries could be established in different areas of the State, suitable areas of land being cleared by relief labour. That also would be reproductive work. Men could be employed to clear areas of land for the production of summer hay, which at the present time goes up in smoke once or twice a year. As a matter of fact, I am informed that 100 tons of bush hay can be obtained from a 25-acre block. That is a matter worth consideration.

Certain areas on selected farms throughout the State could be cleared and planted with tung oil, almonds, olives, and similar products. Even if these undertakings were a failure, the money would not be entirely wasted, because proof would be forthcoming

as to whether the products could be grown in these particular districts.

There is no limit to the avenues along which reproductive work can be undertaken. The Government are doing excellent work at present, and I trust they will extend that work, because it will help Queensland considerably.

Greater attention can be given to the interstate tourist trade, whilst assistance to prospecting and mining activities can be extended.

A complete review might also be made of the harbours and ports question, as well as the desired amendment of the Harbour Boards Acts.

Another matter which might be given attention is the resumption of all Crown leases falling due in the near future, and the opening of that land to farmers' sons, many of whom cannot find land near their own homes. If that were done, monetary and other assistance could be given to these young men by their parents. Considerable relief has been afforded to farmers, and that has been very much appreciated in my electorate. Single men have been given work—certainly not as much as we should have liked, but these men are very pleased with what has been done for them; and, although they only receive one day's work a fortnight and rations during the alternate week, they consider they are better off than they were under the previous Government. In my district unemployment has been very acute; but the people concerned feel that the unemployment bugbear, from which the State and other parts of the world are suffering, is gradually passing away, and the time will not be long before they will be permanently employed again.

I am afraid that nothing very helpful can be hoped for from the Opposition. I regret that very much. Outside the hon. member for Fitzroy, who spoke a few days ago, not one member of the Opposition has given the Government credit for anything they have done; neither has one member of the Opposition faced the true position.

Trade, I am pleased to say, has improved during recent months. Probably hon. members opposite do not like to see the change that has taken place; and that is why we have not got anything helpful from those hon. members. If I were sitting in Opposition and I saw some good in the Government, I would be fair enough to give them credit for something attempted and something done. Probably the day has not yet arrived when members of a political party are prepared to give credit to their opponents for anything they have done in the interests of the State. It is quite evident that hon. members opposite have been stung with the propaganda bug.

During the early stages of the debate the Government were charged with breaking the Great Seal of State. The hon. member for Sandgate spoke feelingly in that respect. Surely that hon. member's memory must be very short if he does not remember that one of the first actions on the part of the late Government when they assumed office was to dismiss the representatives on the fire brigade boards and hospital boards although those same representatives were appointed under the Seal of State. The hon. member for Sandgate should have been the last to speak about breaking the Seal of State.

The preparation of the Budget reflects the greatest credit on the Treasurer and the Cabinet in view of the unprecedented position in which the Government were placed on taking over the reins of office owing to the legacy of debt left by the late Government.

The Budget does not contain any retrenchment proposals, nor does it aim at a reduction in the wage standard. As the Treasurer said yesterday, the lowering of wages does not tend to increase the volume of business or help in any way to overcome the great problem of unemployment. On the other hand, the proposed reduction in the State's deficit indicates a desire on the part of the Government to carry on along right lines.

I feel sure the forecast of the Treasurer will be realised as time goes on, in spite of what Opposition members may predict. I may be a super-optimist, but it is better to be an unsuccessful optimist than a successful pessimist, and the Treasurer is to be complimented on the optimism he has shown.

I want to remind the ex-Treasurer that his huge deficit charged to the loan fund account will represent 5.32 per cent. interest, whilst on Treasury bills to be floated by this Government the cost to the State will only be 4 per cent.

Labour has been in power for three months, yet already there is a decided improvement in conditions generally. We have a revival in building activities and there is greater faith in the future of the State. There is an improvement in trade. That sums up the position, and that the Government will continue on the lines they have started upon is my fervent hope and belief.

Mr. P. K. COPLEY (*Kurilpa*) [5.2 p.m.]: I wish to congratulate the Treasurer on the very able speech he delivered when introducing the Budget to the Committee.

It is my intention to make a few references to some of the statements made by hon. members opposite during the debate. The hon. member for Toowong this morning dealt with statements from the Government side of the Chamber to the effect that the ex-Premier had advocated a reduction in wages, and the remarks cause us to think that a deliberate attempt has been made to mislead not only this Committee but the people of Queensland as to the true position.

It is my intention definitely to deal with certain features of the last Premiers' Conference which the Treasurer attended, and show conclusively that the ex-Premier was part and parcel of a plan to bring about wage reduction during the existence of the then Premiers' Plan. If the hon. member for Toowong had taken care to examine page 30 of the report of the Premiers' Conference in Melbourne from 14th to 21st April last, he would have seen the recommendations which were agreed to.

Mr. KENNY: They were recommended to the conference.

Mr. P. K. COPLEY: They were, as a matter of fact, accepted by the conference. Let me quote two of the recommendations—

“RECOMMENDATIONS.

“(3) That the State Parliaments take the necessary action to empower Arbitration Courts and Wages Boards to fix

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wages in accordance with economic conditions.

"(4) That all wage fixing authorities complete the reduction of real wages by 10 per cent. below the level of 1928 where this had not already been done."

Mr. KENNY: Be fair and quote the speech of the late Premier.

Mr. P. K. COPLEY: I propose to do so. On page 15 of the same report appear these words—

"The Queensland representatives have given most earnest consideration to both the Committee's Report and the Statement of the Prime Minister. They desire to make clear that the Queensland Government has no intention of departing from the spirit of the Premiers' Plan."

Mr. KENNY: Quite right.

Mr. P. K. COPLEY: Later on, in the very same speech, the ex-Premier said—

"The Queensland Government has already passed legislation directing the Arbitration Court to consider the possible and probable economic effect on the community as a whole in any determination it may give. Therefore, the court having full powers, no further legislative action should be required to give effect to that portion of the Committee's report."

Further on he said—

"The Queensland representatives doubt the efficiency of the whole wage-fixing system, particularly the disparity in wages paid to families with and without children, and also the difficulties in regard to young people obtaining employment, and are of the view that flat rate reductions would inflict hardship in quarters where it can least be afforded. They, therefore, suggest that consideration be given to proposals whereby this inequality could be overcome without any detriment to the necessary industrial recovery.

"They are also of the opinion that beneficial results toward further employment would accrue if consideration were given to an alteration of the wage payments, wherever practicable, from weekly to hourly rates."

I emphasise the last sentence, but I read the previous sentence in order to be fair, and so that there might be no possibility of misconstruing the former, referring to the proposed alteration from the weekly to the hourly rate. There is a very vital principle there, as I intend to show by quoting from judgments of Mr. Justice Higgins in 1921 and Mr. Justice Lukin.

Let me quote further from the Premier's speech for the benefit of the hon. member for Cook—

"The Prime Minister in his speech made clear that any proposals were subject to agreement amongst all the States, and the giving of adequate guarantees of their due performance. It is desired to ascertain more clearly the views of the Commonwealth Government on those points, particularly in regard to New South Wales and Victoria; indicating the nature of the guarantees required, as it may be difficult for Queensland—

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with an election pending—to satisfy the Commonwealth Government in this regard."

Mr. MOORE: There is nothing wrong in that.

Mr. P. K. COPLEY: There is no doubt that that 10 per cent. reduction—and these facts were made known to the people of Queensland by the present Treasurer—meant a reduction to £2 18s. 1d.; and Mr. Campbell, the Chairman of the Chamber of Manufacturers, definitely stated that he agreed with the then Leader of the Opposition (Mr. Forgan Smith) on the point. I think that the late Treasurer, the hon. member for Wynnum, was the first to return to Brisbane from that conference. The purport of the newspaper interview, which was not denied, was that there was some nasty medicine to be taken in the South. He struck a note of confidence, and said that we were just turning the corner, or something to that effect.

Hon. W. H. BARNES: It is quite evident that it was not very bad, because you are not prepared to read the report.

Mr. P. K. COPLEY: It was a statement typical of the hon. gentleman. There was nothing in it; but I propose to use it to show the delightful inconsistency between the statements of the three Queensland representatives at the Premiers' Conference. The hon. member for Sandgate was the next representative to return, but he made a rather confusing statement. He stated that not being wage reducers, they fought like tigers against a further wage reduction; but I think he intended to refer to Mr. Tunnecliffe and to Mr. Lang, who retired from the conference before it concluded as a protest against the proposed wage reductions. Dealing with the proposal to take into consideration the economic conditions in bringing about a wage reduction, he said—

"This is already in the Queensland Act.

The sum of £670,000 would be provided for relief workers solely on condition that there must be adherence to the Premiers' Plan."

Might I interpolate here that the Premiers' Plan provided for a 10 per cent. reduction in real wages on the 1928 basis.

Mr. KENNY: There is still the same court to deal with the matter.

Mr. P. K. COPLEY: The hon. member fails to realise that the constitution of the court may be different now that certain Orders in Council have been issued by the present Government.

The hon. member for Sandgate further stated—

"The experts' report made provision for wage tribunals having power to fix wages in accordance with the economic position of the country."

There is no doubt that the economic position of the country was to be regarded in such a light that the basic wage was to be reduced to £2 18s. 1d. per week. It is scandalous for the hon. member for Toowong or for any other hon. member opposite to say that a further reduction in wages was not contemplated at the Premiers' Conference. It has been stated by hon. members opposite that our contention in this respect is held purely for political purposes; but I would point out that the official report of the Premiers' Conference, the statements

made by the Queensland representatives at that conference, and the records disclose that the true opponents of a further wage reduction were Mr. Lang and Mr. Tunnecliffe, who deliberately retired from the conference.

Dealing with the statement regarding the fixation of an hourly rate, I should like to quote from the judgment of Mr. Justice Higgins, former President of the Federal Arbitration Court, delivered in 1921. He said—

“ A weekly engagement is far better than a daily or hourly one, and wherever possible it should be introduced. My experience is that a daily rate is preferable to an hourly one, just as a weekly rate is preferable to a daily rate. The reasons for my opinion are—

(1) The weekly rate tends to greater continuity in operation.

(2) It tends to greater steadiness in the men employed.

(3) It tends to greater forethought and organisation on the part of the employer with a view of filling up with work all the hours for which he must pay.”

(4) There is nothing that steady family men desire more than constant work, and some certainty as to their income for a week or more ahead. My wages—basic and secondary—are awarded on the assumption that the employment is regular, and if the work is casual, not regular (as in the case of builders' labourers and waterside workers) I award more per hour than in the case of regular work.

(5) Under weekly wages, the employee tends to identify himself with the particular undertaking; to feel interested in the concern, and it takes much more to induce him to throw up a good job if it is constant.

(6) It is in the interests of the employer, as well as in the interests of the employees, that the employment should not be casual, that a man should not feel himself to be a piece of flotsam or jetsam in the industry.

(7) Weekly wages fitted in better with considerations of subsistence and tended to greater steadiness in the prosecution of the work required by the community.”

It will be conceded that the seven points enumerated there definitely set out the position in regard to the payment of a monthly or weekly wage in comparison with an hourly rate. That scheme as set out in those seven points had been adopted, and the dictum of Mr. Justice Higgins had come to pass, and the application of the hourly rate of wage to employees would have meant a greater reduction in wages and a consequential reduction in the standard of living of the people than could be conceived under existing conditions.

In the engineers and blacksmiths' case in July, 1927, Judge Beeby granted the employers' claim for the abolition of weekly hiring and the substitution of hourly rates with 5s. per week added in lieu of compulsory holidays and sick pay. In August of the same year he restored the weekly hiring system, and said—

“ I made the change back for the sake of industrial peace. If I could have

anticipated subsequent events, I never would have interfered with the system of weekly hiring inaugurated by Mr. Justice Higgins in 1921.”

This statement very definitely sets out just what the position was so far as the April Conference of Premiers was concerned, and the attitude adopted by the ex-Premier and his colleagues. That attitude was definitely in favour of a reduction in the real standard of wages; and it is absolutely childish for any hon. member to tell this Committee or the people that there was no intention on the part of the late Government to reduce wages to any extent. This reduction in wages which was contemplated would, in addition to the statement I have already made, have meant a reduction of about 25 per cent. on the existing Queensland basic wage.

When the hon. member for Isis was dealing with the question of unemployment, he quoted from the “ Economic News.” I asked him by way of interjection to quote the footnote to the quotation which he gave. The figures quoted by the hon. member definitely show that the unemployment figures increased by about 700 from June to July, but the footnote which I asked the hon. member for Toowong to quote reads—

“ The figures for May, June, and July this year are swollen by the registration of single men who were formerly unemployed, and who have been given an inducement to register by the prospect of employment under the £620,000 winter relief scheme.”

Mr. BRAND: What about the increase between July and August?

Mr. P. K. COPLEY: I will deal with those figures later. The “ Economic News ” definitely points out that the increase in the unemployment registrations in July as compared with June was solely due to the registration of the single unemployed men. As a matter of fact, these men were not eligible to register previously; and it was as a result of the Government's action in permitting single men to register in order to benefit under the £620,000 winter relief scheme that the unemployment registrations were increased. That only shows the terrible state of affairs that existed during the Moore Government's regime. The unemployment figures rose from 11,000 in May, 1929, to 35,000 in May last.

Mr. KENNY: You do not class as unemployed men on eight weeks' rotational work.

Mr. P. K. COPLEY: The hon. member knows perfectly well that during the Moore Government's term of office these men were not included in the figures. As a matter of fact, it may interest the hon. member to know that during the Moore Administration unemployment rose from 7.2 per cent. to 18.2 per cent. Although the present economic conditions throughout the world have brought about unemployment, we must remember that when the Labour Government took office in Queensland in 1915, 17.8 of the workers were unemployed. Labour gradually reduced that figure to 7.6 per cent., but after three years of the Moore Administration unemployment totalled 18.2 per cent.

Mr. KENNY: A great number went to the war.

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Mr. P. K. COPLEY: It is a pity the hon. member didn't go.

Mr. KENNY: It is a pity you didn't go with me. You were one of those who were not game to go.

Mr. P. K. COPLEY: I was at school.

The CHAIRMAN: Order! I have already warned the hon. member for Cook, but I do not propose to warn him again. I want the hon. member clearly to understand that he will not be permitted to indulge in disorderly interjections.

Mr. P. K. COPLEY: I desire to express my regret to the hon. member for Cook for not knowing that he was a returned soldier. I may also state that I left school a day or two following the Armistice.

The hon. member for Wynnum very definitely tackled the statements I have made regarding moneys loaned to other States by the Moore Government, and the hon. gentleman claimed that over £100,000 had been obtained for Queensland by way of interest. I adhere to my original statement that, when times were bad in this State, £1,000,000 should have been spent here to make the conditions of the unemployed better than they were. Most of the £4,900,000 left to the Moore Government in 1929 was frittered away, and it is difficult to understand just where the money has gone.

Mr. BRAND: That is not a fair statement.

Mr. P. K. COPLEY: The point is that the money has gone, and to-day we are facing an estimated deficit considerably greater because of the actual deficit of the ex-Treasurer. I say fearlessly that the State would have been better off if the money loaned to other States had been expended here on reproductive work. That would have been better than loaning the money to other States on the eve of elections in those States.

The hon. member for Gympie stated that there had been an increase in the national debt of Queensland. The hon. member said that from 1915 to 1929 the increase in the public debt of Queensland amounted to £49,000,000, which is an increase of 80.24 per cent., or an increase per capita of 35.35 per cent.

I would like to draw the attention of hon. members to the increases in the other States, as indicated in the following table:—

	Total Increase.	Percentage Increase.	Percentage Increase per Capita.
	£		
New South Wales	142,440,478	111.36	62.14
Victoria ..	81,221,621	108.63	69
South Australia	59,175,046	168.69	106.22
Western Australia	33,110,038	89.43	47.88

Had these figures not been disclosed, the people of Queensland would have thought Queensland was in a terrible position; but, when the true position is disclosed, it will be seen that between 1915 and 1929, during the period of the Labour regime, the percentage increase of the national debt was lower in Queensland than in any of the other five States in Australia. In addition to that, we have to consider the average rates of

interest on the public debt. These figures are very interesting—

	Average Rates of Interest— All States Combined.	Average Rate of Interest— Queensland.
	per cent.	per cent.
As at 30th June, 1915	£ s. d. 3 13 9	£ s. d. 3 16 7
As at 30th June, 1929	4 18 11	4 16 2

That means that the average of all the States had increased to the extent of £1 5s. 2d., while the increase in Queensland was only 19s. 7d. per cent. When you consider these figures, it must be realised that the Labour Government very carefully handled the affairs of this State as well as the public purse during their fourteen years of office. I think it very unfair to quote half-truths or to quote figures which are by no means comparative, and which are intended to give the impression that the Labour Government ran this State into a terrible financial morass. When viewed from the point of view of the other States, undoubtedly Queensland was the best handled of all the States in the Commonwealth.

The hon. member for Gympie made the further interesting statement that every Government recognised some good in the legislation of the previous Government, but the present Government did not even do that. That statement is very interesting when one looks over the previous three years, and sees the way measures passed during Labour's regime were emasculated. Viewed at from the other angle, you have to consider the condition Queensland is in to-day, and how necessary it is to review those conditions. And, further, it may be a commentary which is self-explanatory, on the type of legislation that was passed by the previous Administration.

