

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 3 OCTOBER 1933

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

"The proposals adopted by the Brisbane City Council have been received by me, with an intimation that the council desires to know whether they meet with the approval of the Government. These proposals are, briefly, the appointment of a part-time medical officer, apparently without executive authority, and a co-ordinating body to be called the epidemic emergency medical board, to function, as its title indicates, only in time of epidemic. As the primary and important function of a health organisation is the prevention of infectious disease, the proposals of the council are altogether inadequate properly to safeguard public health in the city of Brisbane, and therefore do not meet with the approval of the Government. I need hardly remind the House that this Parliament enacted the City of Brisbane Act for the express purpose of securing an adequate health organisation for the city of Brisbane, and it is therefore the intention of the Government to press this view upon the council."

TUESDAY, 3 OCTOBER, 1933.

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

QUESTIONS.

GOVERNMENT POLICY IN SUBSIDISING PIG INDUSTRY.

Mr. COSTELLO (*Carnarvon*), for Mr. WALKER (*Cooroola*), asked the Secretary for Agriculture—

"In view of his statement of the Government's policy during the discussion on the Pig Industry Bill—namely, the subsidising of only large white boars imported into Queensland, in order to encourage the breeding of white pigs in this State, is it a fact, as stated in the press, that the first boar imported by the Government since the introduction of this legislation is a black Berkshire boar, which Gatton College has purchased at the Melbourne Show for £18 18s.?"

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

"As ex-Minister for Agriculture and Stock the hon. member should know that the Queensland Agricultural High School and College at Gatton is administered by the Secretary for Public Instruction, and that I have no control whatever over it; and, further, that no legislation has been passed providing for a subsidy on white pigs."

PUBLIC HEALTH ADMINISTRATION, CITY OF BRISBANE.

Mr. FUNNELL (*Brisbane*) asked the Home Secretary—

"In view of the decision of the Brisbane City Council not to appoint a full-time qualified medical officer of health, will he indicate what action the Government proposes to take to ensure the adequate protection of public health in the city of Brisbane?"

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GOVERNMENT RELIEF FOR NECESSITIOUS FARMERS.

Mr. MOORE (*Aubigny*) asked the Secretary for Labour and Industry—

"1. In view of the following statement contained in a letter from the Under Secretary of his department to the Secretary for Public Works and published recently in the 'Gayndah Gazette,' namely:—

'My Minister has laid it down that farmers are not eligible for relief work of any kind. If without means and in need, they may be granted rations for a period to tide them over until they obtain returns from their farms, but such assistance is subject to their undertaking to repay the amount so advanced within a reasonable time'—will he supply a statement of the Government's policy in regard to destitute farmers?"

"2. Does a condition of repayment apply to any other section of destitute persons obtaining Government relief?"

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

"1. The policy of the Government is that established farmers who may be in temporary difficulties on account of seasonal or market conditions cannot be granted intermittent relief work, but may be granted ration assistance to tide them over until they get returns from their farms, subject to their signing an undertaking to repay the amount of such assistance out of their subsequent crops. Unemployed persons who are destitute and who take over an area of Crown land, or enter into some arrangement with a private landowner, are granted assistance without repayment for a period to enable them to get on their feet.

"2. Yes. Over 600 cotton farmers in the Burnett and Callide areas and 200 tobacco-growers in the Texas and Beerburum areas have been granted relief subject to repayment out of a lien on

their crops. The unemployed worker who desires rail transport to a job or to a centre where he has a reasonable chance of securing employment is granted a rail pass subject to repayment. Surely the hon. member will not claim that an established farmer with assets in land, improvements, stock, etc.—although in temporary difficulties—is in the same category as an unemployed worker who is wholly without means and whose prospects of securing some remuneration from his labour are very precarious! I would add that quite a number of farmers, when asked to give an undertaking to repay the amount of ration relief to be provided, have stated that as they had to pay the amount back, they would be able to carry on without any assistance."

MINIMUM RATES UNDER PRINTING TRADE AWARD.

Mr. NIMMO (*Oxley*) asked the Treasurer—

"Has he yet finalised the negotiations in connection with the question of payment of wages in the Government Printing Office in accordance with the Printing Trade (Brisbane) Award?"

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

"No."

PAPERS.

The following papers were laid on the table, and ordered to be printed:—

Report of the Manager, Golden Casket Art Union, for the year 1932-33.

Report of the Commissioner of Prices (under section 37 of "The Profiteering Prevention Act of 1920"), for the year 1932-33.

The following papers were laid on the table:—

By-law No. 300 under section 134 of "The Railways Acts, 1914 to 1929."

Order in Council under "The Railway Superannuation Acts, 1930 to 1932, Repeal Act of 1933."

MOTOR SPIRIT VENDORS BILL.

INITIATION.

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

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirableness of introducing a Bill to provide for the regulation of the sale of motor spirit, and for other purposes."

Question put and passed.

HIRE-PURCHASE AGREEMENT BILL.

THIRD READING.

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

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

Question put and passed.

TRAFFIC ACTS AMENDMENT BILL.

THIRD READING.

The HOME SECRETARY (Hon. E. M. Haulon, *Ithaca*): I move—

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

Question put and passed.

LIFE ASSURANCE COMPANIES ACTS AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. F. A. Cooper, *Bremner*) [10.41 a.m.]: I move—

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

This Bill provides for payment of surrender values for ordinary and industrial insurance policies, together with one or two other matters that I shall mention as I proceed. In discussing the matter it is very necessary to get the measure in its right perspective. I do not think we can do anything with it if we attempt to view it otherwise than dispassionately, and we shall not arrive at a just estimation of the position if we attempt to distort insurance as it actually is into what some people think it is. Insurance is a species of banking that has this paradox: while it is more than banking in one direction, it is less than banking in another direction. The banker generally will give a certain payment for money deposited with him for a specific period. The savings bank will give a certain return for money deposited in the savings bank—money that is at call during the whole of the period when it is in the bank. Generally there is a smaller payment on the savings bank deposit by reason of the fact that it is always at call. The insurance office accepts a yearly payment for a determinate or indeterminate period, and in return it gives specific things. The banks watch the state of things to-day and the prospects in the future. The insurance company takes a wider view and does business on the risk of possibilities founded upon actuarial calculations, and these calculations in turn are based upon actual experience, so that at the outset the system of insurance gives the impression that it is based upon the surer foundation. On a Bill which has for its purpose an amendment of but part of the Insurance Act it would be quite out of order for me to enter upon a dissertation on insurance generally. I therefore intend to confine my remarks particularly to the amendments which it is proposed to make in the principal Act.

There are two main sections of life insurance, ordinary business and industrial business. To-day an ordinary policy carries a surrender value in the great majority of offices, although there is no specific or definite surrender value. This Bill proposes to fix the surrender value of ordinary policies. The industrial risk carries a surrender value in some offices—I think the Temperance and General Office has a surrender value attached to industrial policies. If that is possible in some offices there seems to me no good reason why it should not be applicable to all offices. Originally, an industrial policy holder lost all if the policy lapsed—once a policy lapsed that was the end of it. Later on, offices issuing industrial policies gave to the holders of lapsed policies a paid-up

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policy in proportion to the amount paid. The insurance offices thus admitted that the lapsed industrial policy had some specific value, for offices would not otherwise have been prepared to give a paid-up policy for the amount paid in by way of premiums. If it had a value for that purpose it undoubtedly had a value for surrender purposes; if insurance companies were prepared to return the value in one particular direction possibly they would be prepared to return the value in another direction.

The opposition to this Bill—if I may anticipate it—is based on the contention that the establishment by law of surrender values will inaugurate a serious drain upon the ready cash of the offices. If that were true, there might be some good and definite reason for objection to this proposed amendment of the law, but I contend that it assumes a state of affairs that really does not exist. As I have already mentioned, all the ordinary policies in existence to-day carry a surrender value, and the value of ordinary policies amounts to £46,557,832. The industrial policies to-day amount to £6,301,523.

Mr. ROBERTS: Are those Australian figures?

The SECRETARY FOR PUBLIC INSTRUCTION: They are for Queensland. Now, it is contended—it has been contended and will be contended—that the depression from which we are suffering to-day does not apply to merely one section of the community. I have heard it said—and I am quite sure other hon. members have heard it said—that all sections of the community have been equally hit—the man on a wage, the salaried man, the man who is running a business—has been hit as hard by this depression as any other individual in the community. The section of the community with £46,557,832 in ordinary policies is the section composed of the business man, the salaried man, the man on a good wage, and if that section has been hit equally as hard as the industrial section, ought it not to follow that the payment of surrender values for ordinary policies would involve such a drain as I have mentioned? If there is to be any drain on the resources of insurance companies, surely that drain would already have been felt by reason of the fact that ordinary policies are to-day subject to a surrender value? I believe there is no reason to anticipate a ready demand for surrender value on industrial policies, and I base that anticipation upon certain ascertained facts.

Who are the industrial insurers of to-day? They are in the main people who have a careful outlook, people who have some regard for the future—the longsighted sections of the community. As a matter of fact, industrial insurers are very carefully chosen, they are not haphazard insurers at all, and that is due to the regulations governing the getting of such business. The agent who gets industrial policies to-day gets what is known as "fifteen times" the first payment—his payment for writing the business is fifteen times the value of the first collection. But it is very necessary for him to collect premiums for a sufficient period to insure that his office will make no loss by reason of the payment to him for the writing of that policy. If it happens that the amount of the collection does not cover the cost of the initial writing, then, in some offices, at least, the writer is compelled to make good the loss

upon the business. That alone proves to me that industrial policies are very carefully written.

In the next place I ask hon. members of this House what knowledge they have of the ordinary industrial policy. Does their knowledge not come to them through the old people who interview them about old-age pensions? Hon. members know the questions that are on the back page of that long list of queries on the application form. One is the question, "Are you insured?" Members know what the answer is nine times out of ten. It is "I have a policy in such-and-such an office for £32 or £42. It is only a small amount and I have kept the policy paid up because I wanted some money to bury me with when I have gone." Another occasion on which we come into contact with industrial policies is when we are filling up forms for the State Children Department. When you ask the mother what insurance policies there are she may, perhaps, give you particulars of a small policy for £24 or £30, payable when the little boy or little girl reaches the age of fourteen years. She tells you she has kept it paid up in order to be able to buy books and necessaries such as clothing, in the event of her child going on to a secondary school. I know, as all hon. members of this House must know, that the great, the first care, of all these people is that their industrial policies shall be maintained—they do not desire that they should lapse for want of payment. The old-age pensioners and the mothers who get State aid for their children are especially careful to keep the policies in force because of something they may have had in their mind's eye all along. The people who hold industrial policies are not careless people. They are not the people who are likely at the first available moment to rush in and avail themselves of a surrender value. We have actual evidence on that particular point. The industrial policies held by the State Insurance Office in the Brisbane and Ipswich districts total 499. Of that number, during the six months ended June last, there have been only seven requests for the payment of surrender values.