The hon. member for Toowong made some statement with regard to hours and conditions. I would like to point out that throughout the world to-day, not only the leaders in the industrial world and their representatives in Parliament, but large financial magnates, the representatives of large financial concerns, and the captains of industry are realising that the old policy of sweating and long hours is not in the interests of the people of any country. There are hundreds of examples that I could give of leading financial experts the world over who in very recent times thought it necessary to make an examination of their consciences, an examination of their affairs, and an examination of the external affairs of the world; and they have come to the conclusion that the system cannot go on carrying those old conditions. They are, therefore, very reluctantly giving up the old idea, and are advocating what the Australian Labour Party and similar Labour parties throughout the world have been advocating for years. When you see a man like Chas. M. Schwab, Chairman of the Bethlehem Steel Corporation of the United States of America, with a capital of £27,000,000, very definitely advocating a moratorium—perhaps not only a moratorium but an absolute wiping out—in

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regard to war debts and also advocating a 6-hour day for the workers of America, you have to realise that there has been some hard thinking done. It is only the Conservative who is dying hard, and is not inclined to change with the times, and realise that science, machinery, and other factors are contributing to bring about the reduction of hours.

We have had arguments used with regard to the question of reduction of the hours of labour. We realise that the brains of the world to-day are looking for a solution of the unemployment problem; and authorities are definitely inclined to allow profits made out of industry to be set off against machinery, and that machinery is expected to carry the burden of the reduction of hours.

I would like to refer to the statement of the hon. member for Isis, who criticised the Labour Party proposals in relation to sugar. He definitely stated that the Moore Government took action to protect the sugar agreement in its entirety. On the recent occasion when the matter was brought up by the Commonwealth Government the growers agreed to a certain reduction. When we consider the action of the Federal Government in regard to the sugar embargo and the protective tariff afforded to the banana industry, we must realise that the Queensland Labour Government, being the only Labour Government in the Commonwealth, are being singled out for special treatment by the other States of the Commonwealth, backed up by the Federal Government. That may seem a hard thing to say; but one could not but realise that on seeing the apparent smiles of approval on the part of hon. members opposite while the hon. member was speaking.

The hon. member for Isis also mentioned the reduction in railway freights by the Moore Government. I would point out that those freights were reduced immediately prior to the election, and can be considered as nothing but a political bribe; yet we have the hon. member for Cook and other hon. members talking about votes being sold by auction to the people of Queensland by the Labour Party for the purpose of obtaining the reins of government!

Mr. KENNY: Quite right!

Mr. P. K. COPLEY: I am glad the hon. member agrees with me on that. I repeat that this was a method of bidding for the votes of people in Western districts and other districts served by the railways which would benefit by reductions in freights.

Mr. KENNY: Why didn't you increase them in the metropolitan area?

Mr. P. K. COPLEY: So far as the actual cost of transport in the metropolitan area is concerned, had it not been for the short-sighted policy of members of the same party and calibre as Opposition members who more than twenty years ago allowed private companies to build tram lines parallel to the train lines so that they could get good fat dividends out of them, we would not have been in the position we are to-day in regard to transport in the metropolitan area. If the reductions in freights were so necessary, there was need to do it much sooner than three months prior to the election.

I have heard the hon. member for Murilla loudly praising in this Chamber the man who he said was a heaven-born genius—his

private secretary—a man who took scissors and paste and cut from reports by leading engineers and people on the other side of the world and made them appear original. It has since been proved that that was the case. If this man was a heaven-born genius, he would surely have realised that this reduction in freights was necessary a long time before the elections. The thing is too ridiculous for hon. members to get away with that statement. There is no doubt that it was simply a political bribe.

Certain statements have been made in this Chamber with regard to the election activities of the Queensland Women's Electoral League. In spite of what may be said by the hon. member for Wynnum, the statements of the hon. member for Kelvin Grove and the hon. member for Bulimba are absolutely correct. It has been said that hon. members on this side are defamers of women because of their conduct in this respect; but such remarks come with very bad grace from members of the Opposition, who hide themselves behind the skirts of the members of the Queensland Women's Electoral League. The fact remains that some of the greatest political malpractices have been perpetrated at the instigation of or with the approval of some members of the Queensland Women's Electoral League.

Mr. MAXWELL: You are not game to say that outside.

Mr. P. K. COPLEY: I have said it on the public platform, and I will say it again. I would like to refer to a couple of instances that actually occurred at election time. I know quite definitely that a month before the issue of the writs for an election postal votes were signed and witnessed by the paid organisers and members of the Queensland Women's Electoral League. I know also that certain institutions, the inmates of which were known to be supporters of this party, were absolutely barred from seeing Labour candidates, and that some of the members of the Queensland Women's Electoral League went out to those institutions and had the applications signed; and, when they were inspected at the returning officer's headquarters, they were found to be witnessed by the paid organiser of the Queensland Women's Electoral League for the district. One institution in the electorate of Kurilpa had inmates who very definitely and wholeheartedly supported the Labour candidates, not only in Kurilpa, but also in other electorates on the south side. When it became known to the authorities at that institution that these men were definitely supporting Labour—and at that time Labour did not have control of the Government and these men had been forced to walk 25 miles in order to get rations and this institution was the only shelter that they had—the authorities of this institution, in the presence of the paid organiser of the Queensland Women's Electoral League, very definitely said, "If you are not prepared to sign applications for votes and (what was a breach of the Elections Act) sign the votes in our presence, you can get out of the institution." Action has been taken to remedy this matter; but I want to point out quite definitely that I know from men who distributed literature on the Friday night before the election on my behalf that this was actually the position. On going through the list of votes and on making inquiries, I was astounded to find

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that this was so, and I can assure hon. members that, had that election been in any way close, those votes would certainly have been questioned before the election tribunal of the land.

Mr. MAXWELL: Give the names of the institutions.

Mr. P. K. COPLEY: The hon. member for Toowong wishes me to give the names of the institutions, but I say very definitely that it is not fair for me to say what institutions I am talking about. Hon. members will remember that on the eve of last election I disclosed something that had been done by the Nationalist organisation. Men were expected to work for ten hours in the control of the stalls erected by the Nationalist organisation outside the polling-booths for the palty sum of 5s. I handed to the press of Brisbane the original letter that had been handed to one man by the central organisation of the Nationalist Party, and that letter was published in the press of Brisbane. At the time this man was temporarily unemployed because the wool stores were not operating, but on the Tuesday after the elections when he went back to work he was asked, "If you want work, why did you give that information to Copley?" That man has not been able to get a day's work in the wool stores from that day to this; and the same thing would happen to those other men if I were to divulge their names.

Mr. MAXWELL: Give the name of the institution.

Mr. P. K. COPLEY: If I were to give the name of the institution, anyone would be able to approach the paid hiring of the Nationalist organisation, a member of the Queensland Women's Electoral League, and ask for a list showing the names of persons in such and such an institution who got postal votes. These persons would then be blacklisted by employers throughout the length and breadth of Queensland.

The Opposition have very vigorously attacked hon. members on this side on the question of the appointment of Governors. Epithets have been hurled across the Chamber, and hon. members have been called all sorts of animals. Viewed from another angle, one might consider the term "cormorants" and other such terms in relation to other matters under discussion. There is no member of the Australian Labour Party who definitely suggests cutting the painter. There is no member of the party so puerile or so childish as to suggest such a thing. From time to time hon. members opposite, in an endeavour to create a burst of enthusiasm and loyalty, try to wave the flag to the detriment of Labour. The loyalty of this party is something above the mere flapping of a flag and the breaking of promises made to the men who sacrificed themselves on the other side. Labour has stood for all time for the improvement of the conditions of all sections of the community.

I was very pleased to read the statement by the Premier the other night at a meeting of the Limbless Soldiers' Association. It is typical of the attitude of the Australian Labour Party on the returned soldier question. We in Queensland can be equally as loyal to the British Empire under a local Governor. Despite what might be disclosed by the pages of history, I should like to push the argument to its logical conclusion. If we cannot manage with a local Governor, how is it that the Chief Justice of this

State is able to manage the affairs of Government House as the representative of the King during the interregnum, if I may use that term, between the resignation of one Governor and the appointment of another, or during the absence of the Governor? He is doing that now, and he is doing it capably and efficiently. There may be occasions when considerable tact and acumen are required. A man who has sufficient ability to rise to the high and honoured position of Chief Justice in this land must have the courage and ability to tackle the duties appertaining to the position of Governor of this State. I do not want to be construed as having said anything to the detriment of our present Governor. I have only met him on one occasion. It was my privilege to accompany Mr. Speaker to Government House when he was presented to the Governor; and His Excellency struck me as being a very able politician and Governor, and a man possessing the ability to carry out his duties. I realise that occasionally a man is foisted on to a Dominion because he had managed to worm his way into some political party on the other side of the world. Those remarks do not apply to the present Governor. My remarks are made in an absolutely impartial spirit, and are not intended to detract from the merits of the gentleman at present occupying the position of Governor. I do not think it is wise, politically or otherwise, to attack the late Government for their unseemly haste in rushing through the appointment of the Governor.

Mr. SPARKES: One of your members said that the abolition of the office would save £12,000 a year.

Mr. P. K. COPLEY: The weird views possessed by the hon. member for Dalby in connection with the economy which could be effected by allowing the Chief Justice to discharge the duties of Governor are in contradistinction to his attitude on the Prickly-pear Land and Forestry Administration Bill, which augured well for his career in this Chamber. I am beginning to lose the very good impression I formed of the hon. member on that occasion.

Mr. SPARKES: I am allowed to act in this House according to how my conscience dictates.

Mr. P. K. COPLEY: The hon. member for Cook, in his usual political flippant way, asked certain questions concerning the unemployed. He asked what was the standing of a single man under the Government's unemployment relief scheme, and if one day's work would give him a decent standard of living, and would the cruel Labour Party tolerate those conditions. One would not expect to get such stuff if he were discussing the question intelligently with a third-class school boy of average mentality. I will show what a decent standard of living to-day is compared with the standard of living of relief workers under the previous regime. I am not satisfied that relief workers are getting what they are entitled to. The point of view of the Government and the Labour Party is that the system of relief work must be considered as relief work, and not as a job. We say that the people of Queensland must not look to the Government or the relief scheme for permanent employment. As the Treasurer recently remarked, we must endeavour to get every man back to work and off relief work.

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The Labour Party has honoured the promises made and improved the conditions of the relief workers. If the hon. member for Cook contends that the issue of rations for one week in addition to a day's work at 13s. 6d. per day in alternate weeks is a terrible standard of living, then he must squirm when his conscience tells him how under his own regime that same person received rations valued at 6s. per week and had to walk at least 25 miles in order to become qualified to do so.

Mr. KENNY: Did you not promise them the basic wage and then refuse to grant it?

Mr. P. K. COPLEY: The Government are dealing with measures for the relief of unemployment despite the mess that their predecessors left the finances in. Further than that, the Moore Government advanced money to the Brisbane City Council on definite terms and conditions. Those in authority in the council are of the same political creed and class as hon. members opposite, and they have refused to carry out the suggestion made by the Government to pay the men engaged on work under that loan at the basic rate. They definitely adhere to the standard of low wages which was adopted by the Moore Administration, and until such time as that money is expended the Government can do nothing so far as the wages paid by the council are concerned.

The hon. member for Cook referred to a standard of living. We do not say that it is a standard of living. It is an existence for these men; but we point out that the 13s. 6d. which these men receive every alternate week provides some sort of shelter for them, plus what they may get in other directions.

Mr. GODFREY MORGAN: You have added 7,000 to their ranks.

Mr. P. K. COPLEY: The hon. member for Murilla was absent from the Chamber when I was dealing with that aspect of the case. I repeat that the additional registrations are in respect of single men, who were not allowed to register under the Moore Government's scheme. So far as the statement of the hon. member is concerned, we have carefully considered the earnings of each member of the family, which have to be taken into account in assessing the family earnings. The son of a rich man will not get the benefit.

Mr. GODFREY MORGAN: You are only trying to camouflage.

Mr. P. K. COPLEY: It might be wise if some hon. members opposite indulged in a little introspection. They might find that they have single men working for them for a few shillings a week, the men collecting the balance in rations.

The hon. member for Cook raised a loud wail about unions closing their books to members who have resigned. When in a period of depression a member of a union cannot keep up his union dues, the union will not debar him from getting a position if he satisfies the executive of the union that he is unemployed and cannot pay his dues. The hon. member for Cook cannot quote one union which has debarred a member from getting a job. When, during the Labour regime, a man has accepted all the benefits

that accrue from union membership and adherence to Labour's principles, and then when another Government comes into office relinquishes his membership of the union in order that he may tell the new Minister that he has washed his hands of the Labour Party, then I say that the union concerned is quite within its rights in insisting that the men who have stood loyally to it shall receive preference. When industry is able to absorb all the men, then the books of the union may be opened again. Even where preference is granted, the Industrial Court can always be approached by persons who may wish to claim that the closing of the books is injurious to them, and, where the court is satisfied, it may make an order for the union to reopen its books.

The hon. member for Albert gave us a very interesting dissertation on the question of wages and conditions, and advocated a general levelling down. He said, "If you destroy industry, you destroy Queensland." I go further than that, and say, if you destroy the purchasing power of the people—if you destroy the wages paid or lower the wages paid—they will not be able to purchase the same quantity of goods, and unemployment will become more rampant in the industry concerned. Not only is industry destroyed, but the whole vitality of the State itself is destroyed. Queensland will be destroyed automatically, and the morale of the people will go. And it is not only industry that has to be considered. I can forgive the hon. member for Albert, because probably his viewpoint does not go to the men working down below. He is looking at it from the point of view of the party he represents—the people with the cash.

We must compliment the members of the Cabinet, who up to the present have been working day and night in redeeming promise after promise and in building up industry. Hon. members opposite may sneer and jeer, but it must be a very sickening sneer and jeer when they are reminded of their £2,000,000 promise and "Give the boy a chance!" The Labour Government, through the Cabinet, deserve to be congratulated for what they have done up to the present time. They have worked solidly, and they have had a hard problem to tackle. When we view the financial position of this State during the past few years and the problems we have to tackle, I, as a member of this party, realise just what the Labour Government are doing for the people of Queensland; and the people outside also recognise what they are doing. I sincerely hope that the Premier, at the Premiers' Conference, will be able to handle the representatives of the other States with the same amount of success that he did at the previous conference.

THE SECRETARY FOR PUBLIC WORKS (Hon. H. A. Bruce, *The Tableland*) [7 p.m.]: Hon. members opposite have made a great deal of the fact that the Labour Government reimposed the railway freights which were taken off by the Moore Government just before the elections. It is obvious that the railway freights were not classified in any proper way, and there has been no classification of the freights to assist men on the land or in secondary industries. The Moore Government just made a sweeping reduction at the eleventh hour before the elections, when it could only be regarded

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as being a gesture to the people of Queensland of a desire to secure their support at the elections. The Labour Party reimposed those rates on their return to power. Quite frankly, I think the whole question of railway freights should be gone into with a view to a reclassification of the rates. For many years no classification has taken place under either Government, and there is one anomaly after another in the rates. It will be found that the freights on different classes of goods impose a burden on anybody who wishes to assist the industries of Queensland.

I remember the ex-Treasurer regretting in his first year of office that he could not do away with the super land tax, and that it was necessary in the interests of the country to collect the tax. He expressed the same regret in his second year of office, and it was only in his third year at the close of which his Government had to face the electors, that he remitted the super land tax. I have a very shrewd idea that, had the Moore Government been returned to office we would have had a reimposition of the tax and also of the railway freights. The financial position when the Moore Government was in power was better than it was when the Labour Party came into power this year. Consequently, if they had felt a keen desire to assist the people, they could have given them the benefit of the reduction in freight for three years, and also have done away with the super land tax. There was a substantial credit balance in the Treasury when they came into power, and they were in a much better position than when the Labour Party attained office. Most intelligent electors realise that the reduction of freights by the Moore Government was merely a gesture to the people prior to the elections.

There have been some remarkable arguments used by hon. members opposite in regard to borrowing. The hon. member for Carnarvon very severely criticised the Government for borrowing, which he said was responsible for the unemployment which existed in Queensland. Several other Opposition members supported that contention; but later on the hon. member for Carnarvon and other hon. members said that it was necessary that the Government should give assistance, not by way of loan, but by way of grants to shire councils and to private enterprise to carry on industries. I would ask the hon. member how it would have been possible for the Government to grant the assistance we have if we had not borrowed money. The argument that a Government should not borrow money is based on false premises, because the whole of our business to-day is carried on on a credit basis. If it were not necessary for private individuals and Governments to borrow money, we could do without our banks to-morrow. The whole fabric of business is built on credit; and Governments as well as private individuals must get credit in order to carry on the business of the State. As Minister controlling main roads, I have received several deputations from shire councils asking that the commitments they have incurred to the Main Roads Commission may be lifted because of their financial difficulties. I admit quite frankly that the introduction of the motor car as a method of transport has placed on the shoulders of shire councils a burden they never carried before, and it is practically impossible for them to

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carry on. I believe that the Main Roads Commission assists them materially, but later on I think we shall have to develop a broader policy in order to lift the responsibilities that have been thrown on the shoulders of the local authorities. In the old days of the buggy and cart, vehicles moved generally within the boundaries of a given shire, and the roads required were not of the same high class as those which the motor vehicle demands, and shire councils then were able to meet their commitments. Motor vehicles pass through two or three shires in one day, perhaps pass from one State to another, or from one portion of a State to another distant portion, and the building of roads thus becomes a burden on local authorities. If we lift that burden, we cannot successfully contend that the Government can do without borrowed money. Every Government has borrowed money. Great Britain, of which so much has been said during this debate, has borrowed more money than any other country in the world because of the war. She had to have credit, and that is one of the reasons for her present difficulties. Every country has borrowed money. As a matter of fact, the arguments against borrowing to meet the necessities of the State are absurd, and cannot be substantiated.