On another occasion when this matter was being debated, it was stated that so far as Queensland was concerned at any rate, insurance was practically a co-operative industry. I see no very great reason to quarrel with that statement. Many of the offices are co-operative. As a matter of fact, insurance should be co-operative. There is no good sound reason for its existence, except it be the binding together of a number of people for their own protection and benefit. And I quite agree with the statement that if insurance is not co-operative then it should be. This Bill ensures an extension of that co-operative principle which is supposed to be the driving force in insurance. If it is good for one section of the co-operative whole to get a surrender value of a policy—a surrender value attaches to the ordinary policy—is it then not fair, reasonable, and just that the other section of the co-operative whole, the industrial insurer, should also have the right of surrender value? Upon that particular aspect therefore—that insurance is a co-operative effort—I say every section within the field of the co-operative effort should be entitled to the same right, and to the same privileges;

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and having established that conclusion, I have shown my justification for the fixing of the surrender value of industrial policies.

The Bill provides what the surrender value shall be. It declares that the surrender value shall be not less than 65 per cent. of the reserve value, and in fixing the amount at not less than 65 per cent. of the reserve value it gives to the office not more than 35 per cent. of the reserve value. I am sure that hon. members will see that that is a very fair and a very just allocation of the funds that are held by the insurance companies to meet their liabilities and shoulder their obligations.

Mr. BARNES: How do you arrive at that reserve value?

The SECRETARY FOR PUBLIC INSTRUCTION: The reserve value is arrived at by the method which the hon. member will find in the Schedule to the principal Act, whereby the actuary is instructed in the manner by which he shall arrive at the reserve value of a policy held by an insurance company or by the State Insurance Office. It is the amount assumed to be held in reserve to meet the liability upon the insurance office concerned. The liability includes the value of the policies plus bonuses, if any, as at a specified date.

The Bill also provides that separate funds shall be established for the ordinary section and the industrial section of a given insurance business. That is surely right and just; for otherwise calculations could not be made as to the actuarial position of either. As a matter of fact, some offices to-day have properly separated funds.

I have outlined the main provisions of the Bill. It includes also a few necessary definitions due to the altered circumstances created by the passage of the Companies Act of 1931.

Mr. R. M. KING (*Logan*) [10.55 a.m.]: I listened very carefully indeed to the explanation of the Bill by the Minister, but I must confess that I waited in vain to hear the reasons that prompted the Government to introduce it. It is ill-timed, ill-conceived, and ill-advised. So far as I can ascertain, no request has been made by any person or by any body of persons for the introduction of the measure. The Minister gave a number of reasons why individuals take out industrial policies and my remarks will be devoted especially to that part of the Bill which makes it compulsory upon insurance companies to fix and provide for surrender values on these policies.

If the Bill becomes law it will defeat the very purpose that people who take out such policies have in mind. I may be wrong—I hope that I am wrong—but I cannot help thinking that the Bill is a socialistic measure introduced mainly for the purpose of bolstering up the State Government Insurance Office and giving it a monopoly of industrial business.

The SECRETARY FOR PUBLIC INSTRUCTION: You certainly are wrong.

Mr. R. M. KING: I cannot help thinking that if the Government persist with the measure many of the old-established insurance companies engaged in industrial business will vacate that field of operation entirely.

The Bill is not in the best interests of the community as a whole. It will be readily

admitted that the system of industrial business has been a great boon to the people in the past, particularly to the wage-earning and poorer class of the community. It has provided a social service of considerable value to the community, but it has been kept alive by a very necessary and intensive organisation. The very nature of the business demands intense organisation. In the great majority of cases the industrial policy-holders have to be kept up to their obligations of meeting their weekly, fortnightly, or monthly payments. Partly for that purpose a very large staff of agents is retained.

What are the primary functions of industrial insurance? As the Minister pointed out, people who embark on this class of insurance do so, in the first place, to provide a small sum of ready cash on the death of the policy-holder. This ensures sufficient funds to provide for expenses in connection with possible sickness and funeral arrangements. That, undoubtedly, is one of the principal reasons why people favour this class of insurance. Another reason is that thereby at the end of a given period a certain sum will be available in the nature of savings, which otherwise they would be incapable of accumulating.

The amount of industrial premiums is generally very small, and amount to 6d., 1s., or 2s. per week. Unless the insurance companies had a very intensive organisation the probabilities are that these small premiums would be frittered away and many policies would be allowed to lapse. There would be nothing to show for the amounts the policy-holders had invested by putting away such small amounts and their gradual accumulation until on maturity they may draw quite large amounts. In this manner the policy-holders are enabled to enjoy the benefits of protection against themselves. It is a generally accepted fact that the members of the community who take out industrial policies are the first to feel the stress of abnormal times. That being so, the first sacrifice usually made is of the premiums on the industrial policy.

This Bill in reality guarantees to the policy-holders a surrender value. Naturally these industrial policies are for quite small amounts, and the surrender values would, therefore, be small amounts only.

The Minister stated that industrial policies generally lapse when the payment of premiums ceases. Accredited companies who carry on this class of business in Australia do not allow these policies to lapse. They keep them alive as long as any money remains at the credit of the policies. They have an object in doing so—it is that later the policy-holder may find he can renew his payments. He is not asked then to pay the arrears of premiums, which are made a charge on the policy without interest and are deducted from the principal on maturity of the policy.

Efforts have been made in various parts of the world to provide for compulsory surrender values of industrial policies. In March last fifteen of the United States of America introduced legislation banning the granting of surrender values on industrial policies, whilst others postulated that a surrender value should be granted only at the discretion of the various offices, and only in cases of extreme need on the part of the policy-holder. It is in this connection rather interesting to read the following statement

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from "The Spectator," a New York insurance journal of very high standing:—

"ILL-CONCEIVED AND ILL-TIMED PROPOSAL.

"The wisdom of a group of welfare workers who are backing a Bill in the Massachusetts Legislature to establish cash surrender and loan values for industrial life policies, after they have been in force for three years, will be questioned by anyone who has any appreciation of the functions of industrial insurance and the conditions surrounding policy-holders of that class. For years industrial insurance has been the last, and often the only, safeguard of the small wage-earner's family. Therefore, in this class of insurance the life insurance companies have adopted the philosophy that it is their duty to protect the policy-holder against himself, and the provisions in the policies are aimed towards maintenance of the protection in the face of the constant tendency to lapse, to which industrial policy-holders are subjected.

"Industrial policies are so small that it is of the utmost importance that the beneficiaries receive the full benefits of the policy. Establishing the early surrender and loan values would destroy the most important feature of industrial insurance, which is protection. . . . Industrial insurance is designed primarily for a beneficiary in distress, and no matter what the present emergency is, it is not sound to offer a relief which must be paid for by subsequent suffering."

Doubtless the Minister has seen the statement, but I would strongly commend it to his very serious reconsideration. Such authorities know what they are talking about, and I feel perfectly certain that however well intentioned the Government may be in introducing legislation deemed to be of benefit to a certain class in the community, their judgment has been ill-founded and unwise. It certainly would be in the interests of the community to withhold this Bill for further consideration.

In Great Britain the payment of surrender values is compulsory in certain cases only, as, for example, where policy-holders are leaving the country. I think it will be readily admitted that it is quite right to pay a surrender value in such a case. In Australia the matter has been before the Commonwealth Parliament, and in 1930 a Bill dealing with it was passed by the Senate, during the debates on which both Labour and Nationalist members declared against a statutory surrender value, and expressed themselves as quite satisfied with the existing policy provisions.

The following extract from "The Australasian Insurance and Banking Record" for the 21st September last is informative:—

"The Queensland Government, it has been announced, proposes to introduce legislation to provide for the fixing of the surrender value of industrial policies. The announcement gives rise to a most serious question of principle. While some companies grant surrender values voluntarily, the proposal to place the matter on a compulsory basis would alter the position of the parties both as regards existing contracts and as regards future arrangements in dealing with

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funds. If surrender values could be called for by the policy-holder with little, if any, notice, it would be necessary for the life offices to alter their methods of investment in order to have funds always available to meet demands which might easily become large, to the detriment of the general body of policy-holders who do not surrender their policies. Altogether the proposal is one that should not be sanctioned by Parliament.

"The idea that surrender values should be fixed is not an untried one. Recent American experience on the subject has been adverse, as it has been shown that when pressure arises on a considerable scale, it cannot be maintained. When the financial pressure in the United States reached its height early this year, it became necessary at short notice to review the position and to suspend cash surrender values and to suspend the operation of compulsory requirements."

That is quite a sensible statement, and I dare say the Minister has seen it also. I would like him to pay heed to those opinions of responsible persons who know exactly the position and who can foresee just as well as the Government and their advisers what is likely to happen.

We know that all the large insurance companies are operating throughout the Commonwealth. I consider that for the purpose of arriving at uniformity throughout Australia a question such as life assurance should be the subject of Federal legislation. We have had Federal legislation on bankruptcy, and it is quite possible we may have it in connection with companies, divorce, and other matters; but I think that life assurance especially should be the subject of Federal legislation, because it is a matter common to all the States on which there should be a uniform practice throughout the States. I feel certain that if we had Federal legislation on the subject expenses would be considerably lessened, which would mean consequent benefits to the policy-holders.

I mentioned just now that a Bill was passed by the Senate in 1939, and I understand on good authority that the Bill will again come before the Federal Parliament and possibly will be passed. If my information is correct, I would suggest to the Minister that further consideration of the Bill should be postponed, at any rate, for a period.

Mr. BEDFORD: The longer the better?

Mr. R. M. KING: The longer the better. At any rate, in view of the fact that the Federal Government are going to bring in the Bill I have mentioned—which, if passed, would naturally repeal any State enactments—it is advisable for the Minister to hold this Bill over for the time being. If he afterwards finds that no Federal action is taken he can again bring it before us, whereas if it is carried now and Federal legislation is passed afterwards, its provisions will be futile, and in the meantime it will cause a good deal of trouble and expense to the insurance offices which will be called upon to observe the law passed by the State.

The Minister has referred to the investment of insurance funds. We know in Australia the insurance companies have not

been backward in coming to the assistance of Governments in crises which they have been forced to face in times of financial stress. The insurance companies have never failed to play their part. If I remember rightly, when Mr. Fihelly was Treasurer a few years ago, he sought the aid of insurance companies, which was given several times, and when loans have been raised since the insurance companies have been very much in the front in giving assistance. When Mr. Fihelly was Treasurer, of course, the insurance companies perhaps thought that discretion was the better part of valour and may have thought that sooner or later they would be compelled to subscribe. I know the banks were in that position, and thought they might be called upon—at any rate, that statement has been made—but I do not want to go into that phase of the matter. We know that the life assurance companies have taken a very big part in financing Governments during recent years, and any legislation such as this will most assuredly prejudice the investment of such funds, the value of which will become depreciated.

Have the Government asked themselves how the guarantee of the surrender value will affect the companies? It is very obvious that industrial business from its very nature is less stable than ordinary life business. As I said before, efforts are made to maintain the stability of the industrial policy-holders, and there is no doubt that in this respect very great progress has been made during the last twenty-five or thirty years. The industrial policy has come to be looked upon with a good deal of favour by people who really cannot pay the high premiums on ordinary life policies. I say without any hesitation that this Bill will neutralise all that progress and that it will act against the interests of policy-holders. For one thing it will most assuredly result in the charging of a higher premium. It is quite possible also that it will interfere with the progressive improvement which now promises to come the way of the present policy-holders. It is quite possible that the healthy lives will take advantage of the surrender value and the unhealthy lives will continue to maintain their policies. That will obviously be detrimental to the companies. In order to reap a good investment rate the insurance companies invest their money for long terms—they do not keep it at call. They are within their province in doing so. That course is also in the interests of the policy-holders. After all, the mutual benefits that are received are the result of careful investment in the interests of the general body of the policy-holders. It is not good policy for any insurance company to keep liquid assets at all. Such assets would be unproductive—they would not be earning anything. It must be obvious that if the surrender value clause of this Bill is made law, insurance companies must make provision for unexpected calls in connection with the payment of surrender values. That naturally will have an adverse effect on both companies and policy-holders, because, as I have said, moneys kept at call are unproductive, and the result of the loss on investment will not be to the mutual benefit of the policy-holders and the company.

I am strongly convinced that the Bill is ill-advised. It is not sought for, except, perhaps, in one or two cases of hardship.

In the general interests of people who are not in a position to pay high premiums—who can only afford the policies carrying small premiums—I say the Government would be ill-advised to proceed with it. I repeat that in view of the fact that Federal legislation is pending it would be wise for the Minister to withhold the Bill for the time being. If legislation is introduced by the Federal Government later, it will override any Act passed by this Parliament, but in the meantime the insurance companies will of necessity conform to the State law, with the ultimate result of dislocation of their business. I seriously commend that aspect of the matter to the Minister, and I trust that he will see the necessity for holding the Bill over for further consideration.

Mr. BEDFORD (*Warrego*) [11.24 a.m.]: The Deputy Leader of the Opposition made a very lame and halting speech in opposition to this Bill—the only kind of speech he could make, in the circumstances. He has asked us to believe that it is ill-timed and ill-advised and that nobody has asked for it. If he thinks that the great mass of industrial policy-holders—the people who pay 3d., 6d., and 9d. per week—could organise a demand for anything in their interests in respect of this matter, he is much more optimistic than I thought, but whether they could or not the fact remains that for years anybody who has looked into this question has seen that industrial insurance is perilously near theft. The hon. member for Logan led us to believe that the people who provide our system of industrial insurance are kindly philanthropists who sit in their offices waiting for the populace to surge in and demand its great benefits. He neglected to inform us that industrial insurance has been built up by the tremendously insistent demand by the offices, its employees, by very high-tensioned and very high-powered salesmanship, by salesmanship that is very often unscrupulous.

Industrial insurance began in Australia with the Citizens' Life Company. The Citizens' Life Company, in order to get the name "Mutual" tacked on to it—it is in no way mutual—purchased a company called the Mutual Life Company of Australasia, which is disappearing or must have disappeared, seeing that it has written no new business for something like twenty years. It was followed in Melbourne by the Temperance and General Life Company. It was most intemperate and very ungenerous in making the charges that it made. It is necessary to point out that the Citizens' Life Company made shocking overcharges in respect of premiums and as to surrender values. These were not only non-existent, but the very policies were lapsed largely because the collector neglected to call on the assured after a certain amount had been paid. The tremendous profits shown by overcharges on life assurance grew to such dimensions that purely mutual companies like the Australian Mutual Provident Society and the Colonial Mutual Society attempted to lower their rates for general business by making overcharges on the little people, thereby compelling them to pay much of the ordinary policy cost. The only really mutual company in Australia to-day is the National Mutual Company. It objected to anything which was against its mutual principle—the principle upon which it was founded—and refused to take on the business

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of industrial assurance, which, as I have said, is perilously near theft. A few figures will suffice to show the position. The Citizens' Life Company had a capital of £5,007. It must be paying itself a much greater dividend now than it did fifteen or sixteen years ago when it was paying itself £100,000 a year. In order that the people who were supplying the profit of £100,000 a year on a capital of £5,007 should not know it, it issued a false balance-sheet in which it left out all mention of dividends and simply showed, "Bonuses, surrender, etc.,: so much." That covered the whole of the £100,000 derived by way of profit.

The hon. member for Logan has stated that the Bill will have the effect of stopping what he regards as a wonderful opportunity for small savings. He believes, for instance, that if industrial insurance loses any of its attractions the 6d. and 9d. per week paid by the assured will be frittered away in beer or pictures or some such things. The worker who has spent his 6d. or 9d. per week in beer or pictures is immeasurably better off than many who have taken out industrial policies with certain companies.

Mr. R. M. KING: I did not refer to beer or pictures.

Mr. BEDFORD: Then whatever it was. The hon. member said it would be frittered away—perhaps in buying pianos, or even in buying high-grade speeches such as that just delivered by the hon. member—which speeches are the greatest drug that there is on the market.

The Bill does not go far enough though it is a welcome instalment of progress. It should fix once for all the proportion of the premium to be paid by the industrial policy-holder, as compared with that paid by the ordinary policy-holder. At present an insurance canvasser out after business will go to the kitchen and insure the servant, say at the rate of £5 per £100. Then he will go to the drawing-room and insure the mistress for, say, £2 10s. per £100. The real reason for that is the wholesale purchase of insurance, that is to say, the purchaser who pays quarterly, or half-yearly, or yearly premiums, is really riding on the backs of the small insurer who cannot afford to pay quarterly, or half-yearly or yearly premiums and is compelled to pay a premium every week.

The whole system of industrial insurance has been a theft. For that reason the purely mutual companies like the Australian Mutual Provident Society and the Colonial Mutual Life Assurance Society found that industrial companies who also issue life policies are able to quote a lower rate for the latter owing to their exorbitant charges on the small holders of insurance. Consequently they were compelled to break away from the purely mutual system and adopt a system which was mutual only in so far as the big policy-holder was concerned, and tremendously unmutual so far as the small policy-holder was concerned.

The Bill is a very good one, and should commend itself to the whole of the House.

Mr. C. TAYLOR (*Windsor*) [11.32 a.m.]: I listened carefully to the speeches of the Minister and the hon. member for Warrego, but I am still quite convinced, notwithstanding what the hon. member for Warrego said, that the introduction of this Bill is not only a very great mistake, but is also ill-

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timed. I could understand some of the remarks which have been made if the accredited life institutions of Australia were proprietary companies. By and large they are not. The whole of these tremendous profits which the hon. member for Warrego talks about—

Mr. BEDFORD: Go to the shareholders of the Citizens' Life Company.

Mr. C. TAYLOR: I am talking about the mutual life companies—I am not talking about the proprietary companies. The profits made by the mutual life companies do not go to the shareholders or proprietors, but are distributed among the policy-holders themselves. The Minister stated that life insurance companies were surer or more stable than banks. I also say that they are. They are more stable than banks for the reason that they are protected from a run. The discussion this morning has principally centred around the industrial policies, but this Bill deals not only with industrial policies, but also with ordinary endowment policies and ordinary life policies. They are all included within its ambit.

The hon. member for Logan read an extract from "The Australasian Insurance and Banking Record," but the writer of that article has fallen into the same mistake as some hon. members. The article says—

"The Queensland Government, it has been announced, proposes to introduce legislation to provide for the fixing of the surrender value of industrial policies."

They do; but they also provide for the fixing of a surrender value in connection with ordinary endowment and life policies after they have been in operation for three years. If that means anything at all, it means that millions of pounds can be demanded from insurance companies when this Bill becomes law. The Minister stressed the point that certain companies now provide for surrender values. There is no doubt about that, but others do not. When the large mutual life companies adjust their tables they provide therein for the payment of surrender values. There are companies who have made no such provision, and that is where much trouble will be created. The basis of the surrender value is being altered under this Bill, and in a time of crisis or depression that will open the door to a run on institutions which ordinarily provide a great deal of the finance of this great Commonwealth, and which have in the past been able to preserve their position when banks and Governments have met with disaster. There are those in the community who remember that forty or fifty years ago Australia was invaded by the three largest insurance companies operating in America—viz., the Equitable Life, the New York Life, and the Mutual Life of New York. These companies commenced business here with a great flourish of trumpets, had millions of dollars behind them, and built the most palatial insurance offices ever built up to that time. They operated here for ten or fifteen—it may be twenty—years, but although the Australian insurance companies were not as strong financially as they are to-day, they were able, by the benefits which they gave to their policy-holders, to beat the American companies, which passed out of existence in this State, at any rate, disposing of their establishments here and making arrangements for any insurance business

commenced by them to be taken over by other companies. The passing of these American companies was the finest of tributes to the splendid way in which the Australian insurance companies conducted their business. The three American companies were proprietary in character; they were not mutual companies, as we understand the term.

The hon. member for Logan referred to the fact that the insurance companies which are not paying surrender values at the present time do not confine their operations to Queensland. How, in those circumstances, will the position be adjusted? Will it be necessary for them to reclassify the table of contributions for the class of policies that will be dealt with in this legislation? Notwithstanding what the hon. member for Warrego said, when a person takes out a small policy—and the Minister has endorsed the fact that thrifty people do take out these policies—one of the last things that he wants is any interference with that policy. He will do nothing which will jeopardise its safety; and rather than borrow money on it he may deny himself many things in order that he may have a direct benefit when it is absolutely necessary. The people who take out that class of policy desire to save, just as a youngster who has, say, 16s. in a savings bank account, will stint and save to increase the amount to £1, though it may mean his abstinence from picture shows and other amusements. It is that class of people who are protected by the kind of insurance with which it is proposed to interfere in this legislation. I have a limited knowledge of industrial policies, but I have a good deal of experience of endowment and life policies, which are absolutely safe and sure. I have no regrets at any insurance which I effected. I was not born with a silver spoon in my mouth. I have had to work every inch of the way; I have had to save during the whole of my lifetime. I have been able to do so, and to maintain my life policy in exactly the same way as others who have been doing the same thing for years. Considering the great benefits that we as citizens derive from the practical working of insurance companies, remembering that their profits are heavily taxed, and viewing also the fact that these companies make large contributions by way of loans, etc., to all Governments, I think the present Bill is mistaken legislation, and I regret that it has been introduced.