Mr. KENNY: Borrowing within reason is all right.

The SECRETARY FOR PUBLIC WORKS: That is the difficulty; but what is within reason? I know men who have made fortunes because they have got so far in with the banks in a time of depression that the banks had to carry them; I have known others who always tried to meet their commitments and who went broke during a time of depression and drought. It is just a matter of luck; and it is difficult to decide how much should be borrowed. If Australia and Queensland are to feed the unemployed, it will be necessary to borrow a considerable amount of money.

Mr. KENNY: The main thing is how it is spent.

The SECRETARY FOR PUBLIC WORKS: The only way we can spend it with advantage is on reproductive work, by which we create an asset.

One hon. member on the other side quoted the statement of Mr. Arthur Henderson that we in Australia could not expect to get for our commodities such prices as would increase the cost of living to the workers in Great Britain. Since the workers in Great Britain and Europe as a whole have been impoverished, very largely because of the war and the excessive cost of waging it, their reduced purchasing capacity affects our prices, and it is quite possible that, if we doubled our output, we would get only the same cheque that we get to-day, so that the traditional cry of "More Production" may not get us out of our difficulties. At the same time, the man on the land is in a comparatively safe position in a financial crisis, because he can produce sufficient for the maintenance of himself and his family.

I do not desire to level any unjustifiable criticism against Great Britain, but it does seem remarkable that hon. members on the other side should rise in this Chamber and advocate a preferential tariff in favour of Great Britain at the expense of the country in which they live. We should first of all

turn our attention to our local requirements; and, if we are then in a position to assist the people of Great Britain by granting preferential treatment, we should certainly do so. Great Britain has enjoyed preferential treatment in the sale of our primary products, and has benefited to a much greater extent than Australia has benefited in proportion to the business transacted. All the delegates from Great Britain who have come to Australia, including the Empire Delegation and the Empire Press Delegation, the Big Four, and others comprising members of the British House of Commons, have invited us to place all our cards on the table; but, after doing so and after a full discussion of our respective difficulties, they have informed us that we would have to be content to supply the raw primary products to be manufactured in Great Britain. It must not be thought that the primary products supplied by Australia to Great Britain are all consumed in that country. In many cases they are resold to other countries at an increased price carrying an additional profit. How can we develop this nation to the status we anticipate if we are to remain primary producers, and if we are to be the "wood and water jocos" for the rest of the world? Secondary industries must be developed in this country. It is deplorable to think that the present Federal Government have not only arrested activities in our secondary industries, but have also materially jeopardised the successful operations of our primary industries.

The hon. member for Windsor has stated that Great Britain is entitled to look to Australia for preferential trade treatment in return for the defence provided by her; but there is no reason why the Federal Government, whether Labour or anti-Labour, should neglect the defence of Australia. There is no reason why they should neglect our defence so that Great Britain may enjoy preferential treatment to the extent of millions of pounds in return for the protection of her fleet. Quite recently the Japanese speedily occupied a country adjacent to their shores—a country that is able to offer a greater man-power resistance than Australia could offer to-day. We in Australia enjoy a position of isolation that was Great Britain's many hundreds of years ago; but methods of transport have been improved, and methods of warfare have been revolutionised, and, with proper aeroplane and submarine services, we could protect ourselves. If one of the great nations decided to invade Australia, it would not notify its intentions to Great Britain, there would not be sufficient time for the British fleet to come to our assistance. It would have to face the hazards of passing through enemy waters in coming to our assistance. We have done nothing to provide for our defence; but that is no reason why we should continue to neglect this important matter merely as a reason for granting preferential treatment to Great Britain. What is the use of endeavouring to develop this country; and what is the use of telling the people that we shall eventually become the greatest nation in the world, when we can practically be destroyed in twenty-four hours? I do not believe in an offensive warfare, but Australia is entitled to defend herself. If any nation attempts to invade Australia, we will protect our shores against the invader. We

would be fools to do otherwise, because, if we remained passive, our people and their homes would be destroyed. This is a serious matter. Foreign nations to-day have received certificates to manufacture British war plane engines. Australia should receive certificates for a similar purpose. We have men like Sir Kingsford Smith and thousands of young Australians who are only too anxious to have the opportunity of joining up with an air force for the defence of these shores. Although Sir Kingsford Smith is recognised as the greatest airman in Australia and one of the greatest airmen of the world, the Federal Government would not offer him an engagement at £10 per week in order to prevent him leaving these shores. It is all nonsense to talk about building up something if we are not prepared to defend it. I have seen many pacifists in my time, who, when struck on one cheek, did not turn their other cheek to the aggressor, but attacked in defence. That should be our policy, and we should be ready to do so.

We should not make too favourable trade concessions to Great Britain, because such sacrifices will prevent us from building up this country into a virile nation. The building up of a population in the northern areas of Queensland is a vital matter in so far as the question of defence is concerned. The Federal Prime Minister, Mr. Lyons, has attacked the sugar industry, which is the principal industry of North Queensland; and his action will force many families off the sugar lands, which will again revert to virgin scrub. The hon. member for Isis said that Mr. Lyons and our Premier will sign the sugar agreement; but he overlooked the fact that the so-called representatives of the sugar industry have already agreed with the Federal Government, under compulsion, to accept that agreement, and that they have sent letters requesting the Premier to sign it. Some of those representatives did not put up too strong a fight against the reduction in the price of sugar. The letter they wrote to the Premier is in the possession of the Government. They have asked the Premier to sign the agreement in conjunction with Mr. Lyons, notwithstanding that the Premier advised them not to agree to it, but to stand by the previous agreement. Yet hon. members opposite cloud the issue by saying that very shortly the Prime Minister and the Premier will sign the sugar agreement.

Some reference has also been made in regard to the activities of my department, particularly in connection with the renovation of homes by advances under the revival loan scheme. The Treasurer has made £100,000 available to the Department of Public Works to be expended in the renovation of homes, which is reproductive work. When I interjected in this respect during the speech of an hon. member opposite, he replied, "Oh, that is for Brisbane." The basis of the scheme is that advances will be made up to £300 on approved security at an interest rate of 5 per cent. over a period of ten years, the money to be utilised for extensions, repairs, or alterations to homes. If the owner of a home desires to paint only, the amount of the loan is smaller and its duration shorter. There is no limitation as to the income of applicants. We realise that, while many people may apparently be well off, their assets are frozen, and, if they are included in this scheme, they

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will take advantage of it. This work will lift the artisan out of the ranks of unemployed, and will make for activity in the timber, plumbing, painting, and furnishing trades. Probably, when a dwelling has been improved by repairs or by painting the furniture will not be quite suitable to the home; and then it will only be a matter of time before the housewife will be asking her husband to get new furniture. Then we shall probably be extending the operations to the furniture people as well. (Laughter.)

The scheme I have enunciated is a sound one. It will utilise the services of artisans who are now in the ranks of the unemployed. We hope in that way to make more money available for those who are unfortunately still unemployed and in that way revive that cheerful spirit that was typical of the average Queenslander until it was destroyed by the pessimistic utterances of the ex-Treasurer, whom I accuse of creating a most depressing psychological complex among the people. The hon. gentleman frequently urged that people should not spend—that they should be thrifty and watch every penny. One can easily guess the effect of such a policy—less money in circulation. It is a remarkable fact that in a period of depression and unemployment the ratio of unemployment increases as the savings bank deposits increase, simply because the person in employment who sees his next door neighbour out of work fears that he will be similarly circumstanced and tightens his purse strings. In consequence, less money is in circulation, the tradesman does not get the same amount of money through his books as previously, and the general effect is to produce a psychological depression for which there is no necessity.

Mr. COSTELLO: What happens to the money that is put into the bank?

The SECRETARY FOR PUBLIC WORKS: It all depends on how it is handled. Probably it is utilised by some private employer, who makes a good profit out of it without doing much in the interests of the people.

The fact is that this scheme will be reproductive, and will place a large number of people in work. It applies not only to Brisbane, as the pessimistic hon. member for Carnarvon observed, but to the State generally. A person in the country can make application to the local clerk of petty sessions, and provided he has sufficient equity in his house, either having regard to a first mortgage or to the equity where a first and a second mortgage have been given, he may secure an advance.

Mr. MAXWELL: He must have security.

The SECRETARY FOR PUBLIC WORKS: Certainly. This is an intelligent Government and it does not propose to throw money away. We know that our predecessors promised money to people without security, as, for example, the Renown Rubber Company. We know, too, that the Moore Administration held up the construction of workers' dwellings, thus creating further depression and accentuating the unemployment problem. When I became Secretary for Public Works I got in touch with the Treasurer, who agreed to an extensive plan of work, and this financial year £200,000 will be spent in building workers' dwellings. Hundreds of people with sufficient security were anxious and willing to build homes; but the late Government, to use the expression of one of

their own members, hamstringing the operations of the Department of Public Works, and prevented the circulation of money that would have provided employment. Either by design or by accident, their whole ambition was to reduce the rate of pay. We have adopted a different attitude and are endeavouring to put people into employment. As the Premier has said time after time, if we cannot find a solution of the unemployment position, and if it is going to continue and extend, that will be the end of our present form of civilisation. It is the endeavour of this party to put the people back into employment.

Another £300,000 is being spent by the Department of Public Works in connection with the building of schools, teachers' residences, and court houses, etc. We are paying rent allowances to teachers, which is costing the Government a considerable amount every year, and in order to avoid that expense we intend building homes for these teachers. The result is that we are giving reproductive work to the people. We are a business Government, and we require a return of interest on money we expend. Why is it that during the three years hon. members opposite were in power they never discovered this?

Mr. SIZER: We initiated it.

The SECRETARY FOR PUBLIC WORKS: For three years hon. members opposite failed to see these opportunities. They failed to see where money could be saved to the Government as well as giving reproductive employment to the people.

Another activity in connection with my department is the construction of main roads. We have excellent officers in the Department of Public Works. These officers take on a heavy responsibility in the expenditure of the enormous sums of money expended in this direction. They do their work excellently. I have found the Main Roads Commissioner and his staff are excellent officers. They seize every opportunity to relieve shire councils in the manner I mentioned earlier in the evening.

Mr. BRAND: How do they do that?

The SECRETARY FOR PUBLIC WORKS: Very often when they owe money to the Main Roads Commission they ask for a remission of payment. On many occasions they get that remission, and on other occasions the road is put under another classification, which saves expenditure to the shire council. That is another direction in which the Government are doing excellent work. We have quite a lot to thank the Commissioner of Main Roads for. We have been exceedingly lucky in getting a man like Mr. Kemp, because, as well as having a scientific mind, he has a practical mind. We have had a lot of criticism at times owing to the fact that many of our experts have a scientific mind but not a practical mind. Mr. Kemp has both. He is seized of the possibilities of Queensland, and practically has the enormous State of Queensland mapped out already. If the money is available and the programme I have in mind is carried out, the time will come when the work done by the railways at present in opening up and developing Queensland will be carried on by the Main Roads Commission.

Mr. KENNY: In competition with the railways.

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The SECRETARY FOR PUBLIC WORKS: One would think hon. members opposite would appreciate the fact that another form of development of the State has arrived—a form which is less expensive per mile than the railways, and will continue the good service that the railways have done for the people of Queensland.

Recently I made a visit to North Queensland, and particularly to my electorate. I admit quite frankly that I do not know very much of the south of Queensland, but I do know the north and west of Queensland very well. There is hardly a town in those portions of the State which I have not visited at one time or another. Many representatives of shire councils have requested me to visit their areas, which comprise some of the finest land in Queensland. I think the finest land in Queensland is on the Tableland in the North. I say that for the reason that in the worst seasons they seldom lose any of their stock. The large number of butter factories in that comparatively small area compared with the number of butter factories in operation all over Queensland proves it to be one of the highest productive portions of Queensland. Even on the Tableland there is a place I knew nothing of until the election campaign, namely, the Evelyn scrub, which I think is the best part of the Tableland. There is room for great development there. I saw crops of wheat and oats there equal to anything I have seen in any other place, although previously I had no idea that those crops did well there. I went to the Ravenshoe butter factory, where they have an up-to-date method of bookkeeping. I was shown the graph of the butter-fat returns for the twelve months period, giving the rainfall and production for the different months. While they had the natural grass in abundance, it was apparent how ensilage could be prepared to tide them over poor months which might eventuate, and by which they would be enabled to produce a regular supply of butter right through the year. I saw some of the finest clover crops there that it has ever been my good luck to see. It is a revelation to anyone who goes there, and, if anyone doubts my word to-night, the best way to test the matter is to visit the Tableland during the winter. Anyone who goes will agree with me that it is one of the finest portions of Queensland.

Hon. W. H. BARNES: Who represents that portion?

The SECRETARY FOR PUBLIC WORKS: A very intelligent member of the Government. As I said before, not only have they some of the best pastures in Queensland and the land is of the highest quality, but the people there are of the highest standard of intelligence, and they have elected a representative who will represent them with the same high standard of intelligence that they themselves possess. (Opposition laughter.) I did not stop on the Tableland all the time, as the Tableland does not hold all the possibilities of North Queensland. Unfortunately my time was cut short, as I was recalled and could not stay as long as I wished; but I took the opportunity of going across to Herberton. The ex-Secretary for Mines made several speeches in reference to Herberton. It is a town which has produced a great quantity of tin, and when I got there they had just put through a crushing which gave excellent results to the men engaged

in tin mining. Many of the prospectors there to-day have hopes which I believe will be realised if they get assistance from the Government; and I thank the Secretary for Mines for the support he is giving them to open up further mines which will continue the prosperity of North Queensland with regard to mining. The operations there to-day are a revelation to anyone who visits the place. We hear of the different classes of men who require assistance. I admit that there is a portion of our people who could more or less be classed as leaners, and who want everything carried to them; but we must admire men engaged in mining operations in North Queensland with the present low price of base metals, making 15s. or £1 a week and asking the Government for nothing.

Whilst I was absent, a question was asked in reference to the cost of the Chillagoe smelting operations. While the Chillagoe smelters may not be a straightout business proposition so far as direct profit is concerned, it is a wonderful business proposition in that it gives these prospectors the opportunity of making a living and maintaining the independence they prize so much, an opportunity of continuing an industry which may be valuable if the prices of base metals revive. In many places, to my surprise, I found that gold existed. I thought I had a fair knowledge of the mining fields and possibilities of North Queensland; but I certainly did not expect to find great gold possibilities in the Tableland country. I had the opportunity, however, of meeting several prospectors, and they had very good gold shows which may develop and add to the wealth production of Queensland and thus bring about better times. The men out there face hardships full of hope and expectation of making good any day. They are men to whom we look to develop the possibilities of the mining industry in the North.

Mr. MOORE: Did you get any options?

The SECRETARY FOR PUBLIC WORKS: I have no options, but I would not hesitate to put in some cash if I saw a good show and a good man on it in order to develop it and help him and myself if it turned out trumps.

In the North there is also a wonderful production of butter. In the very near future Queensland will be an important factor in the butter production, not only of Australia but possibly of the world. Queensland is going ahead by leaps and bounds. When one sees the possibilities on the Tableland, in South Queensland, and in other portions of the State, where more land can be opened up and factories established, one must realise that Queensland will be a prime factor in butter production.

The sugar industry has also great potentialities, and it is to be deplored that, when the Lyons Government attacked it, they overlooked the fact that £2,000,000 of new money is brought into Australia by that industry each year; and that the more people that are employed in the industry the more trade generally expands and the greater is the nation's prosperity.

The first industry that the Lyons Government attacked was the tobacco industry, which offers a means of settling people on the land more quickly and cheaply than any other form of settlement. Land that

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was practically valueless for any other purpose is being settled by men who are willing to work, and who get the full return for their labours. When we put people on the land, we need to put them there at the lowest possible cost, and set them to raising crops which will give them the quickest and best returns. One of the first actions of the Lyons Government was to reduce the customs duty on imported tobacco leaf, and to increase the excise duty on locally manufactured tobacco. The tobacco companies undertook to pay an average price of 2s. 3d. per lb. for a period of twelve months; but, as the time for the expiration of the undertaking approaches, the tobacco-growers are at their wits' end to know just what may happen in the future. There are wonderful possibilities in Australia for the production and manufacture of tobacco; and I hope that it will be possible to place our tobacco on the markets of the world; but I fear that, when an attempt is made by Australia to export tobacco either manufactured or in leaf, the great tobacco combines of Europe and of the United States of America will endeavour to thwart our desires. The retrograde Federal Nationalist Government have seen fit to attack the sugar and the tobacco-growing industries—two very important industries in this State.

Our timber industry presents a somewhat difficult problem to-day. Wonderful jungles of valuable timbers are available for exploitation, but, unfortunately, the market to-day is somewhat limited. It is the intention of the Government to permit logging operations on certain areas that will eventually be made available for dairying and other purposes.

Whilst many people are anxious to view the beauty spots in other parts of the world, it is well that I should remind them that in Queensland, and in North Queensland in particular, there are beauty spots attracting many tourists to-day and that will continue to attract them for many years to come. Here is a source of new wealth for this State.

It is the duty of the Government, so far as lies in their power, to provide employment in the development of our potentialities to the fullest possible extent. This morning I had the opportunity of studying a list of goods imported into Queensland from Victoria, New South Wales, and South Australia. I must confess that I am parochial in my views so far as Queensland trade is concerned. If the Southern States are prepared to support the Federal Government in a deliberate attack on Queensland industries, then Queenslanders in general, and those associated with the industries concerned in particular, should refuse to purchase goods from the other States that can be produced in Queensland. That would very soon bring Southern interests to their senses. They would realise that they could not assist in an attack upon Queensland industries with impunity, and that they could not indirectly jeopardise the welfare of the people of Queensland. An enormous quantity of Southern goods is purchased annually by this State; but, if the people in the sugar areas carefully noted the articles representing Southern imports and steadfastly declined to purchase these things, the Southern interests would realise that they could not continue to attack this State without some form of reprisals. The attack

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upon Queensland industries has been deliberately launched by an idiotic Government backed by Southern interests; and it is of such a drastic nature that drastic measures are necessary to bring them to a realisation of their responsibilities. Either they believe that the people of Queensland have not the intelligence of a ten-year-old youngster, or else they are so politically biased that they are prepared to destroy the industries in the greatest State of the Commonwealth. The people of Queensland should arise and forcibly inform the people of the South that they will not tolerate the attacks any longer.

Mr. MAXWELL: Send them a letter.

The SECRETARY FOR PUBLIC WORKS: It is all very well for the hon. member for Toowong to make such a foolish interjection. He is the type of man who would sell his own country. He would sit down and let them do these things, never lifting a finger to defend Queensland.

Mr. MAXWELL: You have done a lot.

The SECRETARY FOR PUBLIC WORKS: Mentally, the hon. member should be in the centre of his electorate.

Mr. MAXWELL: You are not a Queensland-lander at all.

The SECRETARY FOR PUBLIC WORKS: No; except that I have been here for twenty-five years, and during that time I have done a damned sight more work for the State than the hon. member. (Laughter.) I have made this my State.

Mr. MAXWELL: Of course you have.

The SECRETARY FOR PUBLIC WORKS: I have nothing to complain about.

Mr. MAXWELL: Don't I know it?

The SECRETARY FOR PUBLIC WORKS: This State gave me an opportunity that none of the other States have given me.

Mr. MAXWELL: That is right.

The SECRETARY FOR PUBLIC WORKS: That is the reason why I say that opportunity should be given to any other Australian who likes to come here and take advantage of what this State has to offer instead of the Federal Government attempting to destroy its industries. An hon. member opposite in the course of a speech the other day mentioned that the population of Queensland was increasing while at the same time the population of other States was decreasing. Why? Because Queensland offers greater opportunities to the individual than any other State in Australia. It is in defence of those opportunities that I am speaking. It is in defence of those opportunities that I advised the action I did. The hon. member for Toowong possibly overlooked the fact that there are probably a dozen members in this Parliament who came from the other States, among them his own Leader. He saw better opportunities in Queensland. He saw that he could not make the same quality cheese in Victoria as he could in Queensland or get the same profits. I am proud of the fact that I have lived for twenty-five years in Queensland; and I am proud of the fact that I had the opportunities that have come my way, and that I have made good use of them. That is the reason why I stand up for Queensland, the greatest State in Australia. (Hear, hear!)

During the debate on the Prickly-pear Land and Forestry Bill numbers of interjections were made in reference to certain

letters. I was asked to produce those letters, which I promised to do. It is a fairly long story, but, like fairy stories, it ends happily in so far as one man is concerned.

The first letter I desire to read is from the Deputy Forester at Atherton to Kenny Brothers—

“With reference to recent representations by the Hon. the Minister for Mines, and Messrs. Hardings Limited, in connection with your haulage contract with this department, I have to advise that the high interest charged by Hardings Limited appears to cover all the risks involved, and that the risks accordingly should apparently be borne by that firm.

“Are we to understand that the proposal is to transfer Hardings’ agreement as well as other assets to the department if it should accept the liabilities?

“I have also to advise that I have been successful in placing orders for large supplies of walnut for America, and it is thought that proportion of the resultant haulage in connection with same being secured by you will somewhat alleviate the position in regard to your creditors.”

The following letter was written to the Secretary for Public Lands:—

“I am enclosing herewith letter from Hardings Limited, Malanda, with reference to Kenny Brothers contract. I would be glad if you would advise me of the position and the decision arrived at in this matter so that I can pass it on.”

That letter is signed, “George Duffy.” The next letter is from Harding Brothers to Mr. Duffy, and reads—

“Hardings Limited,
Malanda, 28th August, 1931.

“Mr. G. A. Duffy,
Parliament House,
Brisbane.

“Dear Sir,—I understand that Kenny Brothers’ position has been discussed by the Cabinet in camera, and it was suggested that we were charging 17 per cent. on overdue accounts. You can guarantee your party, if they can find a client who is charged over 8 per cent. on our books, that they can confiscate the account. We have been paying 8 per cent. to the bank ourselves, and if we are pushed for this account of Kennys’ we will have to put a hundred on to the road to get enough to meet it—a thing we do not wish to have to do.

“We would be glad if you would see the Minister for Mines, and also Mr. H. Walker, Minister for Agriculture, on this matter.

“Waugh and Josephson will be calling on you to represent us when you are having conference with the Ministry; if there is any information you require, wire us at Malanda; you could give us some idea of what their objections are for not assisting the business. Cabinet were to have had a conference with us the day I left, but when it came to the last minute they wired they were too busy.

“Things are quiet on the Tableland; we will see you at Malanda Show.

“Thanking you for your attention in this matter.

“Yours faithfully,

“HARDINGS LIMITED,
per J. Lynch, Director.”

Remember, the Cabinet held a meeting in camera, and later on arrangements were made for the representative of Messrs. Waugh and Josephson to consult with the Cabinet. The next document is—

“Telegram.

“7th October, 1931.

“Forestry,
Brisbane.

“Fifteen hundred will clear tractor Mortgage property three thousand Bank valuation eight thousand Position truck log hauler same as reported memo, except orders Fifty pounds month will be deducted Not likely log hauler be repossessed. Could work contract without lorry.

“DAWSON.”

“Mr. Ross, of W. and J., called; stated that his company had heard that Cabinet was considering making payment for the tractor, and asked for urgent decision, as others were desirous of taking delivery. W. and J. representative in N.Q.; advised that Kenny Bros. had somewhat neglected the tractor, and already a number of spare parts were necessary. Mr. Ross states that he thinks about £1,700 is due on the tractor. The new purchaser is prepared to pay more than the amount due. I advised that the matter would be considered by the Minister, probably to-day, and W. and J. would be advised of result.

“C.J.T.

“8-10-31.

“No action can be taken on Government part to help Messrs. Kenny Bros. that incurs financial aid.

“Advise Kenny Bros. to consult a solicitor re possibility of relief under Mortgagees Relief Act.

“W.A.D.

“8-10-31.”

As in the fairy story, one man turns out all right in the finish.

Mr. MOORE: What are you trying to show?

The SECRETARY FOR PUBLIC WORKS: The hon. gentleman will see in due course—

“13th October, 1931.

“Dear Mr. Atherton,—With reference to your personal representations on behalf of Messrs. Kenny Brothers, of Minbung, relative to their request for assistance in connection with the completion of purchase of tractor, I have to advise that the matter has received my serious consideration, but in all the circumstances I am unable to accede to their request.

“I understand that it has been suggested that Messrs. Kenny Brothers seek relief under the Mortgagees Relief Act, and if they do this, doubtless the action of repossession can at least be deferred.

“Yours faithfully,

“(Sgd.) W. A. DEACON,
Minister for Lands.

“Hon. E. A. Atherton, M.L.A.,

“Minister for Mines,
Brisbane.”

Mr. MOORE: What is it all about?

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The SECRETARY FOR PUBLIC WORKS: The hon. gentleman will find out in the end; he knows as well as I do what it is about.

"17th November, 1931.

"Dear Sirs,—I have your letter of 28th ultimo relative to the repossession of caterpillar tractor by Messrs. Waugh and Josephson.

"I am advised by the Forestry Board that a telegraphic communication received from the deputy forester, Atherton, on 17th ultimo, indicated that you had advised him you could arrange finance if your contract period was extended two years. This was immediately agreed to subject to certain conditions, and it was thought that the matter of finance was then settled.

"I am given to understand that no guarantee of continuity of employment was made when you accepted the contract, and you can readily understand the impracticability of falling and hauling logs for which there was no market.

"I am advised that your promissory notes to Messrs. Waugh and Josephson for payment of the caterpillar were endorsed by Messrs. Hardings Limited, which this firm was to receive certain interest, and I am at a loss to understand by the guarantors' security was not accepted.

"Also, previous to advising you to apply to the court for relief under the Mortgagees Relief Act, I had the best legal advice available that this Act would apply in your case. I have been informed again that your case was one to which the Act applied.

"I regret the inconvenience caused you and sincerely hope you will successfully see the contract through.

"Your faithfully,
"MINISTER FOR LANDS.

"Messrs. Kenny Brothers,
"Minbun, North Queensland.
"B.C.—The Deputy Forester,
"Atherton.

"17th November, 1931."

The main point is as follows. On 24th May, 1932, one month before the election, the following letter was received:—

"Minister for Lands Deacon writes Attorney-General Macgroarty, then acting as Minister for Lands.

"If you can get approval for this it will save money for the department as the proposed new road will decrease costs of haulage and it will also relieve Atherton considerably. He has been haunted by Kenny Brothers (no relation to our Mr. Kenny) for some time, especially now. They want to get out and it will be best for all to let them get out."

All these letters prove conclusively that Kenny Brothers had no claim whatever. The Secretary for Public Lands had written letter after letter stating that there was no claim, yet a month prior to the election they advised the payment of £900 because it would relieve Mr. Atherton in his election campaign because Kenny Brothers were haunting him. This is the recommendation of Mr. Deacon to Mr. Macgroarty, which was adopted by a special Cabinet of three

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members, and the resolution carried in Cabinet was—

"Pay Kenny Brothers £900 cash."

These are the people who criticise the Labour Party in so far as election promises are concerned. The whole of the correspondence proves conclusively that Kenny Brothers were entitled to no compensation; that they had a contract which they should carry out. Then in May, 1932, a month prior to the elections, Mr. Deacon sent an "S.O.S." as a result of a letter written to him by Mr. Atherton suggesting that Kenny Brothers be paid £900 as it would assist Mr. Atherton in the election campaign. Kenny was paid the £900, and during the last few days of the election contest he actively campaigned for the ex-Secretary for Mines.

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

Mr. ROBERTS (*East Toowoomba*) [8 p.m.] I have listened attentively to the Secretary for Public Works, and I regret that he has shown a lack of courtesy which is due from a Minister. I certainly expected that he would have observed the dignity associated with the position of a Minister of the Crown. I do not quite understand the references he has made during the ten minutes he has taken to read the correspondence he has dealt with; but I know that, if the ex-Secretary for Public Lands signed his name to a document, the utmost reliance can be placed on the document. I have known the ex-Secretary for Public Lands for upwards of thirty years, and I will vouch for it that he did not sign the document which has been quoted without believing it to be in the interests of the State.

In listening to the oration delivered by the Minister, one would assume that the Government of which the ex-Secretary for Public Lands was a member had done nothing for the State of Queensland. Does the Minister not remember that Labour came into power in 1915, and that the position in which the Moore Government found themselves when they came into office was occasioned by the action of the previous Labour Governments in endeavouring to carry out what was called "Socialism in our Time?" I have in my hand the little red book which was issued by the Labour Government in 1918. I was reminded of it when the Minister gave his wonderful oration on the expenditure of public money in the erection of buildings. Let me say that the erection of school buildings and teachers' residences under the conditions he talked about was planned and arranged and carried into operation before the present Government came into power. It was undertaken by the ex-Secretary for Public Works and ex-Secretary for Public Instruction, the hon. member for Logan. That was the policy of the Moore Government, and the present Government are only carrying out that policy. I would ask the Minister who made the report to the effect that it would be to the advantage of the State to build school residences for teachers instead of the teachers having to rent houses? It was the officers of the department who made the report at the request of the ex-Secretary for Public Works and Public Instruction. There is no credit whatever to be attached to this Government so far as that is concerned.

Government members talk about a lot of things they are going to do. We have heard Beerburrum mentioned. The Secretary for Agriculture talked about the thousand homes they were going to provide for farmers. He has talked about making 1,000 boys into farmers, and about having 1,000 farms ready for those boys when they have gained experience.

The SECRETARY FOR LABOUR AND INDUSTRY: What is wrong with that?

Mr. ROBERTS: There is nothing wrong with it if the State can afford to pay for it. What is wrong with it is to read in the public press that the scheme is deferred for six or twelve months. If it is a good thing, why not go on with it?

The SECRETARY FOR LABOUR AND INDUSTRY: We are going on with it.

Mr. ROBERTS: I will read from page 104 of "Socialism at Work"—

"Beerburrum was the first soldier settlement on which men have been placed on their holdings. The scheme adopted there is to be extended to the other group settlements."

A little later on we find this paragraph, under the heading, "The Results to date"—

"More than six months have elapsed since the first blocks were selected at Beerburrum by returned soldiers, and the men have all held to their farms and speak enthusiastically about their prospects. Many are marrying and most have come to regard their blocks as permanent homes."

Unfortunately, they were not homes, but the Government are sending them back to that land. If it turns out to be a success this time, I shall be glad. I regret, however, that the Government are repeating an experiment which turned out so dismally for themselves and the people who took up this land previously. That land could have been selected many years before at 2s. 6d. per acre. For years it was offered to the public, with a railway running alongside it, but nobody took it; and it is remarkable that this Government on two occasions should select it for settlement and the expenditure of public money. It looks to me as if they are out for absolute failure.

The hon. member for Kurilpa seems to have given a good deal of attention to the remarks of many hon. members who have spoken in this debate. I do not propose to follow his example, beyond mentioning two or three hon. members whose speeches I have heard to-day. The hon. member spoke about the other States and their loans; and undoubtedly borrowed money is one of the causes of our difficulties. In Queensland and elsewhere much of our public debt represents money borrowed by men of political opinions similar to those of the hon. member. When Labour took office, Queensland's loan indebtedness was £44,276,000 and the interest bill was £1,635,000 annually. When they went out of office, the public debt was £112,338,979, and the interest bill £5,214,595 annually. Is it any wonder that Queensland has got into the financial position in which she finds herself? The only thing that is likely to put us on an even keel is an increase of population, and unfortunately the Labour Party's policy does not assist us there. I recognise, of course, that in our present

position we cannot even find work for our own people.

We have listened to this debate for over a week, and I have not yet heard one suggestion from the Government side that is calculated to increase the real wealth of the State. Relief work is not going to get us anywhere. The Government say that they do not want to retain that system permanently. I give them credit for that, but they proceed as if they have no expectation of anything better. They talk about the standard of living, and certain rates of wages. As I said yesterday, how many men in this State can find employment at those rates? Is it not a fact that, unfortunately, over one-third of our population are unemployed?

Let me make another comparison, based on their fourteen or fifteen years of office. These figures are interesting—

	1915	1931
Population	680,463	962,433
Number of factories ...	1,775	2,172
Number of factory employees	42,079	46,113

During the fourteen years of Labour rule the population in Queensland increased by 280,000, the number of factories increased by 400, but the number of factory employees increased by only 400, or less than $\frac{1}{2}$ per cent. That is the result of the activities of the Labour Government—a Government composed of representatives who allege that they represent the interests of the workers.