Mr. MOORE (*Aubigny*) [11.41 a.m.]: I quite agree with what the hon. member for Windsor has said. We have to recognise that any interference such as is proposed in this Bill will have an indirect effect upon people who do not surrender their policies, because naturally the business of the insurance companies is based upon actuarial valuation of the money that they have invested to enable them to meet their obligations. When the Government introduce legislation which fixes the surrender value of a policy—which may be greater than the surrender value on which the company works—the calculations of the company must be upset to a certain extent. The alteration is unjust to the people who do not intend to surrender but who desire to maintain their policies to the limit of their ability. The fact, mentioned by the Minister in his second reading speech, that only 7 out of 400 odd people in the Ipswich district,

insured with the State Insurance Office, had asked for a surrender value does not prove very much, because the hon. gentleman admitted that a large number of the companies do not have a surrender value for their policies. The interference by the Government in this direction will upset the calculations upon which companies already hitherto successfully worked. The insurance companies have been working very consistently. I cannot understand what the hon. member for Warrego was talking about when he referred to the profits of the Mutual Life and Citizens' Assurance Company going to the shareholders. I happen to have a policy in the Mutual Life and Citizens' Assurance Company, and the bonuses in that company are practically the same as those I get from the Australian Mutual Provident Society. It seems to me to be extraordinarily unlikely that there is anything hidden or anything in the way of a false balance-sheet, as the hon. member for Warrego would infer. It would have been criticised outside this House if that were the case. The shareholders at their annual meeting and the policy-holders themselves would very soon get to the bottom of the matter if a company were issuing false balance-sheets covering up the distribution to the shareholders of £100,000 which should have gone to the policy-holders. Does anyone believe that a company of the magnitude of the Mutual Life and Citizens' Assurance Company is able to issue false balance-sheets and conceal the fact that £100,000 was distributed by way of profits to shareholders in a company with a share capital of only £5,000? It seems a very extraordinary statement to make.

I do not think this Bill is to be commended or that it will be of very great advantage. After all, we know that insurance of this sort is a form of compulsory saving. People do not want to see their policies lapse and endeavour to keep them going. If they are to be offered a surrender value, it will be a temptation to them to surrender their policies, especially if they consider that they can put the money to some better use. That will not be of any advantage to the others who continue their policies. We have an obligation not only to the people who want to surrender, but also to those who do not want to surrender, and who are anxious to get the best terms and conditions, the lowest premiums, and the best value for the money they put into a company during a long period of years.

I cannot think that a large number of people will ask for a surrender value. I do not mean that it will injure the company, but naturally the company which can accumulate the largest amount of funds for investment purposes, from which it derives profit, will be able to give greater benefits to policy-holders who want to continue their policies than a company from which large numbers take their surrender values and draw out. It will mean further expense. We should be careful before we interfere to fix definitely what the surrender value is to be and to make it easy for a surrender value to be obtained. The present position seems to work well. As the Minister himself points out, people who invest in industrial policies and surrender them are not of such advantage to the company as those who desire to keep their

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policies in existence, and that desire has been greatly assisted in times of difficulty by the fact that there has not been a compulsory surrender value. Efforts were made by policy-holders to continue so that they would not lose what they had put in; but if the Minister makes an offer to them to the effect that a policy which has been in existence for four years has a definite surrender value the same incentive to future saving will not exist. People often go in for an insurance policy during a wave of enthusiasm, possibly from a desire to protect their children, to provide funds, as the Minister said, for their burial, or for the benefit of their families afterwards.

The SECRETARY FOR PUBLIC INSTRUCTION: They can have their enthusiasm.

Mr. MOORE: Certainly they can. It is all for the benefit of the community, and particularly of those people whom they have in mind. I do not know of anybody who, after contributing to an insurance company for a number of years, has ever regretted it. They may have been lured into it at the time by the eloquence of a canvasser, but they have recognised the advantages that followed, whether to those left behind, or themselves. Anything that will make it easier to surrender a policy at a time when the holder is temporarily in difficulties, will not be in the best interests of such people. Nor will it be to the advantage of those who remain in the mutual company, if it is mutual, and certainly it will not be for the benefit of the community as a whole. One of the best traits a person can have is that of thrift. This quality is being militated against tremendously throughout Australia by all sorts of legislation which makes it hardly worth while for the people to save. This Bill makes a further attack upon thrift by making it possible for people to secure money easily when they are in temporary difficulties—a course which they will no doubt regret ever afterwards.

I do not think the Minister has put forward any definite proof that there will be a general advantage from this Bill. His argument was that because some people had the opportunity of securing the surrender values of their policies, all people should have the same opportunity. There may be some grounds for that argument, but the conditions of people vary. As a rule, people do not desire to get surrender values on their policies, most people prefer mortgages or liens on their policies. They desire as much as possible to keep the policy alive. It is to be noted that companies do not make the surrender value of a policy as attractive as other means of dealing with it—they do not wish to tempt people into surrendering. This Bill makes the surrendering of a policy very attractive. The Minister said it is not going to injure the companies in any way because of their calculations, but it certainly seems to me that if you make a surrender for a definite value easy, the insurance companies may have to revise their calculations and the premiums will be higher. The savings bank has to give a lower rate of interest because of the fact that depositors may withdraw their money at any time. Insurance companies probably will have to make some similar provision. They will have to charge higher rates to the policy-holders, because they will have to provide for the surrender value of the policy at any time. Consequently they will fall into the same category

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as the savings bank—not immediately, but after four years, when they will have to provide for the possibility of a large number of surrenders. Such action will not assist the companies in any way, and will not enable them to give as good terms as they otherwise would have done.

I do not know whether the Minister has taken all these things into consideration, and I do not know that any objection has been made to the present practice. I do not agree with the hon. member for Warrego that the actions of some of these companies has been perilously near theft. Could the insurance companies in Australia have been so successful if their actions had been so perilously near theft? They would not. Most of them have a good advertisement in the people who have insured with them, and the results that such people have obtained from being so insured. The insurance companies do not have to advertise; it is their own fair dealing and the benefits they have given to the individuals that induce the people to insure. If there were anything in the suggestion that people were being robbed for the benefit of the shareholders, I am sure the volume of life insurance business of the companies would not be anything like what it is to-day. It is only because people recognise the mutual advantages gained by the co-operative saving system that insurance has attained the prominence it has. An entirely new principle is being established so that certain people will be entitled to a surrender value on certain policies. I do not think that that will be for the advantage of those who co-operate for their mutual benefit.

Mr. TOZER (*Gympie*) [11.54 a.m.]: The main principle contained in the Bill is that industrial policies shall carry a surrender value. This applies at the present time in the case of ordinary life policies and in certain companies to industrial policies also.

It must be admitted that the life assurance companies have been of considerable assistance to Australia and to this State in particular, and I do not approve of the action of the Government in interfering with their management. The companies have already decided upon a basis for their financial operations and in that decision they have apparently agreed that no surrender values shall attach to industrial policies. If there had been any merit in such a proposal, I am sure that the companies would have embraced it as an added inducement to the people to take out industrial policies. However, they have not done so and they must have had good reason for their decision. Any interference with the management of mutual companies in this respect will reflect itself in the investments on behalf of policy-holders generally. Therefore, I do not approve of the Government's interfering with the management of insurance companies, especially since the companies have made an absolute success of their business. The Government cannot claim to have made an absolute success of their own business, but they are prepared to interfere with the management of insurance companies, and to say, "We consider that you should do this, despite the fact that you considered it inadvisable to attach a surrender value to industrial policies."

The Bill provides that a surrender value shall attach only after the policy has been in force for four years. The surrender value of a policy that has been in force for only

four years must be very small indeed. So why introduce a Bill to interfere with the management of insurance companies when the assured is to receive only 65 per cent. of the reserve value? I can quite understand this opportunity being taken for propaganda purposes, so that the Government can say to the people concerned, "Look what we did for the benefit of industrial policy-holders? You had no surrender value before, but by our action in Parliament a surrender value is now available to you." The people may be carried away with the idea that something really wonderful attaches to the provision of a surrender value, whereas in actual fact the surrender value of a policy which has been only four years in force is very small indeed. It is my experience that insurance companies extend every consideration to the assured. If premium payments are in arrears the policy is carried on for a certain period without any immediate payment.

The system of industrial policies caters for a class of people who cannot afford to take out ordinary life policies. They would be well advised to make an effort to take out an ordinary life policy for small sums, say of £50, in preference to industrial policies. I believe that they would reap better advantages from the company and at maturity they would receive a better return for their money. I know of a number of industrial policy-holders who actually paid in more than they received upon the maturity of their policies. Under the ordinary life policy with bonuses that would not happen at all. The policy-holder would actually get more on his policy than on an industrial policy. Personally, I do not favour industrial policies at all. No one can argue against life assurance. Life assurance is beneficial to every individual who can afford to embrace it, and everyone who can should take out life insurance in some form or other, and the earlier he does so the cheaper it will be.

If the assurance companies have not asked for legislation compelling the payment of a surrender value in respect of industrial policies the Government should not introduce this Bill. I do not know of any request for this legislation by any section of assurance companies which issue industrial policies. In the course of my business I meet a proportion of those people who engage in this form of assurance, and I have never yet heard them say that there should be any such legislation. There are many other subjects on which the Government would be well advised to legislate in preference to this. Lately I had some dealings with one company which stated that no surrender value was attached to a certain policy, but said, "We will issue you a paid-up policy to a certain amount if you cannot keep the premiums going." Thus it did not acknowledge the liability to pay a surrender value, but met the policy-holder to a certain extent. Life assurance companies have proved that they are quite capable of managing their business efficiently. Let them continue to do so and let the Government attend to more important affairs of State.

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. F. A. Cooper, *Bremer*) [12.2 p.m.], in reply: We have often heard of things being "damned by faint praise." If I may be permitted to twist that saying, let me remark that this Bill has certainly

been "praised by very faint damns," so far as the Opposition are concerned. The Deputy Leader of the Opposition said that there was no demand for the Bill. If so, then all the dreadful things which he prophesied certainly cannot come about. He made a special appeal that this legislation be deferred because of some proposed Federal legislation. The hon. gentleman said he had it on very good authority—that it had come "right from the horse's mouth" as the saying is—that Federal legislation on this subject may be passed in the near future. That is altogether too indefinite for me. Although a Bill was introduced into the Federal Senate in 1930, no further action has been taken up to the present. I would like to know what is holding up that Bill! In this connection I desire to quote what has been said on the point by the "Sydney Bulletin" of the 27th September, 1935—a journal which has some standing as a financial authority—in dealing with the matter of the abolition of the Legislative Council in Queensland—

"Butler's blunder in South Australia gave the Forgan Smith Government an opportunity to tack on a clause with a popular appeal, so now there is to be no extension of the life of the Assembly without a referendum. In other matters, such as the measures against usury, hire-purchase bloodsucking, forfeiture of industrial insurance policies without payment of surrender values, and the coupon system, his Government has exhibited what is so conspicuously lacking at Canberra—energy."