Reference has been made to the Toowoomba foundry during this debate. I said during the election campaign, and I say it again in this Chamber, that my action in connection with the Toowoomba foundry was in the best interests of the men employed therein, in the best interests of the City of Toowoomba, and in the best interests of the State of Queensland. I would be prepared to take the same action again in similar circumstances. I was prepared to make the matter an issue at the last election in the East Toowoomba electorate. What was the position? Griffiths Bros. were prepared to provide employment, and probably 10 per cent. additional employment, at not less than the basic wage in Queensland, which was considerably higher than the basic wage in the other States of the Commonwealth. The Industrial Conciliation and Arbitration Act passed by the late Government empowered the Industrial Court to take into consideration the effect of Southern competition upon a Queensland industry and to make a special award for that industry. After hearing evidence and the parties concerned, the court ultimately decided that it was justified in making a special award for the Toowoomba foundry, but there were immediately rumours of strike. However, work proceeded for a number of days, but on the day prior to the date upon which the award was to operate an appeal was lodged by the union. In the meantime Griffiths Bros. proposed to pay a certain wage and to pay a certain amount to suspense account pending the hearing of the appeal. As the time for the hearing of the appeal approached, the employees concerned stated that they would strike if the decision went against them; but wiser counsels prevailed. They realised that they could not seek the protection of the Industrial Court whilst a threat of

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strike was in the air, and it was publicly announced that there would be no strike. The Toowoomba foundry was held up again on another occasion, and for three months the matter dragged wearily through the court. No court should be allowed to hold up industry for a period of three months. There should be a much speedier way of dealing with industrial questions. If this unfortunate trouble had been settled within a week, the present unsatisfactory position would not have arisen. The continued adjournments of this matter by the court are, to my way of thinking, totally wrong. Some provision should be made in the Act so that such matters could be considered matters of urgency, the same as strikes. I have yet to know why the court should take three months to come to a final determination. There is no doubt that determination will eventually come. If that determination is for the good of the employees, then it will certainly be in the interests of Toowoomba, because the interests of the men are wrapped up in the interests of Toowoomba, and the welfare of Toowoomba is largely dependent on the expansion of this industry.

The TREASURER: Do you say that the appeal has not yet been heard by the court?

Mr. ROBERTS: The appeal has been heard, but no decision has yet been given. No one knows what effect that decision will have on the operations of the Toowoomba foundry and whether Griffiths Brothers will be able to compete with Southern manufacturers. My object in speaking on this matter is to point out that representatives of Labour cannot on any occasion see any good in the individual or individuals who have the responsibility of finding the wages. I have worked myself as an employee, and have given work as an employer, and I know something about the matter. It is all right for an hon. member to make a speech on the Government side to suit the man outside; but it gets the men nowhere. A private employer is in a totally different position to the Government. It does not matter whether there is a shilling in the till of the Government or not, money is found in order to pay the salaries and wages of the public servants. It is not so with the private employer. Once the banking account of a private employer is in debit, the difficulty of finance arises. That is a difficulty which is always overlooked in dealing with these matters. Something should be said in favour of the Toowoomba Foundry Company. We have heard a lot of talk about building up industries in this State; and declarations have been made of the injury which the Commonwealth Government have done to Queensland in connection with the deliberations at Ottawa; but here is an instance where the ideals of the members of the present Government are injuring industry in Queensland. Here is an industry which has been injured considerably by those ideals. I can assure hon. members that the Toowoomba Foundry Company is facing considerable difficulty. It is facing Southern competition where the wages are lower and the hours of work longer. It is endeavouring to establish an industry in Toowoomba right away from the seaboard, where the average man would not think of establishing an industry. It may seem a remarkable thing to say it; but, if I desired to establish an industry similar to that of the Toowoomba Foundry Company, I would not do so in

Toowoomba. I would establish it close to where I could obtain all my materials. The Toowoomba Foundry Company was established many years ago, when wages were not so circumscribed as they are now. It has turned out skilled tradesmen, and has given work which has enabled many men to establish homes and rear their families in Toowoomba—men of whom the city is proud. I would be recreant to my duty if I did not try to do something to assist these works to continue their operations in Toowoomba. The Government do not help us at all. This is the point I wish to make, and I have no wish to be offensive. The Government do not help us, because they only look at the interests of one side, and do not view the position in the light of the public interests.

I have heard public men say that we should have business men to determine industrial matters. I subscribe to that view. Hon. members cannot tell me—and I do not say this with any desire to be offensive—that the gentlemen occupying the bench of the Industrial Court to-day are competent to deal with every matter that arises. It is all right to talk about their competency in sifting evidence; but it is practical experience we want on such tribunals, and not theoretical knowledge.

The latest figures which I have been able to obtain in regard to the importation of agricultural machinery into Queensland from the South within a six months period—and this is continually going on—show that £55,000 worth of machinery has been imported. That machinery could have been made by the Toowoomba Foundry Company, who specialise in that class of work, and probably by firms in other centres. All that machinery should have been made by the Toowoomba Foundry Company under certain conditions; but, instead of that, £55,000 worth was imported from other States. Let us now see what has been done so far as Queensland is concerned in trying to sell something to the other States. We find that £4,500 worth of machinery was sold by Queensland for use in the other States, and of that £4,129 was sold by the Toowoomba Foundry Company. I can anticipate that the Secretary for Labour and Industry will tell us that, because the Toowoomba Foundry Company was able to do that small business, it is an indication that it can compete successfully. That is nonsense. Articles can be manufactured and actually placed on the market at a loss to the manufacturing firm, who do that in order to explore the market. It may be all right for the Minister to say that, because Griffiths Brothers sold £4,129 worth of machinery, they were doing so at a profit.

The SECRETARY FOR LABOUR AND INDUSTRY: They are making a fair profit.

Mr. ROBERTS: Their idea is to conduct operations on mass production methods to enable them to compete at a profit.

When dealing with this question I try to be fair. I know, and I say fearlessly, that Griffiths Brothers as individuals are difficult to get on with. They have their own ideas of running their business. They are of what might be called the old type, who say, "This is our business, and we want to run it in our own way." It is unfortunate that they are of that nature. I have known these men for a lifetime. I knew them at school, I know how determined they are; and I realise how they view the question of

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running their business and being controlled from outside. It is, perhaps, regrettable that, under the regulations which a business must accept or cease operations altogether, they do not adapt themselves more readily.

The SECRETARY FOR LABOUR AND INDUSTRY: That is very good advice.

Mr. ROBERTS: I have given them that advice, and they have listened to it. They know their position; but they are finding the money, and, if they are not prepared to run the business, who is it that suffers? Unfortunately, it is the employees in the first instance, and the city of Toowoomba in the second instance.

No one regrets more than I do that, following the amended legislation which was passed last year, this position has been created in connection with the Toowoomba Foundry Company. I am merely making these statements to-night in view of the discussion which has taken place, and in an endeavour to let hon. members know what the position is. Apart altogether from political considerations, I sincerely hope that some effort will be made by which a way out may be found and that business enabled to work successfully again.

Is it likely that Queensland is going to make any strides in land settlement under the policy of the present Government? Have they forgotten the sums of money which the previous Labour Government spent on commissions and reports? They introduced various forms of legislation to encourage land settlement; but even before they went out

of office they had to abandon their own legislation to make it possible for people to cultivate land in Queensland. I understand that it is their intention to reintroduce the perpetual leasehold system. I can hardly think there is any sanity in that. They say, "This is our policy, and we are going to have it, right or wrong." They have had experience. They have the records in the Lands Department; and surely they cannot desire to do well for Queensland when they are putting the perpetual leasehold system into effect again. I received a letter the other day from the Secretary for Public Lands saying that the policy of the Government was perpetual leasehold tenure, and that a proposal started during the regime of the late Government could not be gone on with.

Mr. KENNY: The Minister said they would honour all agreements.

Mr. ROBERTS: They are not honouring an agreement in this case. I assume that the Lands Department was dealing with this matter before the Labour Government came into power. However, I shall look up the matter and ascertain the facts. I quite believe that it was the intention of the Government when that announcement was made to honour all agreements made with the late Government, whatever may have happened later. I was dealing a moment ago with the perpetual leasehold system and land settlement generally and the following table shows how settlement decreased under the Labour Government—

1900/14.		Acres.	1914/28.		Acres.
Selections	1900	23,755,576	1914	69,138,080	
	1914	69,138,080	1928	89,269,408	
Increase		45,382,504	Increase		20,131,328
Add area freeholded— 1910 to 1914		2,906,361	1915 to 1928		1,461,159
Total Increase		48,288,865	Total Increase		21,592,487
1909/14.		Acres.	1922/27.		Acres.
Selections	1909	42,671,627	1922	90,536,623	
	1914	69,138,080	1927	99,331,221	
Increase		26,466,453	Decrease		1,205,402
Add area freeholded— 1910 to 1914		944,998	1923 to 1927		701,252
Total Increase		27,411,451	Net Decrease		504,150

The Year 1927 (latest year for which statistics available)—

		Acres.	
Selections	31/12/26	92,585,624
	31/12/27	89,331,221
Decrease		3,254,403
Add areas freeholded during 1927		177,663
Net Decrease		3,076,740

That is the position so far as the land settlement policy is concerned. We know that, if this State is to progress at all in the next few years, it will have to be through land settlement. I make a definite challenge to the Government that their land policy will show no improvement in our affairs. It is no use going on the lines of the Labour Governments in the past, which have proved so disastrous to Queensland. I sincerely hope

that at the earliest possible moment their policy in this respect will be changed. I am not finding fault with the Government for carrying out their policy. They have made a pledge to the people, and, unfortunately, the crucial question with regard to land settlement was not put to the front at that time. The cry of the people in 1929 was "Change the Government!"; and in 1932 they said, "Things are hard enough now,

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and can't be any worse; we will give the other chaps a chance." That is what happened, and I regret it. I feel satisfied that the lines on which the Government have started to administer the affairs of Queensland are not in any way going to improve our condition, but are going to send us speedily back to the condition we were in in 1929.

Mr. MOORE (*Aubigny*) [8.31 p.m.]: I wish to say a few words on the Financial Statement before it goes through, because remarks have been made by irresponsible and responsible members on the other side, some of which ought to be controverted.

When the last Budget was brought in the present Treasurer characterised it as the most lamentable Budget that had ever been brought into this Chamber. He has created a new record, and brought down a Budget that is even more lamentable than the one of the last year. The unfortunate part is that, after putting forward his suggestions and everything which he deems should be put before the people, we find it is not worth a snap of the fingers, because on page 15 he says that everything depends on the revenue. We all know that it depends on the revenue, and he is supposed to take into consideration what the revenue is going to be.

The SECRETARY FOR LABOUR AND INDUSTRY: Why did your Treasurer not do that?

Mr. MOORE: I do not want to talk to the hon. member, who does not know anything about it. The Treasurer is the one who may know something about it. The Secretary for Public Works gave a long and uninteresting tirade in order to give a little kick to the ex-Secretary for Mines, and read letters which did not convey anything to anyone. He knew about it, but nobody else had the slightest interest in it, and the gist of it was that the ex-Secretary for Public Lands advised that a certain contract should be closed and the parties recompensed, because it was going to be for the benefit of the State. The Minister wanted to leave that part out of it. All he wanted to do was to give a little bit of a rub to a man who had been defeated.

The SECRETARY FOR LABOUR AND INDUSTRY: You are very angry about it.

Mr. MOORE: I am not angry about it. It was contemptible on the part of a Minister of the Crown to get down to the position of wanting to kick a man who had been defeated and to bring departmental correspondence here for that purpose. It seems a miserable sort of thing to do; but that is what we have to listen to here from Ministers of the Crown.

The SECRETARY FOR LABOUR AND INDUSTRY: You had no compunction in trying to kick Mr. Theodore when he was down.

The CHAIRMAN: Order!

Mr. MOORE: We have had a conglomeration of figures from the opposite side. We have had a reply from this side, which suggested that the figures were not likely to be realised. We have had a suggestion from an accountant on this side, who said that the figures had been badly put together, and that the whole system of bookkeeping is wrong, and we have had further suggestions from the other side with regard to figures. We have had further questions raised as to whether the accounts are kept properly or not; whether the figures put forward by the

Treasurer are likely to be realised or not. All this may be very interesting; but the real thing we have to realise is that accountancy and arithmetic are not going to pull this country out of its difficulties. It is the agriculturist and the primary producer who will do that, and the things we want to know are: What attempt is to be made to put these industries in a position in which they can pull the country out of its difficulties? What is the Government's policy in this respect? What are they going to do?

The SECRETARY FOR LABOUR AND INDUSTRY: What did the Federal Government do?

Mr. MOORE: I do not know what the hon. gentleman would do without the Federal Government. The last time we were in Opposition the whole of the time of the Government was taken up by saying, "If we had the power, everything would be all right and there would be no unemployment; but we have not the power, because there is not a Federal Labour Government." Then they got the opportunity they had been asking for, but unemployment increased about 300 per cent. Since the Federal Labour Government went out of office, and the Lyons Government were returned to power, the cry of hon. members opposite has been, "What can we do to get out of our difficulties? We blame the Lyons Government. If we had nationalised banking, it would be all right." There is always something they have not got! It reminds me of the story of the plumber who goes to a house to do a job and on arrival finds that he has to go back for his tools—he cannot do anything without them. Hon. members always have to go back to get something they have not got.

The late Government did a great many things for our vital industries. We gave the cotton industry a guarantee which was worth £30,000. To the wheat industry we gave a price higher than was obtained in any other country in the world.

The SECRETARY FOR PUBLIC WORKS: What did you give the miller?

Mr. MOORE: The miller and the consumer were both all right. There is no city in Australia where bread can be bought as cheaply as Brisbane, as hon. members may see by advertisements in the papers. Hon. members opposite seem to be very grieved that somebody may be making a profit. They think the miller should be put in such a position that he cannot make anything and will have to go insolvent. That is always their point of view—they seem to be afraid that somebody will make a profit and be able to give employment. They ought to be thankful that the milling industry worked full time last year and employed all its employees at the highest rate of wages, and that it gristed all the wheat grown in Queensland, and that it was all sold in Queensland. They ought to be glad that the industry was able to work three shifts and make a profit. What is wrong with hon. members? Is it not the aim and object of the present Government to see that Queensland produces commodities to meet her own needs and give employment to her people?

We helped the meat industry because we carried out the recommendations of the Beef Cattle Industry Commission. We gave extensions of leases, a reduction in freights, and secured the abattoirs—in fact, we carried out the whole of the recommendations made by the commission.

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To the dairying industry we gave a lease of the cold stores in order that it could control the industry from the time the milk is taken from the cow until the butter is put on the boat.

On the other hand, what is the present Government's position? What have they done for these industries? They are the lineal descendants of the people who made the squatters squeal, who commandeered all the butter in Queensland so that the Secretary for Agriculture could get up in this Chamber and say, "I am the only butter seller in Queensland, because I have commandeered all the butter in this State, and I am selling it 42s. per cwt. less than it can be purchased for in New South Wales." They are the people who increased the freights on wool and sheep and stock over 100 per cent.; they are the people who passed what we know as the "Repudiation Act," for which the people of this country are paying an enormous amount of interest to the United States of America because the Government could not get the money they wanted in London. That is the sort of thing we get from hon. members opposite in the way of assistance to these industries. The other night we had the Secretary for Public Instruction talking in a most beautiful way about the importance of the country. He said—

"It is the people who live in the cities who have profited by the people who live in the country. There is no question about that. Hon. members may think otherwise; but it is the city that has sat on the shoulders of the producers from the beginning of time, and still sits upon the shoulders of the producers. It is useless to say, as hon. members on the other side say, 'Oh, it is the worker.' They say the Government have no concern for anyone but the worker."

I interjected, and the Minister apparently became annoyed. I interjected, "What do they care for the woolgrower?" You can judge just how much they care for the woolgrowers by their actions and by their endeavours to assist them. I endeavoured to assist the woolgrowers by granting them extensions of leases and by reducing the rents. I endeavoured to assist them in every possible way, and the Government were criticised unmercifully for it. We recognised that the industry was of national importance; but immediately the present Government were returned to power they decided to impose additional railway freights, involving £325,000. That is to be taken from the pockets of the people in the country. Is that the way to help them? I cannot understand the point of view of the Government. It is all very well to talk like that; but you can judge the Government only by their actions. Have they endeavoured to assist the primary industries at all?

During the election campaign we heard quite a lot about the "Great Bread Ramp." Immediately they were returned to power the Government did exactly the opposite to what was expected. Instead of granting assistance to the primary industries, they proceeded to add additional burdens. Does anybody mean to suggest that the imposition of the super land tax is going to assist the people in the country?

Mr. FOLEY: You did it for two years.

Mr. MOORE: Hon. members opposite seem to think that because someone did something years ago they are justified in doing the same thing to-day.

Mr. W. J. COPLEY: Only two years ago.

Mr. MOORE: I do not intend to bother my head about the hon. member for Bulimba. The imposition of a super land tax is a tax upon capital, and amounts to a mortgage upon the property of the people who are trying to develop this country.

THE SECRETARY FOR LABOUR AND INDUSTRY: What percentage is paid by the legitimate farmer?

Mr. MOORE: Does the hon. gentleman think that nobody lives in the country but farmers? There are other people engaged in primary production in the interests of this country as well as farmers.

THE SECRETARY FOR LABOUR AND INDUSTRY: What percentage is paid by the people in the city?

Mr. MOORE: It does not matter if it is only $\frac{1}{2}$ per cent., the important thing to remember is that these industries should be encouraged. Are the Government encouraging these industries by reimposing the super land tax; and are they encouraging them by increasing railway freights as soon as they are returned to power?

Mr. FOLEY: It is paid by the city interests.

Mr. MOORE: If the hon. member will take the trouble to read the report of the Commissioner of Taxes, he will find that approximately one-half is borne by the country and one-half by the city. About £89,000 is paid by the country; and what is paid by the city is passed on to the purchasers of the various commodities.

The present Government are the lineal descendants of those who paid the Queensland wheat-growers 3s. 6d. per bushel for wheat and at the same time paid the Argentine growers 8s. per bushel; and that went on for some time. Their actions create a certain amount of suspicion, because they are the lineal descendants of previous Labour Governments, and they are carrying out the same policy. First of all they altered the land tenure and compelled the individual to accept a tenure that he did not desire. That statement is amply confirmed by the fact that the landholders converted to freehold as soon as they were given the opportunity. If we are to encourage land settlement, we must grant that type or tenure that the settler requires; and we should not compel him to accept the tenure that the Government desire him to have.

Mr. FOLEY: Does the new tenure increase his crop?

Mr. MOORE: No; but there are many other things that it does. The leasehold tenure does not provide him with an adequate security upon which to borrow, except from the Crown. With a leasehold tenure the local authorities have considerable difficulty in obtaining arrears of rates because they are unable to bring pressure to bear or to realise upon the property. The hon. member knows that.

Mr. ROBERTS: Hon. members opposite do not appreciate a leasehold tenure themselves.

Mr. MOORE: No. Prior to the elections there was a great deal of talk about the

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difference between socialism and individualism and what the former was going to provide and of what the Government intended to do; but since their return to power the only "ism" that has concerned them has been "opportunism." Their policy is to see what they can do in order to get the most votes, and how they can spend the most money to get the grandest political advantage for themselves.

The SECRETARY FOR PUBLIC WORKS: Like the £900 a month before the election.

Mr. MOORE: Anything that was done by the ex-Secretary for Public Lands was thoroughly honest and in the interests of the country.

The SECRETARY FOR PUBLIC WORKS: It was done by the Cabinet.

Mr. MOORE: Although it was done by three members of the Cabinet, I am perfectly satisfied that they did not do anything but what was in the interests of the country. I am satisfied that the Secretary for Public Works made the statement to try to have a little kick at the ex-Secretary for Mines, from whom he won his present seat. His attitude is rather paltry.

The hon. member for Rockhampton was put up after the ex-Treasurer, and made a long speech about the frightful position that Queensland was in when the Government took office, and he spoke of all the supposed sins of omission and commission of the late Government. He occupied the time of this Chamber for an hour, and made very heavy weather of his task. The hon. member remarked—

"According to the hon. member for Wynnum, Queensland has progressed, but we are not aware of it. Evidently we lack sufficient intelligence to realise the wonderful progress of Queensland under the Moore Administration."

What are the things that count in a question like that? Is it not the number of people employed, the rate of wages they are getting, the amount of employment that is offering, and the care that is taken of those who happen to be unemployed.

The SECRETARY FOR LABOUR AND INDUSTRY: And the equitable distribution of the national income.

Mr. MOORE: Does that not come within the category of the points I have just mentioned? If a number of the people are employed, and they are receiving the rates which are set down for them, and if a number are unemployed and they are taken care of, does that not involve an equitable distribution of the national income? I desire to bring forward a little evidence to show the position we were in.

Mr. W. T. KING: The people passed their judgment on you long ago.

Mr. MOORE: The people passed judgment on reports given by people who were prejudiced, and who stated the case wrongly to them. The people should have the right side of the case put before them from the official reports in order to show what it really is. Page 26 of the report of the April Conference of Premiers shows that the real wages in Queensland were by far the highest in Australia. That is the main factor that counts. That report was signed by Wallace Bruce, chairman, G. S. Colman, L. F. Gib-

lin, L. G. Melville, R. C. Mills, and Edward Shann.

The TREASURER: The statement has been made in this Chamber that that report was signed by all the Under Secretaries as well.

Mr. MOORE: The figures were naturally prepared by the Registrar-General and Under Secretaries of the States, but they did not sign the report. On page 22 of the report we find that Queensland, after taking into consideration the figures from all the other States, had by far the lowest number of unemployed. The report shows that the percentage of unemployment in New South Wales was 31.8, while in Queensland it was only 18.2. I quoted from page 11 of the report yesterday to show that the real wages in Queensland suffered a far smaller decrease than the real wages in any other State in the Commonwealth. That only goes to show that in Queensland real wages were the highest of any State, the cost of living was the second lowest—South Australia was a little lower—and that we looked after our unemployed better than any other State. We paid £32,000 more for the relief of unemployment than was the case in Victoria, although we only had less than one-third the number of unemployed that there were in that State. That shows that we treated them better than any other State in the Commonwealth. I think that settles that point.

Mr. O'KEEFE: That is the end of that!

Mr. MOORE: It should be the end of it, but, unfortunately, no matter what proof we put forward, hon. members opposite always say that we are wrong, and they persist in repeating erroneous statements.

At 8.51 p.m.,

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

Mr. MOORE: We had the following statement made by the Secretary for Public Instruction in commenting on the Estimates prepared by the Moore Government last year:—

"It is obvious that the rough Estimates were prepared as a prelude to the reduction of the wages of workers in this State to 10 per cent. below the 'Harvester' standard. That was established in a statement made by Mr. Lyons."

This afternoon we had the hon. member for Kurilpa putting up some sort of argument as if the hon. member were in a police court and had to question every word that was uttered. The hon. member gave the impression that we should be examined and cross-examined, and that straws should be split. I think hon. members opposite have quite a wrong idea of the real position at Premiers' Conferences. Representatives do not go there to try to get the better of somebody else or to make statements with the idea of covering up something that is not intended to be said. I think most of the State Premiers went there definitely opposed to the report of the experts and any reductions in wages. Each representative attended the conference with the definite object of trying to remedy the position of Australia by facing the position and seeing what other States were doing and what the Commonwealth proposed to do, and whatever advice could be obtained. Representatives have not gone there for the purpose of political propaganda. In my experience no one has gone there with that end in view;

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and any suggestion of such a thing would be generally deprecated. Yet we find hon. members like the hon. member for Kurilpa taking each sentence, analysing each word of the sentence, and putting a hidden meaning on the words to try to read something into the report which was never intended. What is that done for? Not for the benefit of the country, but in an endeavour to secure some political advantage in order to mislead the people.

Going back to the conferences that were held in May and June, 1931, the first recommendation that was made was that there should be a reduction in wages similar to what the Federal Arbitration Court had given, namely, 10 per cent. below the cost of living. No Government would agree to that except the Commonwealth Government. I do not want to cast any slurs on the Commonwealth Government. The fact is that the matter had gone before the Federal Arbitration Court, which had taken months to investigate the whole position. After hearing the evidence on both sides and studying the economic position of the country, that court thought it wise to give a 10 per cent. reduction below the cost of living.

Mr. W. T. KING: That would be about £2 18s.

Mr. MOORE: I could not say what it was at that time; it would be £2 18s. now. When the suggestion was made at that conference that action was necessary to reduce wages and everything else in accordance with the Premiers' Plan, no Premier agreed to it. If it had been the desire of the Queensland Government to do that, they could have carried it out; but they did not. They agreed that they would curtail controllable governmental expenditure by 20 per cent.

Mr. W. T. KING: You had an election looming.

Mr. MOORE: No, I am speaking of what occurred in 1931. We said at the time that we had a tribunal that had been given power to take into consideration the economic position of the country, cost of living, and everything else; and it rested entirely with that tribunal. Every other State in the Commonwealth that had a State Arbitration Court did the same thing. Victoria has wages boards, which follow more or less the Federal Arbitration Court. In Tasmania it is much the same. South Australia and Western Australia were very definite on the point, and Queensland was just as definite. In proof that we were definite, we did nothing. We allowed the Industrial Court to function as it considered best, and we never made any suggestions or anything else. The court was entirely free and unhampered to do what it thought right. We gave the court power to take into consideration the economic position of the country, and then we left it to the court.

The SECRETARY FOR LABOUR AND INDUSTRY: And you removed 50 per cent. of the industrialists from the court.

Mr. SIZER: And you have not put them back.

The SECRETARY FOR LABOUR AND INDUSTRY: They are going back now. Some of them have already been put back.

Mr. MOORE: It has been definitely stated by the Treasurer by way of interjection that the proposal was that complete industrial power should be given to the Commonwealth

to fix a basic wage and standard working hours, that the Moore Government would have done that had they been returned to power, and that would have been the standard. There is absolutely no truth in that statement.

The TREASURER: That was the method.

Mr. MOORE: It was not at all the method. This afternoon the hon. member for Kurilpa endeavoured to work in other parts of the statement as proof. Because we suggested a different basis under which the unborn child would not be paid for—we thought it would be better to pay childhood endowment—and because it was suggested that under the conditions at present operating an hourly rate might be of advantage rather than rationing, that is taken as proof positive that we agreed. Personally I am not used to the tactics adopted in police courts of being cross-examined and all sorts of inferences put on words used and suggestions made that were never made.

Mr. P. K. COPLEY: You would have reduced wages had you been returned.

Mr. MOORE: The fact that the hon. member says so does not make the slightest difference. I am quite prepared to say that, if the Industrial Court had heard the case and had reduced wages, then they would have been reduced. If it had increased wages, then they would have been increased.

We are in the position where members of Parliament refuse to accept definite statements made and are prepared to go about saying things would have happened when definite proof is given that such was not the case. The proof is that when there was no election looming when the conference was held in May, 1931, the same recommendation was passed, and the Government did not put it into operation although they could have done so.

Mr. FOLEY: What did you do with the station hands?

Mr. MOORE: What the hon. member's Government did with the Stanthorpe fruit-growers. I have no apologies to make for my action in that regard; and, to show that we were right, the court has refrained from putting them back under an award until after March next.

Mr. W. J. COPLEY: You reduced wages £300,000 more than was required.

Mr. MOORE: How can anyone say that we reduced wages more than was required? How can hon. members opposite say that we reduced it more than was required when this year there is going to be a deficit of £1,485,000? When there was a deficit of £2,075,000 last year, how can they say that we reduced it more than was required? We were required to reduce our expenditure by 20 per cent. and to keep on reducing it until we achieved budgetary equilibrium. To show that it was necessary, the present Government are going to economise. I quote my statement on page 15 of the report—

“One point which appears to be still in doubt is the effect of the exchange proposals on the budgetary position. The advantages to be derived appear extremely problematical.”

That was referring to the same recommendation. Then I went on to say—

“The Queensland Government have passed legislation directing the Arbitration Court to consider the possible and

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probable economic effect on the community as a whole on any determination they may give. Therefore, the court having full powers no further legislation should be required to give effect to that portion of the Committee's report."

That is the suggestion that, if they had not the power, it would be given to them. We said they had the power. Mr. Hill said—

"As regards reductions in wages and salaries, I have always pointed out that the control of this item of Government expenditure in South Australia is almost entirely in the hands of tribunals appointed under Acts of Parliament, and that any reductions in salaries and wages would have to come as a result of the considered opinion of those tribunals, having regard to economic factors."

We cannot say Mr. Hill agreed to it. Hon. members opposite have been repeating the statement that we agreed to these proposals, and that all the other Premiers agreed to them. I did not agree to any of them. When hon. members opposite know the position, it is not a fair thing to keep on repeating what they know is an untruth.

Mr. FOLEY: You must have more than agreed to it when you exempted more than 40 per cent. of the workers from the Industrial Court.

Mr. MOORE: I cannot make out the hon. member's arithmetic. How does he make out 40 per cent.? He has heard that from somebody else. As a matter of fact, the total number who were put out was 12½ per cent.: but the hon. member keeps on repeating 40 per cent. The next time he will say 50 per cent. The Secretary for Public Instruction painted a most glowing picture of the present Premier going to the Premiers' Conference. He said—

"The Premier of Queensland faced a solid phalanx of the Premiers of the other States and the Commonwealth, who had no idea of doing anything to turn the tide of affairs, and he solidly talked to them and got them to see that something more than sitting down and weeping had to be done to get rid of the depression."

At the top of page 27 of the report of the Premiers' Conference this was stated—

"From the outset the speeches at the conference clearly indicated that there was a consensus that the mere cutting down of Budget expenditure or raising the additional revenue, imperative as those steps may be, would not of themselves be a solution of problems confronting the nation."

The Premier of New South Wales spoke first, and then the present Premier of Queensland said—

"The Premier of New South Wales indicated clearly that the economies which might be effected in certain directions cannot, of themselves, do what is required."

The TREASURER: That is quite right.

Mr. MOORE: Quite right! I am only pointing out how foolish it is for the Secretary for Public Instruction to talk about the Premier of Queensland going down and facing a solid phalanx of Premiers. It is all nonsense. We all recognise that the whole of the States were in agreement on

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the one question of finding profitable employment for the people. That was the basis of the arrangement. That was the reason for the reduction from the beginning, because the national income had to be spread over as wide an area as possible.

Some comment has been made about borrowing, and the ex-Treasurer and other hon. members on this side who have spoken about it were taken to task by the Secretary for Public Instruction, who said—

"It was because of the altered conditions of Queensland and the whole world that the non-borrowing policy which then had very many things to recommend it has become subject to change. If Sir George Turner, one of the greatest Treasurers Australia has ever known, had lived in these days, he must have borrowed, much as he hated it. Every man who believed in a non-borrowing policy before the war must naturally have altered his opinion after the war."

Now I shall quote somebody who has expressed very definite opinions in this Chamber long after the war—Mr. McCormack—who on page 305 of "Hansard" for 1928 is reported as having said—

"We cannot solve the problem by throwing more money into unproductive works merely to settle the present unemployment problem. We do not intend to do that; and, if it makes us unpopular, I cannot help it . . . I think the feeling is broadcast that Australia as a whole will have to learn to live within her means, and it is because of that that I am attempting to lessen loan expenditure. If it can be pointed out to me that there is a project that will return interest, or that will nearly return interest—a project that will make for development, and will indirectly return interest on the expenditure—I am prepared to consider it; but merely to satisfy the claim that we should spend a large amount of money to create employment, well, that is an undertaking that this Government and no other Government can entertain in the future."

The TREASURER: He was replying to requests by the then hon. member for Enoggera and the hon. member for Sandgate, for the expenditure of money.

Mr. MOORE: He was not. He said that he wanted to impress on the people of Queensland the seriousness of the position. I have several quotations from speeches by the same hon. member. On page 746 of "Hansard" for the same year he said—

"My wish is that party politics will be kept out of this question of loan expenditure, otherwise it will bankrupt the whole of Australia. That is my convinced opinion, though it may be an unpopular thing to say. . . . Everybody knows that there is depression in Australia; but I do not think that depression can be cured by the lavish expenditure of borrowed money. I certainly will not be forced into that position. I would be unfair to the people I represent if I led them to believe that I could solve this unemployed problem—to use a colloquialism—merely by putting a stone in a hole in the road. It is not going to be solved in that way; it is merely going to be accentuated."

do not think we can get out of our position by borrowing money and throwing the burden which we should be carrying upon the shoulders of the people of the future. On page 1706 of "Hansard" for 1926, Mr. McCormack said—

"I do not suggest that we should have unification, but I do believe that sooner or later the Commonwealth and the States will be compelled to curtail loan expenditure. Everything points in that direction, and so far as we are concerned, we are not spending any more money than we can help. We are well under the allocation allowed us by the Loan Council."

Then, on page 748 of "Hansard" for 1928, he is reported as having said—

"I noticed only this morning a statement that the Brisbane City Council has dispensed with the services of 300 men in the sewerage branch since the council took over the work of the Metropolitan Water Supply and Sewerage Board. In addition to that, 500 or 600 men have been dismissed from general council work. Why has the council done that? The reason is that it was spending a tremendous amount of loan money; and, whilst it may be said that local authorities have to charge their ratepayers with the interest and redemption on loans, I think the ratepayers of Brisbane are beginning to realise that the lavish expenditure of loan money is creating a very difficult position for them.

"Mr. Moore: If they do not realise it now, they never will.

"The TREASURER: Can anybody urge me to go on spending loan money when it means that finally the citizens of this State will have to bear the burden?"

That is exactly what is being driven home to-day. We cannot get out of our position by borrowing. Unfortunately, for years and years we borrowed and borrowed and borrowed. There were approximately 180,000 men in Australia who were entirely dependent for employment upon money borrowed by Governments; and, when overseas borrowing ceased, they were thrown upon the labour market to be absorbed by private enterprise. We cannot borrow ourselves out of the present position. We are merely creating further burdens for the community at a later period. We can provide a certain amount of temporary ease; but eventually the position will become more difficult. Speaking in this Chamber in 1926, Mr. McCormack said—

"I desire to impress upon the House and the country that it is not possible for any Government—Liberal or Labour—to continue a big programme of public development without having to meet the inevitable interest bill that comes as a result of that expenditure."

That is the whole position. The people of this country are being urged to do a bit of painting to their houses, to put on extra sheets of iron, and to build roads; but how is that work to be reproductive?

Mr. W. T. KING: What is your solution?

Mr. MOORE: I can give it very shortly. Take the restrictions of industry first. The Government should not spend a lot of money in endeavouring to place the unem-

ployed on the land at the entire cost of the Government. There are hundreds of farmers' sons with small capital, and with stock in many cases. They already have the necessary experience. Instead of making land available at a ballot open to all comers, selectors should be selected from men of experience who now have capital and a certain amount of stock. They will bring the land into production very quickly.

Mr. W. T. KING: We cannot put all the unemployed on the land.

Mr. MOORE: Not all the unemployed.

The TREASURER: There is a good deal to be said for your suggestion.

Mr. MOORE: I know the difficulties surrounding it. There is a lot to be said for it, but there are difficulties in the selection.

The TREASURER: Quite a number of the employed will never become adapted to the land.