Mr. NIMMO: Did the hon. member for Warrego write that?

The SECRETARY FOR PUBLIC INSTRUCTION: I would not like to say that the hon. member for Warrego wrote that paragraph or not. All I know is apparently it was approved by the sub-editor of the "Bulletin" and published by the "Bulletin," which is by no means antagonistic to the Lyons Government. If that journal has doubts as to the energy of the Federal Government, what assurance have I that the insurance measure mentioned by the hon. member for Logan will be passed? It may be because of this inaction of the Federal Government that this Bill has been introduced.

The hon. member for Windsor quite rightly said that insurance offices were more stable than banks. That is due to the fact that the stability of banks is not based on an actuarial basis, but upon the necessities of to-day, and the possibilities of to-morrow. On another occasion the hon. member for Windsor disclosed certain of his private dealings with an insurance society. He told us that in 1896 he took out a policy with the Australian Mutual Provident Society, that he had paid a little over £200 at the rate of £4 9s. a year during the currency of the policy, that the reserve values of the policy was £453, and that the Australian Mutual Provident Society had offered him a surrender value of £352. The hon. member for Windsor professes to be disturbed because of the high surrender value that will be attached to industrial policies. Why! the Australian Mutual and Provident Society offered him a surrender value of 77 per cent. of the reserve value of his policy! Surely if the Australian Mutual Provident Society is prepared to do

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that with the hon. member's life policy, there can be nothing wrong in asking the same office to give a surrender value of at least 65 per cent. of the reserve value of its industrial policies? To show that this insurance society is not offering anything extraordinarily good, had the hon. member for Windsor in 1886 paid £4 9s. into a savings bank and continued ever since to make that yearly contribution, he would to-day have to his credit £464, at savings bank interest, which, over the period, has averaged something like 3 per cent. per annum. So that the £464 is somewhat more than the reserve value and much more than the surrender value of his policy.

Mr. C. TAYLOR: But what if I had died?

The SECRETARY FOR PUBLIC INSTRUCTION: That certainly is where the insurance companies give a little advantage; but the hon. member will admit that the insurance companies base their tables on the expectation of life, and in the case of the hon. member for Windsor the insurance society was not mistaken.

The hon. member for Windsor would have had this further advantage: from 1886 to the present day he would at any time have been able to get the full value of the money he had deposited in the savings bank plus interest. With his insurance policy he has not been able to get the full reserve value, because the surrender value has always been less than the reserve value. That is the safeguard in this instance. When the Leader of the Opposition spoke I began to imagine that people would take out industrial insurance policies for the sole purpose of getting their surrender values.

Mr. KENNY: Your aim is to give that opportunity.

The SECRETARY FOR PUBLIC INSTRUCTION: The hon. member for Cook thinks that the aim of the Bill is to give a man the opportunity to rush in and get something less than the actual value of the policy. If that is what the hon. member for Cook really thinks, I can only say that if the hon. member for Cook, on a cold wintry night, were wrapped in his own thoughts and nothing else, he would surely be frozen to death! The inference is that in effecting insurance the surrender value will be the incentive. That is not so. The incentive in insurance will still be to maintain policies as long as policies are maintainable, because of the actual value accruing from such policies.

I do not believe that this measure will injure any particular policy or the bulk of the policy-holders in any company, because each policy has its reserve value and there is not likely to be any alteration. I am firmly of the opinion that it will be a great help to insurance companies in the end. When the hon. member for Logan was quoting from various journals as to what had been said in other countries, he quite overlooked the fact that a committee which investigated the question of insurance in England some time ago actually recommended the provision of surrender values after a certain period.

Mr. MOORE: Only under exceptional circumstances.

The SECRETARY FOR PUBLIC INSTRUCTION: I cannot place my hands on the extract at the moment, but at the

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Committee stage I shall be able to show that that insurance committee recommended surrender values in cases other than when people were leaving the country.

Question—"That the Bill be now read a second time" (*Mr. Cooper's motion*)—put and passed.

Consideration of the Bill in Committee made, an Order of the Day for to-morrow.

CITY OF BRISBANE ACTS AMENDMENT BILL.

SECOND READING.

The HOME SECRETARY (Hon. E. M. Hanlon, *Ithaca*) [12.12 p.m.]: I move—

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

The case for adult franchise in municipal affairs has been made quite often in this House, and I think all hon. members have at some time or other taken part in a debate upon a measure of this kind. That is the great principle which is contained in this Bill—the restoring to the people of the city of Brisbane the right to govern themselves. We had such a debate upon the Local Authorities Acts Amendment Bill last session, in which the same principle was involved.

It might be worth while for hon. members to realise that the city of Brisbane differs from any other local authority in this State; in fact, I suppose it is different from any other local governing body in the world, in that it is a city government, governing the largest city area in the world under a charter entirely different from that under which any other local authority in the Commonwealth operates. As a matter of fact, there is no other local authority or city council in the British Empire—and none that I know of in the world—which has such a wide charter and enjoys such powers as the city of Brisbane has under the City of Brisbane Act. The establishment of this great city of Brisbane under one council was perhaps regarded by some people as a dangerous experiment. With the political party to which I belong the principle of greater city government has long been considered—long been discussed and debated. We do not look upon it as an experiment at all, but as a step in the natural progress of city affairs—a big step, of course, and being the first step naturally one which the more timid-minded section of the community opposed, but still a definite step forward in the government of the city by the people of the city.

The Brisbane City Council is charged with a great many powers that come very closely into contact with the lives of the people. Civic government such as we have in Brisbane is in much closer contact with the domestic life of the people than the government of the State can be. With such a wide area and great powers, there was opportunity in the field of local government in Brisbane for men of big vision and capacity to do big things for the city. The city, as well as having the largest area of any city in the Empire or the world, has many other advantages which make it possible for it to become a great and prosperous city. In the first place, its location is particularly healthy. There is no other part of the Commonwealth where there is such a large congregation of people who have such fine

health statistics as the city of Brisbane. It has a most healthy and even climate. Although not built upon the sea, the river running through it makes it one of the great seaports of the continent. In the second place, it is situated in beautiful surroundings—both of mountain scenery and the bay into which the Brisbane River flows. Its scenery is as beautiful as that of any other in the world. Nor is there any city in the world—and I think all hon. members will agree with this—with a port with such a rich hinterland as Brisbane has. Therefore this city has every possible advantage for making it the home of a large, healthy, happy, and prosperous population—and that result can be brought about by intelligent city government.

Anyone who has studied local authority affairs must be struck by the fact that during the long centuries through which property interests were the sole interests consulted in local authority affairs, the welfare, comfort, and convenience of the people received very little consideration. It is only since the mass of the people in cities have actively participated in local government that any real progress has been made in city government. It is only since the great mass of the people themselves have secured some voice in local government that the health, welfare, happiness, or cleanliness of the people has become of any great concern to local government bodies. It is only since the mass of the people themselves have taken part in national government that their welfare has been any particular concern of government. It is only since the people as a whole have taken some interest in government that any progress in government in the interests of the people has been made, and the development which applied to national affairs applied also to local government. To-day in the city of Brisbane—given an adult franchise—the people have the opportunity of making their city what it should be.

During the period when the citizens of Brisbane, as citizens, had no vote—and that was a long period—most of the ills from which the city of Brisbane has suffered came into existence. Bad town planning, neglect of sanitation and water supply, neglect of sewerage, and neglect of proper means of transport are all chargeable to the days when the right of voting in civic affairs in Brisbane was vested in the holding of property and not in the individual. (Opposition laughter.) The hon. member for Toowoong may laugh.

Mr. MAXWELL: So would you laugh.

The HOME SECRETARY: He took part in the misgovernment of this city under those old conditions. He may, perhaps, be excused by the darkness of his mind in civic affairs for not agreeing with me; nevertheless, the fact remains that it is only since the citizens of the various local authorities that constituted the city of Brisbane have had some voice in the government of the city that any attempt has been made to safeguard the interests of the people as people. Formerly work was done in the interests of property; it was done in the interests of business; it was done in the interests of a farming community or suburban community, having access to the business centres in the city. Work of a nature which would benefit the health and other interests of the whole community was entirely neglected. The people

can look only to themselves for any such safeguard. Why should not the people of a city govern the city? Most people will agree that the right to take part in the government of a city, State, or nation should be vested in its citizens and not in the property of its citizens. I do not recognise that property as property has any actual right to a voice in the government of the community. All that matters to me, as a member of this House, is the welfare of the citizens of this country—that is my only concern. I remember during a previous stage that an hon. member who is now attempting to interject said, "Surely the Home Secretary has some responsibility to the business section of the community?" I have. I have a responsibility to the wealthy section of the people. I have exactly the same responsibility to the wealthy citizen as I have to the poorest citizen in this community—there is no difference whatever. I recognise to the full my responsibility as a Minister of the Crown. I venture to say that is where we differ from hon. members opposite. The latter appear to have in their minds the idea that Ministers of the Crown and Governments have greater responsibility to wealthy people than to poorer people. We do not recognise that principle. For that reason, the Government restores to the people of Brisbane the right of self-government.

The city council is charged with the care of the people in matters of transport, water supply, sanitation, health, beautification of the city—all the amenities of domestic life which concern the wellbeing of the citizen as such. The council which governs the city of Brisbane is so vitally concerned with the wellbeing of each and every individual in the city that there can be no argument against the right of every intelligent adult in the city to vote in civic affairs. The health of the community is a charge upon the city council. If any hon. gentleman could show me that disease germs had some special respect for the bodies of the poorer people, then, perhaps, we could say that only the wealthy should be concerned in the health of the community. But we know that the diphtheria germ or the bubonic plague germ or the germ of infantile paralysis attacks the rich and the poor without any discrimination. It may be that a few fortunate individuals are in a position to get the best medical treatment and to live in the best surroundings. If there were to be any distinction at all in health matters, then I would say that the poorer section of the community should have the greatest control in such matters, because they are most vitally concerned. But we do not claim any more right for the poorer citizen than we do for the wealthy. We hold that they all have the same right, and all should have the franchise in civic affairs. We do not contend that because people are not engaged in business they have no interest in civic government. History shows the numbers of poor people in every country and in every age in the world who have served their country. The poorer sections of the people—the ordinary working men and women—have been the citizens who have served their country with the greatest unselfishness and the greatest loyalty. We believe that the people of Brisbane are just as unselfish, just as loyal and honest as any other people in the world, and we hold that they all have equal rights to govern themselves. The suggestion

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that non-property owners would be unconcerned about the manner in which money might be expended in the city is one of the greatest slanders that could be aimed against our people. If there is any distinction at all, experience has shown that the working people are the most honest of the community.