Mr. MOORE: That is so. They have not the experience, and they will merely place a load round their neck. The greater the number of experienced settlers the better it will be.

The TREASURER: That principle of selection is already contained in the land laws.

Mr. MOORE: It is not used very much. The hon. member for Rockhampton stated that the late Government had increased taxation by £2,700,000.

Mr. LARCOMBE: They are the Treasury figures.

Mr. MOORE: I do not know who gave them to the hon. member.

Mr. LARCOMBE: They are correct.

Mr. MOORE: The hon. member will look at the tables relating to the Treasurer's Financial Statement, at page 10 of which he will find that they are not correct. He will find that during the last three years of office the Labour Government collected £14,152,075 in taxation.

Mr. LARCOMBE: That does not affect the point at all.

Mr. MOORE: And that during the three years of the late Government the amount of taxation collected was £11,669,984, or £2,482,091 less than the amount collected by the Labour Government during a similar period. The hon. member said that we collected £2,700,000 more in taxation in our three years of office than the previous Government did. We could not have collected that amount of money, because the total taxation, income tax, land tax, etc., did not amount to that sum.

Mr. LARCOMBE: You collected £1,700,000 from the unemployment relief tax alone.

Mr. MOORE: I am talking about the total taxation. The hon. member said that my Government collected £2,700,000 more in taxation than his party's Government, and I am just quoting from the Treasurer's tables to show that we collected £2,482,091 less than was collected in the three years prior to our taking office.

The hon. member for Rockhampton also made some remarks about this Government having received £2,700,000 as a revival loan. To obtain this figure he placed all the money that was going to be

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spent out of loan money into the revival loan. He went on to say that his party had the best record of all Governments in the matter of loan expenditure in relation to the public debt—Agricultural Bank money, workers' dwellings, main roads, ordinary loan works, etc. I am quite prepared to admit that the hon. member's Government did not spend as much loan money in ten years as was spent in other States. We never said they had.

Mr. LARCOMBE: Your supporters did.

Mr. MOORE: The whole criticism of the expenditure of loan money has been directed to the return on the money that has been expended on public works. That is what counts. Just take the position for the period of ten years up to 1915. The total amount which the taxpayers had to find for interest on loan works during that period was £4,292,587; but for the ten years period to 1929 the amount increased to £23,971,039. The rest came from the services on which the money had been spent.

In 1905 the charge on revenue from loan works and services was 17.21 per cent., and in 1915 that was reduced to 3.72 per cent. The amount started in 1915 at 3.72 per cent. and worked up to 17.2 per cent. in 1929. Although the revenue was doubled, the charge on revenue from loan works was increased nine times. That is an extraordinary position, and is one of the causes of the difficulties we have to face. That is what Mr. McCormack recognised, and that is why he continued from 1926 to hammer away on the fact that the country could not afford to stand that position, and that, if persisted in, it would ultimately bring about disaster. In fact, Mr. McCormack said in one place that, if this state of affairs continued, it would bring about national disaster. The late Government can say that they did not issue one Treasury bill, and that they kept going on the money that was left to them in the various funds plus repayments. It was true that the previous Labour Administration left certain money in the loan fund, but there were all sorts of liabilities that had to be met. We did everything that was possible in the interests of the community, and left our successors over £1,000,000 to carry on with.

I desire to touch upon another question which has been often mentioned in this Chamber, and for which we have been criticised. The hon. member for Rockhampton said that in 1929 large sums of money were raised by the Loan Council and that Queensland did not participate in the allocation. We could not participate in the allocation of that money on exactly the same grounds as the Treasurer failed to participate in recent allocations. As I pointed out previously, hon. members can see from the report of the July Conference of Premiers why the Treasurer failed to secure any portion of that money.

Mr. LARCOMBE: You sent away money that you had.

Mr. MOORE: I will deal with that matter directly. Page 22 of the report of the Premiers' Conference shows the allocation by the Loan Council of the loan money, and the reason why Queensland did not secure a share. The reason given is that it was considered that Queensland could finance herself out of the moneys she had in hand.

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The hon. member for Rockhampton also said that the late Government lent money obtained from the Loan Fund to other States.

What did Mr. McCormack say in 1928? He said this at page 746 of "Hansard" that year—

"We have a cash balance in the Loan Fund primarily because we have not spent the sums budgeted for during the preceding years, and, secondly, because we have participated in loans floated by the Australian Loan Council, so that at one particular period we may have more money than we have immediate use for. There is nothing wrong with that. Under the arrangements with regard to the Australian Loan Council, the Commonwealth itself and the other States may take any surplus we have and use it, paying us interest on it."

That was Mr. McCormack's statement after his return from the Loan Council, showing clearly that the arrangement was that the Commonwealth or the other States might take any surplus moneys we had. To show that there may be a surplus, let us look at the Treasurer's Financial Statement, which on page 15 has this statement—

"The Loan Council has approved of gross expenditure by Queensland of £1,610,000 on account of the State's ordinary loan programme."

It will be noted it approved of the gross expenditure. It did not matter whether we had £10,000,000.

Mr. LARCOMBE: We always got our share, notwithstanding our credit balance.

Mr. MOORE: The hon. member will not stick to one point. He is like the little pig you could not count because he was running all over the place. (Laughter.)

Mr. LARCOMBE: And you are like the big pig. (Renewed laughter.)

Mr. MOORE: There is the definite statement—

"The Loan Council has approved of gross expenditure by Queensland of £1,610,000 on account of the State's ordinary loan programme."

Mr. LARCOMBE: You cannot deny that we got our share.

Mr. MOORE: At that time things were totally different. Loans were being floated. Now requirements must come from the Commonwealth Bank.

One or two matters more I desire to refer to in the Treasurer's Statement, which at page 16 has this statement—

"If, while a sound policy is being followed, overseas conditions improve and better values are obtainable for our primary products, I think Australia can be assured of a return to a fair measure of prosperity."

It is the reference to the "sound policy" that I particularly emphasise. The Government propose to spend £2,004,332 more from Loan Fund that was spent last year, and £1,352,135 more from the Trust Fund. If, as Mr. McCormack said, we cannot extricate ourselves from the trouble by borrowing and that we will only accentuate matters to do so, it would not appear that we are on the right track. After Mr. Lang's

election, we had the hon. member for Balonne saying at the time—

“In New South Wales the Lang Government are prepared to go along with a sound constructive policy similar to that of the Labour Administration in Queensland.”

We know the policy that Mr. Lang followed, and apparently in the Financial Statement which has recently been presented the same policy will be pursued.

The TREASURER: That little game of yours didn't cut much ice at the election.

Mr. MOORE: What little game?

The TREASURER: The little game you were trying to play now.

At 9.25 p.m.,

The CHAIRMAN resumed the chair.

Mr. MOORE: That is the policy that is going on—borrowing and spending. That is the policy that I am complaining about. It is not a question of keeping down governmental expenditure at all. It is a question of getting more taxation from the people. This year we are taking about £900,000 more from the people in the way of taxation than we took last year. The main people that we have to rely on are the primary producers, and they have shown a good example to the people of Queensland and of Australia; but what have they got for it? All they are going to get is extra taxation by increased freights, land tax, and the main road funds are to be taken into ordinary revenue. Is that going to be of any advantage? Personally I do not think so.

The TREASURER: How much of the main road funds did you take into account? £69,000.

Mr. MOORE: The only money taken in was the amount paid in interest.

The TREASURER: You charged a rate of interest that you were not entitled to charge.

Mr. MOORE: The Act provided for 2 per cent., and the hon. gentleman knows perfectly well that money cannot be borrowed at that rate. We provided the money out of the loan fund; and it is only right that the Main Roads Commission should pay the interest. What is the hon. member going to do? He is either going to take the money out of the accumulated loan fund, or else he is going to take it out of the motor tax. The basic element of taxation is that people should not be singled out for special taxation because of their business or anything else. We do tax people because they own motor cars, but the tax is supposed to be used for the construction of roads for their own benefit. Why should men who own motor cars pay a special tax to go into the consolidated revenue? There is no justification for such a tax; but there is some justification for it if the money is used for the construction of roads for the use of motor-car owners. The ordinary taxpayer should not be called upon to pay for the construction of roads for the conveyance of others. But to take the amount into ordinary revenue is a totally different thing. We might just as well say that a man with a horse and dray should pay a special tax. It is just like the old window tax. Taking it into ordinary revenue only means that the people in the country will have to pay

more. On page 18 of the Financial Statement the Treasurer says—

“I hold the view that we have witnessed the worst features of the destruction which the vicious policy of deflation has brought in its train. The favourable position which Australian stocks are now commanding on the London market is an index of considerable moment at such an opportune time, and will do much to pave the way to a successful conversion of our external indebtedness, which I regard as a vital matter inseparably associated with any scheme of sound reconstruction.”

What improved our position so that our stocks went up? What the hon. member calls “the vicious policy of deflation.” It is because the Governments of Australia recognise they had to curtail expenditure and bring it close to revenue. If we had continued with lavish expenditure, our stocks would have gone down and down. It is only because the people recognise that we are making a genuine effort to put ourselves in a solvent condition that our stocks have increased in value. If we deviate from that and go in for a policy of high spending, we shall very soon find our stocks fall again.

The only other matter of importance is the comment on the American loans, which, of course, is one of the most tragic episodes in Queensland's history.

The TREASURER: Which your party helped to bring about.

Mr. MOORE: This party never helped to bring it about. Members of this party and every other sensible person in Queensland told the Labour Government at the time that, if they repudiated contracts made with large sections of the community, they would lose the confidence of the people outside and their credit would go. Mr. Theodore thought at that time that he was too big to take notice of those people, and he brought in legislation repudiating the contracts with the pastoralists. Then he went home to England and found that he could not get any money. The fact remains that, but for the action of the then Government, there would not have been any delegation. It was only the action of the Government that brought about the position and forced them to go to the United States of America, as they said they must have funds, and the harshest terms ever imposed on a Government in Australia were imposed on them. It is all part and parcel of the policy of the Labour Party of endeavouring to hit anybody who is making profits. That is the policy that I find so much fault with. We want to give encouragement to people to come here on the understanding that they will be free to make profit.

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

The TREASURER (Hon. W. Forgan Smith, *Mackay*) [9.30 p.m.]: During the course of the debate much has been said by hon. members opposite regarding what they call the promises of the Government. The Government, in keeping with their principles, will give progressive effect to their promises as time goes on.

An interesting phase, however, is that the Leader of the Opposition in his election address referred to my policy speech as

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being vague and nebulous, and not containing anything definite. Later on the press took up the cry, and endeavoured to thrust upon me a number of promises which had never been made by me on behalf of the party I led. The promises and policy which this party stands for are very clearly and definitely set out in the policy speech I delivered at Mackay; and our policy is in accord with the mandate we have received. The last people who should presume to speak of promises are members of the present Opposition.

The "Melbourne Age," in a leading article dealing with the Moore Government about a year ago, said that no Government made more glowing promises to the people than that Government; and no political party in the history of Australia had made less effort to carry out those promises. They callously and brutally betrayed the people who trusted them. They did all those things which they vowed on their honour they would not do; and they failed to do the things they promised to do. That is the record of the Moore Government—one that is pitiful in the extreme, viewed from the point of view of the public interest, and is such that members of that party should be the last to speak about promises of any kind.

The Budget was prepared with due regard to the needs of the people and the financial circumstances of the State. Even the most bigoted member or supporter of the Tory Party must realise that, when the present Government took office, the State was in a difficult financial position, with accumulated deficits in excess of £4,000,000, record unemployment, and conditions generally such as to disturb even the most optimistic citizen.

The estimated deficit on the basis of last year's expenditure was £2,750,000. No Treasurer worthy of the name, or with any conception of his public duty, whether there was a Premier's Plan or any other plan, would budget for a £2,750,000 deficit. We set to work, and prepared a Budget which reduced the estimated deficit by £1,250,000. Earnest and honest effort will be made to keep within our Budget estimate.

Two alternatives face any Treasurer in such a position as I. The only things which count in a discussion of this kind are the facts—not what one may desire, or what one's prejudices may lead one to hope for. Two courses may be followed in bringing about a reduction in the Budget deficit. The first alternative is the one which the Government have chosen—to effect economies wherever possible and increase revenue. The second alternative is a further attack on wages and services. Whether they like it or not, hon. members must accept one or other of these alternatives; that is the inescapable logic of the position from the viewpoint of any honest man; consequently, those who oppose the Budget proposals must stand for the second alternative. No Government desires to increase taxation merely for the sake of so doing. It is said that all taxation is bad; but some forms are worse than others. We are not imposing taxation in excess of the requirements of the State, and what we are imposing is being imposed in the manner that we consider least objectionable and likely to cause the least economic disturbance.

The late Government taxed the people very heavily. They promised definitely on

the hustings not only that they would not increase taxation, but also that they would reduce it; yet in their first year of office they amended the Income Tax Acts to bring in 80,000 new contributors, mostly persons who were previously exempt—lower paid workers and the less fortunate men on the land. Increases also took place in succession, probate, and stamp duties. The net of the late Treasurer was of fine mesh, and caught many persons who had hitherto been exempt. As the hon. member for Rockhampton rightly pointed out, figures show that during their period of office taxation increased very considerably.

The proposals in the Budget do not provide for any increase in income tax until the taxable income is in excess of £250. I know as well as any hon. member that high taxation is undesirable. I know also that taxation has its repercussions in other directions; but where two alternatives have to be chosen, either of which is effective, it is our duty to accept the one which is less objectionable and harmful to the people. I say very definitely that further reductions of wages and salaries would have caused greater economic disturbance than the increases in taxation proposed in the Budget.

Hon. members have talked about price levels. Everyone must realise the necessity for increasing them. The problem of the country to-day is not a lack of capacity to produce wealth. I repeat what I have said on former occasions that productivity is greater in Australia and in the world generally to-day than ever before in history. It is not production that has broken down, but solvent demand has diminished, and distribution has been retarded by a failure to observe the changing methods of production. Obviously price levels are based on the wages level. In a special article which appeared in the Sydney "Morning Herald" and in the Melbourne newspapers on 27th June, 1932, dealing with the position of the world in its application to Australia, Mr. J. M. Keynes, the noted economist, had this to say—

"It is a serious mistake for any country, in my judgment, to attempt to complete adjustment to the price level of wholesale prices whether measured by gold or sterling."

Again he states—

"Every country in the world has the same problem as Australia in some shape or form. If each attempted to solve it by competitive wage reductions and competitive currency depreciations nobody would be better off. There is no exit along that route. Indeed, the tendency of wage reductions must necessarily be to rivet more securely the existing level of prices, for, in the long run it is the wage level which mainly determines the price level, especially with countries not rigidly linked with gold."

He goes on to say—

"There is more chance of improving the profitability of business by fostering enterprise and measures like public works than by further pressure on money wages or further forcing exports."

That is a very definite statement of the position—one that is clear and unambiguous, and in accord with the policy of this Government. I say very definitely that the wages

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level in Queensland is low enough in all conscience. It appals me to think that there are men elected to Parliament at the present time who, in considering a national difficulty, immediately desire to impose further burdens on people who already have but a bare existence.

That is not the line of activity that we are pursuing. We are pursuing the policy enunciated in the Budget. The only alternative suggested by hon. members opposite is the one that they followed for a considerable period; and with what result? Nothing was more disastrous than the policy of the Moore Government; nothing brought more distress in its train. I saw conditions obtain in Queensland under the Moore Government, and as a result of their policy, that I never expected to see in Australia. One must realise that stabilised conditions must commence somewhere. One of the reasons why purchases are not made on an extensive scale is that buyers wait in the hope that prices will fall still further; but, as Mr. Keynes points out, in the last analysis the wages level determines the price level. If the wages level can be stabilised, and people can be reasonably assured of permanent employment, then there is a starting point, from which gradual progress can be made. In that direction the Labour Government can at least claim that they have stopped the rot that was going on during the time the Moore Government were in power.

The hon. member for Kennedy made a speech on this Budget that has been referred to by the Leader of the Opposition, and extensively quoted in the daily press. That speech is based on a report made by an accountant, and made from the accountant's point of view; but it bears a striking family resemblance to a memorandum prepared by a Government servant for the ex-Treasurer in 1929. In 1929 a public servant aspired to become the financial adviser to the Moore Government. He made a number of suggestions to them, and then submitted a memorandum to the then Treasurer in which the figures quoted are in entire accord with the figures used by the hon. member for Kennedy. As the calculations were based on a given figure arrived at empirically, it would appear that one of two things happened. Either the ex-Treasurer with a desire to have a jest at the expense of one of his colleagues, handed him that memorandum which he failed to use himself, or, by collaboration on the part of the individual, the advice rejected by the ex-Treasurer was made use of in another direction. Be that as it may, the extent of the value of the memorandum is indicated by the fact that the then Treasurer would have nothing to do with it, and took no action whatever upon it; therefore, the public servant referred to had to find another gramophone on which to play his record.