Under the occupier franchise enacted by the late Government any glib-tongued agent or any person who rented an office in the city was entitled to exercise the franchise, whilst the mothers of our young citizens, nurses, nuns in convents—women engaged in the most valuable work of the community—were deprived of the right to vote. They were not allowed to exercise the franchise, but any abolitionist who rented an office in the city had the privilege of participating in local authority affairs. I cannot, for the life of me, understand how anyone can defend such a system.

Let us look at how the occupied franchise initiated by the late Government operated in the city of Brisbane. It is shown by the following very interesting figures:—

	Males.	Females.	Total.
No. on State Roll, 1930	81,903	92,286	174,189
No. enrolled under occupier franchise	53,147	26,148	79,295
No. disfranchised under occupier franchise	28,756	66,138	94,894

In defending the occupier franchise hon. members opposite said that they were endeavouring to prevent a person with no interests in the affairs of the community from taking part in civic affairs, that they were trying to prevent a person from having a vote in local authority matters when he simply blew into the city or was camped in the parks. They deliberately disfranchised 66,138 women in the city! I venture to say that the 66,138 women who were disfranchised in this city were women engaged in the most important work in our community.

Mr. NIMMO: Nearly all of them voted in the same way as their husbands, so that it was only duplication.

The HOME SECRETARY: The hon. gentleman is living in the times a few decades ago, when the male franchise existed. His mind is thirty years behind the times. He is living in an era prior to the franchisement of women. What would the Queensland Women's Electoral League and the National Council of Women think of the hon. member as a champion of the cause of women? Government in Australia has made great progress since the enfranchisement of women and their participation in the affairs of Australia. Much greater attention has been given to subjects such as health and child welfare than was paid to them in the days prior to the time when women began to take part in political affairs.

The occupier franchise enacted by the late Government disfranchised 28,756 males in this city. Do hon. members opposite who represent city constituencies contend that there were 28,756 males in the city of Brisbane who were not sufficiently intelligent to exercise the franchise—unless it be

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those who voted for them at the last election? Hon. members opposite are very fond of saying that people who have no interest in property would be neglectful of the interests of the city. I do not hold with that contention. The people who have no interest in property in the city are just as honest as those who may have a great deal of property. Why, people are often prosecuted in our courts for being in possession of property for which they cannot account, but that is by the way. At the present time 182,692 people are enrolled on the local authority roll for the city of Brisbane and the number of rate notices issued to property owners is 102,439. Many of those assessments are issued to people who own more than one property. The number of actual individual ratepayers in the city is estimated at between 65,000 and 70,000—not quite one-half of the number of voters. This is the point to remember: Most owners of property have relatives. Any number of male property owners have wives, sons and daughters, fathers and mothers. Is it to be maintained that because one member of a family may have property, and another member may have none, the section of the family which owns no property, or does not directly pay rates, will do anything to injure the interests of the members of the family who happen to own property? Are they prepared to disregard the way in which the money of their relatives is spent? In our experience we find they do not.

The hon. member for Windsor has used as an argument that his young sons were not entitled to the same franchise in the city of Brisbane as himself. They may, or may not have interests in property, but I maintain that whatever property the hon. gentleman has, his sons and his daughters would have sufficient interest in their father's welfare not to tolerate members of the Brisbane City Council who did anything against the interests of their father and mother. Such an argument is ridiculous. The great bulk of the 70,000 actual ratepayers in Brisbane have mothers and fathers, wives, sons and daughters, brothers and sisters who are equally interested in the interests of the city as they are. We need only realise this fact in order to appreciate the futility of the contention that the voting power in the city of Brisbane should be confined to the property owner.

But many people who do not pay rates directly but who are disfranchised under the system of hon. members opposite are keenly interested in the administration and progress of the city of Brisbane. The bulk of people who pay insurance premiums are interested in landed property because a great proportion of the funds of insurance companies is invested in it. Bank deposits—which pay no rates on land—are interested in landed property because the banks in which they happen to be deposited lend money on it. Shareholders in companies which own land may not pay rates themselves but they have an equal personal interest in it. Nor do hon. members opposite seem to realise that every man, woman, and child in this State has a possession, through the Government of 425 acres of land. The amount of unalienated land in this State averages 425 acres for every man, woman and child in the community. Therefore, the people in this community have quite a good and valid reason why they

should interest themselves in local government matters, in order to keep their property intact.

The outlook of the Government party is that the vote as a vote should be vested in the citizen. Hon. members opposite seem to think that the vote as a vote should be vested in property in some form or other. Some define the property vote as the right of both owner and occupier, but the fact remains that the vote is the attachment of property. The idea of some hon. members opposite—it is not that of all of them—is that the vote is an attachment of bricks, mortar or land. We disagree with that principle, and I think the people of Queensland will agree with the action of the Government in restoring this adult franchise.

The other clauses in the Bill have been discussed. In the main, the Bill brings us back to the position we were in before the introduction of the amending legislation in the last Parliament by hon. members opposite. The great and outstanding principle is, of course, the restoration of adult franchise. I am very confident that as a result the people of Brisbane will be pleased to exercise their privileges as electors of the city honestly and conscientiously, and that as a result the government of the city will be much more efficient than it could possibly be under a system of property franchise.

Mr. MAXWELL (*Toowong*) [12.35 p.m.]: My mind is carried back to 1924 when the Secretary for Mines, as the Home Secretary of the day, introduced the City of Brisbane Bill. I remember that when the hon. gentleman concluded his second reading speech that the members of his party gathered about him, shook him by the hand, and congratulated him on his wonderful effort. They believed that the introduction of that Bill would result in reducing the cost of administration of civic affairs in Brisbane. The hon. gentleman pointed out on that occasion that the amalgamation of twenty local authorities into one homogeneous whole would result in the reduction of the number of officers, that the reduction of administrative expenses would result in a reduction of rates, and that the whole scheme would be to the advantage of the citizens of Brisbane. It was also contended that the people of Brisbane would get a better deal by the co-ordination which would be effected, and that the problems of the city would be more efficiently attended to. At that time hon. members sitting on this side of the House adopted the same view as the metropolitan press. They pointed out that the area was too cumbersome, that urban, suburban, and city areas were mixed up indiscriminately, and that it would be an impossibility for the legislation to accomplish what the then Home Secretary said it would. In 1930 the Moore Government introduced legislation which had for its object a more decent treatment of the people, power being given to the citizens to elect aldermen as their representatives to conduct the affairs of the city. The Home Secretary, exhibiting a measure of pride, pointed out to-day that as regards area there was no other city in the world like Brisbane. That is so; but at the same time there is no more heavily taxed city in the world than Brisbane. Why is that? Simply because, in order to carry out certain ideas

inculcated in the people by the Labour Government, excessive taxes have had to be levied, so that business men in the community are almost taxed out of existence.

One can understand the dissertation that we had from the Home Secretary this morning. This subject of adult franchise in municipal affairs is one that has been worn threadbare by Labour representatives. The conditions in the local government domain and in the spheres of State and Federal politics are entirely dissimilar. I can quite understand that in the State and Commonwealth spheres all individuals must submit to the laws. Hon. members opposite have argued that in local government also individuals have to comply with the whole of the laws; but the fact is that the individual who complies with local government law is the property owner. On what are the rates levied? They are levied on the unimproved value of the land. It has been argued that indirectly all the people contribute to local government taxation. How many are doing it to-day? Instances have already been quoted in this House of city properties that have had to be auctioned for arrears of rates, and the hon. member for Oxley can give cases where the property did not realise even the amount of rates owing. Yet we are told that all the people indirectly contribute to local government taxation!

The Home Secretary dealt with this matter in a platitudinous sort of way, giving vent to quite a lot of "sob stuff" about the rich and the poor. It is rather paradoxical to hear hon. members opposite speak so feelingly about adult franchise in municipal affairs whilst at the same time they refuse to give rights to other than financial members of their own organisations. Unfinancial members are not permitted to have any voice in the conduct of the affairs of the organisation concerned.

The adult franchise in local government matters means that the person who has no responsibilities or obligations in local government has an equal right with the holder of valuable properties to say, "I am going to place a tax upon your property." That tax practically amounts to a preferential mortgage. I have already drawn attention to the inconsistency of hon. members opposite in insisting on adult franchise for local government, while the Australian Workers' Union and other trade unions, of which they are members, only allow those members who have paid their levies and dues to vote in their ballots. An ounce of practice is worth a ton of theory. Hon. members opposite are very inconsistent in their actions.

As I previously stated, the principle of adult franchise in local government matters was turned down on a referendum of the people of Queensland in connection with the proposal to abolish the Legislative Council. It was put before the people in consequence of a vote which was taken in the Upper House. It is just as well to remind hon. members opposite of what happened, because the Upper House was stacked by the Labour Government to give effect to their wishes. They took a referendum, and the people, by a majority of 66,000, disagreed with the tactics adopted by the Government in prosecuting their design—that adult franchise should obtain in local government. That principle had come before the Upper House, which decided to postpone for six months

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the second reading of the Bill to give effect to it. The reasons given by the Upper House were, first—

“That the Bill would open the door to gross injustice being inflicted on all persons having a permanent residence or interest in any district inasmuch as all owners and occupiers would be liable to having heavy loans and perpetual taxation imposed on them by reckless nomad voters, who could themselves escape from all liability.”

The second reason given for the motion to postpone the second reading for six months was this—

“The local authority franchise is essentially different from the parliamentary franchise in area, interest, and responsibility; and representation should go with taxation and not otherwise.”

I have heard hon. members opposite say that there should be no taxation without representation. They are not giving representation merely to those who pay the taxation; they are saying to those who do not, “We are going to put you on the same footing as the others.” Hon. members opposite say that the National Parliament, State Parliament, and local government should be on the same footing, but they deal with different matters altogether. Parliaments exercise legislative functions, while the municipalities are administrative.

The third reason given by the Council at that time was—

“The representatives of the people on city, town, and shire councils have not asked for the Bill, nor does the community or any appreciable part of the community desire it.”

These reasons were sound, and the people endorsed the decision of the Legislative Council by a majority of 66,000 votes. It is impossible for the Home Secretary to deny it.

If it is good enough for hon. members opposite to accept selection for a seat in this House on a restricted franchise—for only members of organisations who pay their dues have the right to vote—surely it is right that people who pay rates and taxes incidental to property should have a right to call the tune! Hon. members opposite consider it right to turn down the proposals of unionists—members of trades and labour organisations—who have not paid their fees, but in local government affairs it is an entirely different matter. They say then, “We want to put you all on the same footing.”

The difference between this amending Bill and that of the Moore Government is that the latter Bill gave full power for the representatives of the people to act; this does not. Under this Bill the Government do not allow the city council to fix what it considers the proper rate of interest; the Government are to do that. The Government will not allow the Brisbane City Council to appoint a board for the redistribution of seats; they will not trust the council there. I like to hear hon. members opposite talk about trusting the people. They only do that when it suits themselves. The policy of Labour in local government is detrimental to the best interests of the country.