The form of presenting accounts is naturally valuable and interesting. The public accounts should be presented to Parliament with the information in a clear and concise manner. As the Leader of the Opposition in his saner moments will admit, the real test is not the manner in which the figures are presented, but what is the amount of the national wealth? How is it being distributed? What steps can be taken to increase it; or, failing that, what steps can be taken to see that it is not further diminished? There are all kinds of methods that can be

adopted in presenting accounts. Any accountant can suggest different methods which might be adopted, just as the hon. member for Toowong in his more expansive moments might entertain hon. members, and more learnedly, as to a new method of decorating this Chamber. The real point has been lost sight of; and the test, I repeat, is what the figures represent, and what the position generally of the State is.

Mr. MAXWELL: It is an easier job for you to paint the clouds with sunshine.

The TREASURER: I do not know what the hon. member for Toowong said. He has probably indulged in moonshine in his time, and, judging by his remark, he should not wander abroad during the period of the fullness of the moon; but I will not be led astray by any asinine interjections from hon. members sitting on the back Opposition bench. I will proceed with my speech in my own way. There are some hon. members who desire information, and it is to them that I address my remarks. I am not concerned about the hon. member for Toowong or anybody else, but I am concerned with the position of Queensland, and it is my duty as well as my desire to give the facts to the people of this State.

Reference has been made to the public debt of Queensland, and it has been said in acid terms that that debt is unproductive inasmuch as only a portion of it shows a return of interest on the amount expended. Let me examine that for a moment. The public debt is represented by many things. For example, it is represented by railways, land development, road construction, bridges, school buildings, workers' dwellings, and every other form of activity that is necessary in the development of a State. It is foolish in the extreme to take one Government account and criticise it singly, without regard to all the other Government accounts. That is what the Secretary for Public Instruction meant when he said that the public accounts of a State cannot be regarded as in the same category as the accounts of a grocer or storekeeper. The expenditure of public funds has promoted development. Taken by themselves, the railways certainly show a debit balance; and it is that debit balance that causes Treasurers very much difficulty; but, if the railway accounts are regarded without reference to other factors, an entirely wrong impression may be gained. Side by side with railway revenue must be considered land and other revenues of the State, because the building of railways enables land to be settled, produce to be marketed, and trade and commerce carried on. The same principle holds good with regard to every other form of developmental expenditure. To follow the idea of the hon. member for Kennedy to its logical conclusion, we should charge interest and redemption on certain activities. For example, the parliamentary appropriation ought to be charged with 10 per cent. of the cost of this building in the form of rent. Unless used by trading concerns, no Government building pays rent to the Treasury; but to follow the ideas of our critics we should charge a rent to all Government departments for the office space they occupy. We know that would merely be placing a debit on one side of the ledger and a credit on the other side, and, in the final analysis, would not affect the general position of the State.

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With regard to indebtedness generally, hon. members opposite have alleged that the position of Queensland to-day is due to the borrowing policy of a Labour Government; and it has been suggested that money was borrowed wantonly and spent foolishly. Those hon. members ought to try to grapple with the facts. Even the dullest wit on the Opposition benches cannot seriously believe that the existing difficulty is due to any past policy of a Government, but rather is due to economic causes that are within the control of mankind if they are only brave enough and intelligent enough to tackle them. The following figures show the public debt increases for all the States from 1915 to 1929:—

State.	Public Debt increased by	Percent-	Percent-
		age increase.	age increase per capita.
	£	Per cent.	Per cent.
Queensland ..	49,871,160	80.24	35.35
New South Wales ..	142,240,478	111.36	62.14
Victoria ..	81,221,621	108.63	69.00
South Australia ..	59,175,046	168.69	106.22
West Australia ..	33,110,038	89.43	47.88

These figures reflect the fact that Queensland under a Labour Government handled its financial resources in a much more favourable manner than any other State in the Commonwealth. The percentage increase in the indebtedness was the lowest of all the Governments in the Commonwealth, and the percentage increase in debt per head of the population was also the lowest.

With regard to the interest on the public debt, the same principle applies. When we took office in 1915, the average rate for all States combined was £3 13s. 9d. per cent., and the average rate for Queensland was £3 16s. 7d. per cent. At 30th June, 1929, the average rate of interest for all States combined was £4 18s. 11d., whereas the average rate for Queensland was £4 16s. 2d. When Labour took office in 1915 after the defeat of the Denham Government, Queensland was paying the highest average rate of interest of all the States on its public debt, and this rate was 2s. 10d. per cent. in excess of the average of all the other States combined. In 1929, however, when Labour handed over control to the Moore Government, the position was reversed. This State and Tasmania then paid the lowest average rate of interest, being 2s. 9d. per cent. less than the average rate of all States combined. These figures dispose entirely of the false statements that are made from time to time by critics of the Labour Government. They indicate very clearly that the increase in the public debt was less in Queensland than in any other State, and that, when we took office, the rates of interest were higher, and, when we left office, our average rate of interest was the lowest.

The question of the external debt of Queensland and Australia is a pressing problem for all Governments at the present time. We have been able to convert the internal debt of Australia, and thereby effect a saving in the interest burden. The interest rate must be progressively reduced if industry is to be effectively and properly restored. The inflation of interest rates that took place during the war period cannot be regarded as permanent without serious dislocation and loss to the general community.

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In addition to the problem of the external debt, there is also the problem of exchange. I take the view that the external debt is something that should be tackled at the earliest possible moment. The embargo on loan issues for Dominions in London has been removed so far as conversions are concerned; but it has not been removed so far as optional conversions are concerned. If that were done, it would be possible for Queensland to go on the market and convert several of her loans at a lower rate of interest than is now being paid. No conversion of a Queensland loan falls due for a considerable period; but some of our loans contain optional provisions which give the Government the right to redeem at their will at certain given periods, and, if we could get access to the market, that phase of the question should be dealt with.

In addition to that, I take the view that Governments should not continue indefinitely paying an addition to the interest bill by means of the adverse exchange. I pointed out yesterday, and other speakers touched on the question, that it is very doubtful whether the high exchange rate has justified itself. A straight-out bounty on exports would be a much more honest method of dealing with the matter. The difficulty, however, with regard to that would be that, if a bounty were given on political rather than on economic grounds, our second state might be worse than the first; nevertheless I believe that action can and should be taken in order to meet the exchange position overseas. It is quite apparent that money is available on short dated loans in London at the present time and at low rates of interest. The suggestion I am making is that, instead of spending £7,500,000 in transferring money to London on behalf of the various Governments, a loan should be raised in London in order to pay the interest and thereby save the adverse exchange that is now being paid. Revenues could be charged with a fairly heavy redemption fund on such a loan, and the Australian Governments be enabled to save a considerable amount of money. As a matter of fact, when we were in office prior to the blight of the Moore Government, we had an arrangement with the Bank of England for an overdraft of £2,000,000. That agreement was first made by Mr. Denham when he visited England in 1914. The Bank of England were our bankers at that time, and he made overdraft arrangements amounting to £1,000,000. Later on, when we came into power, that was increased to £2,000,000, the Government of Queensland at that time having a call on that overdraft to that extent when money was urgently required in London, when it was inconvenient either to transfer money to London or to raise further money there. That agreement, however, was cancelled by the Moore Government linking up through the Loan Council with the Commonwealth Bank, and the Bank of England ceased to be our banker.

Mr. MOORE: We had no option.

The TREASURER: The facts are—and they can be verified by reference to the Agent-General's reports—that early in the life of the Moore Government the Agent-General repeatedly called attention to certain things in reference to that agreement, and no notice was taken until it was too late. That is definitely the position.

Mr. MOORE: No.

The TREASURER: The action of the Moore Government in handing over all their business in London to the Commonwealth Bank automatically gave the Bank of England the opportunity of withdrawing from the agreement. If the Government had realised the position, steps should have been taken to continue the agreement with the Bank of England just as the Victorian Government and the New South Wales Government continued their agreements with the Westminster Bank. In the Financial Statement I say—

“By the addition of exchange, the average rate of interest on oversea debt is increased from 4.77 per cent. to 6.25 per cent., and the average rate of interest on the whole of our debt is increased from 4.38 per cent. to 5.32 per cent.”

Figures are also contained in the Treasurers' Financial Statement showing that for the year 1929-30 exchange on payments overseas cost the State £10,650, whereas for the financial year just closed the amount increased to £1,057,093, or 9.76 per cent.

In England the Government are faced with similar difficulties. We live in a period of rapidly fluctuating money values. Every Government is faced with these difficulties more or less. On 21st April of this year the press reported the outline of a scheme proposed by the British Chancellor of the Exchequer, Mr. Neville Chamberlain, in his Budget speech for the current financial year. He said—

“If they were to avoid violent and perilous fluctuations in their currency, especially due to speculative operations, and if they were to enable Britain to function effectively as the main international financial centre of the world, it was essential for them to hold adequate reserves of gold and foreign exchanges in order that they might meet any sudden withdrawal of short-dated capital, and check and repel speculative operations. . . .

“He proposed to ask for power to borrow up to £150,000,000 for this account. The details of the assets in the account might take various forms, either gold or sterling securities, or foreign exchanges.”

It is clear from that quotation that the British Parliament is to be asked to give power to the British Treasury to borrow up to £150,000,000 from the Bank of England, that fund to be at the disposal of the Treasury and to be used for the purchase of such securities as may be deemed advisable to stabilise the internal currency of Great Britain. Apparently, also, the securities which will be purchased will constitute assets of various kinds, which will be accepted by the banks of England as security for advances made to the British Government. That action is obviously designed to place at the disposal of the British Treasury a fund which will enable it to cope with violent fluctuations in money values, so that the Government will not have their Budget arrangements seriously jeopardised or their accounts seriously unbalanced.

I say that the situation here is such that, if the high rate of exchange continues—and that appears to be likely, having regard to the adverse trade balance this year—money should be arranged for in London to form a kind of exchange pool for the various

Governments, in order to save them excessive costs in transmitting money overseas.

Mr. Bridgen dealt with this question recently in a public address before the Chamber of Commerce on 22nd April, the press report of which says that his proposals were designed to establish stability of budgetary, monetary, exchange, and unemployment policies. He added—

“The burden of exchange and the additional burden of overseas interest—about half of it—should be recognised as beyond the capacity of Australian Governments, and some quite definite provision should be made for meeting these items of expenditure by loans from the Commonwealth Bank without continual bargaining.”

The following points are put forward by him:—

“1. The practicability of Governments floating a loan on the English market at current rates of interest offering for such investments, the loan to be retained in England, to be utilised when not immediately required for Government purposes, by way of making temporary advances to the money market, and to be drawn upon when necessary for the payment of interest overseas.

“2. Portion of the costs at present incurred by the Governments out of revenue for the provision of exchange to be earmarked for redemption of such loans within a limited period.”

I take the definite view that the adverse exchange imposes an intolerable burden upon the people of Australia. If it can be lightened in the manner I have described, then an attempt should be made to do it. I shall certainly take the opportunity of advocating that course before the Loan Council next week.

Mr. WIENHOLT: Would it not sound very bad to borrow to pay interest?

The TREASURER: In normal circumstances it would; but it also sounds very bad to have to pay £1,074,000 per annum to meet the adverse exchange. I know there are objections to that course; but during an extraordinary period in the economic history of Australia we are justified in adopting measures that would not be considered in normal times. If the burden can be relieved in the manner suggested by Mr. Bridgen and others, then the attempt should be made.

I have also quoted from Mr. Neville Chamberlain's Budget speech, where he indicates very clearly and definitely that the Government of Great Britain are adopting similar measures to prevent violent fluctuations in their own budgetary position. The real question before us, in addition to those I have mentioned, is the restoration of industry and the provision of normal employment. I have shown that the efforts of the Government in that direction have already met with considerable success. Several hon. members opposite have continually stated that unemployment is increasing in Queensland. The hon. member for Isis quoted a passage from the report issued by the Bureau of Economics and Statistics, but he quoted a passage to suit his case. The hon. member for Kurilpa asked him to quote the footnote mentioned in the report, but the

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hon. member for Isis failed to do so; therefore he was guilty of what lawyers call dishonest advocacy. It is clearly stated in that report that the figures had been increased because men who formerly were not eligible for Government employment had registered for that employment.

The most recent figures dealing with unemployment are those prepared by Mr. Brigden, and placed before the Industrial Court during the recent hearing of the basic wage case. From these figures the following information is taken:—

“For the three months ended June, 1932, the percentage of unemployment in Queensland was 32.1 per cent.

“For the three months ended August, 1932, an improvement had taken place, inasmuch that Mr. Brigden showed the percentage of unemployment had declined in the intervening period to 29.6.

“Mr. Brigden also showed that the number of males in employment between the period mentioned—namely, June, 1932, and August, 1932—had increased from 117,017 to 121,627, with a corresponding decline in the number registered as unemployed.”

Hon. members will see, therefore, that, according to the latest figures available, unemployment has not only been checked but employment definitely increased. Our activities are being developed in that direction. The moneys placed at the disposal of the Government will be used in avenues which, while productive in themselves, are calculated to give the maximum of employment to our people. That is the line of activity which the Government will pursue because it is essential for the life of the nation. Anyone who loves Queensland and anyone who has regard for civilisation cannot contemplate with equanimity the growing number of our people who are unemployed, and who are compelled to seek relief from the Government in the way of sustenance or intermittent relief work. We know that the world is in a very disturbed condition, and that this problem affects every country to-day. It is the duty of the Government, wherever it is humanly possible, to provide normal employment for the people or to encourage industry in such a manner as industry will provide it. We are not confined in our activities to any line of expenditure or to Government expenditure alone. Any sound proposal or enterprise that the Government can assist in any direction which provides for the development of the State, for the extension of industry, or for the provision of employment for our people, will receive earnest and careful consideration by the Government. Unemployment is the gravest problem of the present day. Unless it can be successfully dealt with, civilisation as we know it will entirely disappear. The morale of the people is being seriously affected; and the most tragic spectacle of all is to see our boys and girls leaving school when there appears to be no future for them, because there is no avenue of activity open in which they can be merged. Queensland is a rich and naturally wealthy State. Sound development and sound control will mean that a large virile population can be maintained in it. Our efforts are being pursued in that direction, and the difficulties under which the people are suffering are being removed so far as it is possible to remove them. I repeat that our public policy is in the direction of

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restoring normal employment to our people, of providing work and wages for those who now have neither; if that can be accomplished, all other reforms will follow in their natural sequence.

The Leader of the Opposition boasted that during his period of control no treasury bill had been issued. Some hon. members opposite have even had the temerity to state that there was no increase in the public debt during their period of office. It is true there was a decrease in the public debt to some extent; but provision was made for that by the previous Labour Government, and the decrease was due to conditions over which the Moore Government had no control. Under the financial agreement concluded between the Commonwealth and the States, certain capital obligations were taken over by the Commonwealth Government, and to that extent the capital indebtedness of Queensland was relieved. In addition to that, the Labour Government built up a considerable trust fund for the purchase of Queensland securities held in the United States of America, and advantage was taken of that fund during the Moore Government's term to purchase Queensland securities, to the extent of which purchase the public debt of Queensland was cancelled. As a matter of fact, the position is such that the loan moneys saved to tide Queensland over a difficult period have been entirely dissipated by the Moore Government, whose revenue deficits exceeded £4,000,000. With an attempted show at righteous indignation, the Leader of the Opposition spoke about transferring revenue from the main roads fund to consolidated revenue. I would point out that what the Labour Government propose to do will only be done with parliamentary authority.

Mr. MOORE: That does not make it any better.

The TREASURER: As a matter of fact, in the Bill that we are bringing down to deal with the matter we have to validate certain raids on that fund made by the Moore Government without statutory authority of any kind. Moreover, the Leader of the Opposition, when Premier of this State, credited revenue last year with £100,000 from loan fund account. His revenue deficits are costing Queensland £231,000 per annum, which amount is provided for in the Budget. The rate of interest on that deficit is higher than that chargeable on treasury bills to the extent of 1.32 per cent.

The record of the Moore Government is such that, where they are unable or unwilling to help, they should be the last to attempt to hinder. No Government ever attained office under more favourable auspices than did the Moore Government. (Opposition dissent.) No more glowing promises were ever made to the people than were the promises of the Nationalist Party in 1929. Hon. members will remember the placard depicting the disconsolate boy with the caption “Change the Government and give the boy a chance!” Then, too, the renowned promise of “£2,000,000 for 10,000 jobs!” All these and other promise were made by the Leader of the Nationalist Party, and were eagerly parroted by hon. members like the hon. member for Toowong. Had the promises been carried out in their entirety, the Moore Government would have been entitled to the encomiums of the people; but no

sooner were they in office than they callously and brutally betrayed those who had trusted them. At the first opportunity an outraged electorate hurled them into that oblivion from which they are unlikely to emerge.

In their Budget and in their general policy the Government are pursuing the policy of Labour, and carrying out the mandates held in sacred trust from the people of Queensland. That policy is in the interests of this State, and it will benefit the people of the State; and, despite the misrepresentation of the Leader of the Opposition and his supporters, and no matter how they may attempt to distort these things in the public mind, the people, who know them full well, and who suffer still from the record of

the Moore Government, will judge them at their true value; and as the Labour policy is gradually unfolded and given effect to during the period we are in power, the people's prosperity will be gradually restored and their condition improved.

GOVERNMENT MEMBERS: Hear, hear!

Question—"That the item 'Aide-de-Camp to His Excellency the Governor' be agreed to"—put and passed.

The House resumed.

The CHAIRMAN reported progress.

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

The House adjourned at 10.25 p.m.