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Mr. MOORE: The Government are not going to trust the council so far as the health of the city is concerned.

Mr. MAXWELL: The city must be kept clean and it is kept clean. The Minister has told us so to-day. Had it not been for the previous municipalities the city would not be clean because we have been told by the hon. gentleman that the Commissioner of Public Health has not done certain things in the city because he has not had sufficient power. When the Brisbane City Council got the charter that the hon. gentleman talks so much about, it got full powers of administration. If the Home Secretary tells us it has not complied with the Health Act the hon. gentleman has power to deal with it.

When the Bill was introduced by the Moore Government, the then Home Secretary made the following remarks, as reported in “Hansard” of 1930, pages 2681 and 2682:—

“I have in my hands a memorandum in connection with the statement of the Commissioner of Public Health that he was unable to take action in the Luggage Point sewerage matter, as he had no power, his power having been taken away by the City of Brisbane Act. The hon. member for Mount Morgan wanted to know what powers the Government health officer will have under this Bill. It has been argued that that officer has not the power which he thinks he has; but the following statement will make the matter perfectly clear:—

‘The powers of the Commissioner of Public Health under the Health Acts are very wide. It is safe to say that no other official has vested in him similar wide powers. He can compel local authorities to do things, and he can take powers and duties out of their hands. His regulation-making powers are very wide, including power to compel local authorities to execute regulations.

‘His overriding powers are contained in Part II. of the Health Acts. By section 11 he can make any inquiry. By section 13, if he is satisfied that a local authority has made default in doing any act or thing, he may make an order directing the local authority to do its duty in the matter. By section 20 he can declare an emergency, of which he is the judge, and, in addition to all other powers vested in him, may exercise, undertake, and perform any and all of the powers and duties vested in or imposed upon a local authority by the Health Acts. He can exercise both powers at the expense of the local authority.’

“Mr. Stopford: He made a public statement that, so far as the City of Brisbane Act was concerned, his power had been taken away.

“THE HOME SECRETARY: Let me continue—

‘The powers of the Brisbane City Council are set out in section 36 of “The City of Brisbane Act of 1924.” The second paragraph of subsection (3) of this section provides as follows:—

“Furthermore the council shall, subject to this Act and to any alteration by ordinance, be deemed to

possess all the powers, rights, privileges, and authorities, and to be subject to all the liabilities, duties, obligations, and responsibilities of a local authority under the Local Authorities Act and the Health Act, and any other Act conferring powers, rights, privileges, or authorities, or imposing liabilities, duties, obligations, or responsibilities on a local authority."

"The council has made a number of ordinances which have not in any way affected the powers of the Commissioner above mentioned. A perusal of these ordinances, which are attached, will show that the council has not even purported to set aside any of the overriding and compelling powers of the Commissioner."

It will be seen, therefore, that the Commissioner has those powers. I am glad that the hon. member for Mount Morgan reminded me of the matter, which has now been fully explained."

That goes to show that if our city fathers are not doing their work in protecting the health of the city the Commissioner of Public Health has the power to do it.

Certain duties may rest upon the local governing body—the aldermen of the Brisbane City Council and the Lord Mayor—but duties also rest on the Government. It has been stated on various occasions that the city of Brisbane is the key to the North. That being the case, the duty of the Government is not to say to the city council, "You must appoint a health officer, a full-time official," but to say "We as a Government will co-operate with you and assist you in your work." We must realise what the attitude of the present Government has been. Their policy has been to shift their responsibilities from themselves on to the local authorities. The council of which I was a member had experience some years ago of an outbreak of pneumonic influenza. The Government of the day failed to handle that situation successfully. It became necessary for the various local authorities to deal with it. They did their job well.

Of course, there are novices in the art of local government who are prepared to ridicule the work of our civic fathers. I have had a considerable number of years of experience of local government affairs and of men associated with local government. These men have assisted considerably to develop our city despite the statements by the Home Secretary that they failed to some extent in such matters as water and sewerage activities and town planning. But it must be remembered that this is a young country and that the people who pioneered this country with very little money have made it possible for the Government of which the hon. gentleman is a member to levy the burdensome taxation that exists to-day. I agree with the hon. gentleman that we have a beautiful city, but from my knowledge of local government, with my parliamentary experience and my general experience of a lifetime, I warn the Government that in proceeding with this measure they will be providing the last straw that breaks the camel's back. We have endeavoured to create the confidence which is essential, but can the same be claimed by hon. members opposite? I need only draw attention to the platform of the Labour Party so far as it relates to local

government affairs. When speaking in Townsville on 24th March, 1933, during a local authority election campaign the present Secretary for Labour and Industry enunciated the policy of the party in connection with municipal government. He pointed out that it provided for—

"1. Adult suffrage;

(a) Any elector to be qualified for election as a representative;

(b) No disfranchisement for arrears of rates;

(c) Election of mayors and chairmen by the electors;

(d) Payment of representatives."

Do not forget that another plank of the platform is—

"2. All local government rates (including water, sanitary, lighting, and all other services) to be assessed on the unimproved value of the land."

That is a great idea, and I shall deal with it subsequently.

"3. No exemption from local government rates, except in the case of unoccupied Crown lands and lands held by the Crown for educational or charitable purposes.

"4. Abolition of the ward system.

"5. Local government funds not to be expended for other than local government purposes.

"6. All communal enterprises such as tramways, omnibuses, ferries, baths, lighting, water supply, and markets to be conducted and controlled by the local authority."

We have had experience of the control of enterprises by local authorities. We have had experience of the control of State enterprises by the Government. They have shifted the responsibility of that control, but they cannot shift the load of debt represented by the loss of £4,500,000, which to-day rests upon the taxpayer as a result of their experiments in State enterprises. They now advocate municipal control so that further money may be wasted. What does it matter to them? Local authority revenue is derived from the land, and, remember, it is not the wealthy who own the land to-day and must meet these commitments. It is a duty that devolves largely upon the owners of 16-perch allotments—people who cannot get away from the responsibility. They are not rich; I wish that they were. Some of them to-day have eaten their furniture, and in some cases their homes. (Laughter.) It is all very well for hon. members opposite to laugh. They can laugh and draw their parliamentary salaries, regardless of the fact that many of the owners of 16-perch allotments have sold their furniture or have sold or mortgaged their homes in order to live. The platform further provides—

"7. Direct employment of all labour where possible.

"8. Union conditions to be observed in all local government employment."

What do hon. members think of that? They say in effect, "You shall employ whom we wish. You shall sell yourself, body and soul, to the union organiser and the union secretary." It further provides—

"9. Erection by the local authority of dwellings for the people, where necessary.

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"10. All officers administering the Health Act to be appointed by and under the control of the Board of Health."

That plank of the platform shows a lack of trust in the local governing authority. We heard a great deal from the Home Secretary about the charter which the Government had given the people of the city of Brisbane to govern themselves, but his own party will not allow their elected representatives to carry out their duties as laid down by the Health Act. The platform also says—

"11. All local authority insurances to be effected with either a State, National or local government concern.

"12. Representatives to all public trusts and boards to be elected by the electors."

Another election! Hon. members must not forget that the unfortunate owners of property are taxed on the basis of the unimproved freehold value of land to pay for all these ideals. It matters not where the money comes from so long as effect is given to the platform. The finding of the wherewithal is no concern of theirs. They have laid it down that the cost of putting this platform into operation is to be borne by taxation on the unimproved value of land. The platform also includes these planks—

"13. Creation of recreation and reserves for the free use of people and as playgrounds for children.

"14. Provision for the regular entertainment of the people by concerts, lectures, moving pictures and theatrical performances, and other means of elevating the public."

The people should come to Parliament and view the work of their representatives, but I would prefer that Parliament should sit at night to enable more of them to do so. That would be better for them than erecting a picture show for their benefit, or organising a concert. They could attend Parliament gratis and realise what their representatives, for whom they were taxed, did, and how they represented them. The platform continues—

"15. No alienation of land the property of the local authority.

"16. Supervision and enforcement of the Weights and Measures Act by local authorities.

"17. Initiative: By which 25 per cent. of qualified electors may on petition demand a referendum at the next local Government elections on any proposition submitted by such proportion of qualified electors."

A Labour Government in this State should never mention the principle of referendum after the experience in connection with a previous referendum. A referendum is all very well if the voice of the people says what the Government desire.

The PREMIER: You had better look at the Bill your own Government drafted.

Mr. MAXWELL: It was a better Bill by a long way than this Bill. I will tell the hon. gentleman why, because the Moore Government gave the people full power to elect representatives, and gave those representatives power to conduct the business of the city in the manner they thought best.

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The Government do not trust the people. They showed that in their disregard of the referendum taken in connection with the abolition of the Legislative Council.

The platform continues—

"18. Ownership and control by local authorities of bread, meat, and milk supply, laundries, baths, and wash-houses, if not already controlled by State or Federal Parliament."

Some hon. members opposite would make good washerwomen.

"19. Motor omnibus services established and controlled by local authorities."

That provision is inserted notwithstanding that Labour aldermen in charge in the Brisbane City Council experimented with a motor omnibus service, but found it such a heavy tax on the people that they disposed of it.

Mr. KENNY: Who will pay for all these schemes?

Mr. MAXWELL: They will be paid for by a tax on the unimproved value of land. That embraces the man with a 16-perch allotment as well as a man possessing extensive property. Another plank of the platform is—

"20. In any local Government area where the principle of public ownership and control of any public utility is already the practice no departure shall be made therefrom unless a poll of the electors has been taken upon the question and has resulted in a majority vote in favour of such proposed departure."

Provision for another poll! This policy means that there will be a series of elections. That exhibits no trust in the representatives of the electors. The next plank in the platform is—

"21. All ferries of whatever nature (both passenger and vehicular) to be free."

The unfortunate owner of a 16-perch allotment and the person farming on land within the city area have to contribute to that. Then the next plank—

"22. Proper observation by local authorities of modern methods of town planning."

But the sting of it is in the tail. (Laughter.) It is a beautiful peach. (Renewed laughter.) It reads—

"Labour representatives on all local government bodies to form a properly constituted caucus, the decision of meetings of such caucus to be binding on all members thereof."

The Home Secretary said that the present Government wanted to make this city what it ought to be. The city is a credit to the pioneers in local government. I have no wish to take any personal kudos, but I am proud to have been associated with the work of men who gave time and money in the service of the community. Their names will live for as long as the city endures. We hear talk about "Our beautiful city." Let me draw the Home Secretary's attention to two wonderful photographs in the "Sydney Mail Annual," of 7th instant, the descriptions of which read:—

"A general view of the city, looking south. This view, taken from Wickham

Terrace, gives a very good idea of the magnitude of Brisbane and of the architectural effectiveness of many of its principal buildings. The imposing edifice with the tower in the centre of the view is the Town Hall—one of the finest of its kind in Australia.

“Brisbane and its noble river, looking west. The view here shows the suburbs that lie between the Brisbane River (in the middle distance) and the hills that enclose the city on the west. The picture was taken from the same spot as the one above. The tower, with its time ball, that appears in the left foreground is that of the Observatory, and the new Grey Street Bridge is seen in the centre.”

The pioneers of Brisbane and of Queensland made this city possible. Yet we have a responsible Minister saying that we need adult franchise to make the city what it should be! Adult franchise will make it a city of desolation, a city with empty houses and empty warehouses, a city whence excessive municipal taxation has driven its people.

The Labour Government give no encouragement to people to be thrifty. Rather do they inculcate in the people their dependence on old-age pensions and other benefits. That will get a country nowhere. In every sphere in which Labour has been in control we have had a striking illustration of the baneful effects of Labour administration. The Labour Government attempt to bulldoze the people into accepting a policy that will make Brisbane, not the beautiful city that it undoubtedly is, but a city of desolation. The men who made Brisbane did it without fee or reward. They were actuated by a spirit of public service; they did their work ungrudgingly. Yet I have known responsible Ministers of the Labour Government say that the aldermen have “lived on the city.”

I have not deviated from my view that the Moore Government were right in enacting that the Lord Mayor should not be elected by the people as a whole. Experience of years convinces me that when the mayor is appointed by the representative aldermen we generally get a type of man as mayor who knows his job and does it well. Only the other day a prominent Minister of the Crown was congratulating the Lord Mayor on his work. Let us imagine for a moment the type of man we might get as mayor if the matter is left to the people as a whole. Without being personal, let me instance the present Secretary for Mines. A good fellow, but imagine the hon. gentleman as Mayor of Brisbane! (Laughter.) Or take the present Home Secretary, also a good chap; but what sort of mayor would he make? (Renewed laughter.) These hon. members have not had the local government experience that is so necessary to enable a man to fill such a position.

Now I want to draw attention to the attitude taken up by a section of the Labour representatives in the Brisbane City Council. I do this because I want to point out, not only to hon. members here but also to the people outside, what is possible should Labour manage to secure control of the reins of municipal government. I have here some quotations from the “Daily Standard” of 27th June, which show that a number of the anti-socialistic aldermen

advocated a reduction in rates and the Labour aldermen opposed the proposal. They did not believe in the reduction of rates but in an increase of rates!

A GOVERNMENT MEMBER interjected.

Mr. MAXWELL: Property bears the brunt—property has to carry the whole of the burden! The rates are levied on the unimproved value of land as fixed by the local authority. In times like the present the objective should not be to increase rates but to reduce them; it should be so to act as to give a fillip to industry rather than strangle it. We need to establish confidence. You, Mr. Speaker, know these things, and hon. members opposite can see them if they are not foolish and do not go down the street with their eyes shut. The Premier is not a foolish man, but he is led away by his supporters to do something which does not in any way tend to advance the best interests of the community. Labour Alderman Skirving, in opposing the proposal for reduction of rates, said—

“The executive had no right to make presents to ratepayers while they were showing a deficit.”

Alderman Brown, another Labour representative, said—

“If the estimates passed the rates would be reduced. He therefore opposed the reduction, as the sacking of employees would inevitably follow.”

A business man who conducted his business on lines like that would be in George street before the judge in bankruptcy. It is a question, apparently, not of “How best can we carry out the business of the municipality?” but “How can employment be given to people?” I feel for people who are in straitened circumstances and out of employment; but it is not the function of the city council to find work for all the unemployed. It is the function of the Government to do that, and it is not right to throw the whole of the responsibility on the local authority. Hon. members opposite have indeed representatives of their own political ideas in the city council. They say, “What we ought to do is to give employment; we must not ‘sack’ anybody because we thereby lose a vote.” Hon. members opposite told the people that they were going to find them plenty of work at award rate of wages, but many are not getting the basic wage.

Alderman McAuliffe moved an amendment to the effect that the works vote should be increased by £34,000, and said—

“We are informed that it is proposed to reduce the rates $\frac{1}{2}$ d. in the £1. This is nothing short of a tragedy, and the duty devolving upon me is to drive home the indictment of this executive for the gross, callous disregard it has for its own employees.”

It is all very well to talk like that. It is all right if the necessary money is available, but it is unfair to load the ratepayers with the responsibility of the Government. What does it lead to in the long run? I would just draw attention to what occurred some time ago in the Metropolitan Water and Sewerage Board. Alderman Brown, in 1923, boasted about how the big firms and the friends of the Tories were “hit up,” and gave figures showing the position. One of the greatest tragedies in our municipal life is that water and sewerage rates should

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be levied on the unimproved value of the land and not for services rendered. To levy on the unimproved value of the land means "murder" to a number of our business people. (Government laughter.) The Home Secretary laughs. It is a serious matter when people have to pay water rates, not for value received or services rendered, but on the unimproved value of their land. We all know that the valuation of land has been increased simply because of the burdens placed upon the local authorities. Under the policy enunciated by the Secretary for Labour and Industry, the Labour Government have put more burdens on the local authorities. The Government say, "Trust the people"; but the Government do not trust the aldermen or the people; they trust only themselves. Let me give the figures quoted by Alderman Brown, which show the calamitous increase made in water and sewerage rates on the properties represented by numbers in 1926 and 1927—

	1926.			1927.		
	£	s.	d.	£	s.	d.
No. 1	319	18	4	2,117	10	8
No. 2	350	4	2	2,413	3	2
No. 3	297	10	10	1,913	6	8
No. 4	298	16	10	1,925	0	0
No. 5	144	19	2	537	16	0
No. 6	86	6	0	1,177	0	0
No. 7	80	1	8	1,035	16	6
No. 8	259	12	6	1,571	8	0
No. 9	274	13	10	1,707	6	8

Do hon. members on the other side of the House realise what has been done and what they are now doing? It naturally follows that so soon as taxation on the business man is increased, to the best of his ability he passes it on to the working man. If he does not do so, what happens? He goes out of business. On account of the excessive taxation one of the firms I have quoted had to relinquish business. It could not carry on. Hon. members on the other side of the House say, "What does it matter? There is always somebody else to take its place." However, that is not possible. This firm had been a live concern.

I desire also to draw attention to the following figures, showing the rates on the properties in Queen street of a firm whose name, for obvious reasons, I suppress:—

"A—

	£	s.	d.
General rates, less 5 per cent. discount	2,165	14	1
Water rates, less 5 per cent. discount	1,056	8	10
Sewerage rates, less 5 per cent. discount	633	17	3
Cleansing dues	26	5	0
Total	£3,882	5	2

Water and sewerage rates, £1,699 6s. 1d."

"B—

	£	s.	d.
General rate	1,454	0	10
Water rate	727	0	5
Sewerage rate	436	4	3
Cleansing dues	26	5	0
Total	£2,643	10	6

Less 5 per cent., excluding cleansing dues, £130 17s. 3d."

I am informed by the managing director of this company that for the year it is not likely to be charged less than £5,025 6s. 6d. for

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rates, and that the water and sewerage rates amount to £2,326 9s. 4d. Where are we drifting? Have hon. members on the other side of the House realised the position? (Laughter.) It is not a laughing matter. It is all very well for some of the legal gentlemen to chuckle and laugh about it, but a number of men are endeavouring to build up businesses and provide employment for a great number of people, and I know what such taxation means to them. What I have said previously in this House in respect to this matter has been proved to have been true. Businesses cannot carry the burden of excessive taxation. There is another Queen street property—

Mr. SPEAKER: Order! I hope the hon. member will connect his remarks with the principles contained in the Bill.

Mr. MAXWELL: I am doing so, Mr. Speaker. I am replying to the statements that have been made by the Home Secretary and endeavouring to link up my remarks with the statement made by an hon. member who secured his position on the Metropolitan Water Supply and Sewerage Board by adult franchise. I am pointing out that business in Brisbane cannot carry any further burden of taxation, and that the local government platform of the Labour Party would place further taxation upon our people, which they cannot stand. I am endeavouring to stress the point that hon. members opposite should be mindful in which direction they are going. I entreat them to avoid bringing ruination on the people. The rates on the other Queen street properties, "C," "D," and "E" are—

"C"—

	£
General and cleansing	637
Water and sewerage	474
"D"—	£
Rates and taxes, municipal	5,445
State and Federal land tax	2,233
Total	£7,678

"E"—

	£	s.	d.
General rates	2,152	10	0
Water rates	1,076	5	0
Sewerage rates	645	15	0
Cleansing rates	67	10	0
Total	£3,942	0	0
Less discount, 5 per cent. off general, water, and sewerage rates only	193	14	6
Total	3,748	5	6

Water and sewerage rates for the year amount to £1,722."

These figures relate to a George street property—

	£
"Water rates	364
Sewerage rates	219
General rates	746
Cleansing dues	12

The cleansing dues are low because the firm has provided an incinerator. The water and sewerage rates amount to £583 a year.

These remarks were made by the managing director of a leading drapery establishment

in the Valley when he spoke on the annual report presented to a meeting of shareholders—

“Shareholders no doubt would be surprised to learn that the company paid in water rates £1,558 a year. If the company paid on the consumption basis of 1s. 8d. per 1,000 gallons the amount due on the consumption of 1,248,000 gallons used would be £93 16s. Thus, instead of 1s. 8d. per 1,000 gallons, as imposed by the authorities, each 1,000 gallons used by the company costs it 25s. 2d.”

That indicates the position to which we are drifting. The Government of the day have asked the business people and the people generally to co-operate with them in placing the State in a good and sound position, but what are they doing to assist the people in return? They are merely endeavouring to bulldoze and to bluff them! I read an article in a book the other day which said that the concern of many parliamentarians to-day was not how best to assist the people out of a difficulty but how to retain their seats in Parliament. I agree with the remarks. The remarks by hon. members on this side to the people outside may not win us political support, but thank God we are prepared to tell the people the truth!

The Bill will not be passed with the approval of the Opposition. We shall endeavour to hinder its passage at every stage, and even at this late hour I call upon the Government to extend some consideration to the workers—to those whom they profess to represent. If they want to do the right thing, then let them withdraw the Bill and permit local authority elections and local authority affairs generally to be conducted upon the basis laid down by the Moor Government. During the last general election campaign the Leader, the Deputy Leader, and other members of this party warned the people of what would be their fate if the Labour Party was returned to power. The people who voted for the party fell, and the pity of it is that everybody fell with them. I leave the matter to the good sense of the House. I do not expect any quarter from the Home Secretary, but at any rate we have done our duty to the people.

Mr. W. T. KING (*Maree*) [2.27 p.m.]: I congratulate the hon. member for Toowong on awakening from his Toowong-like trance. We were naturally interested to hear what the hon. gentleman had to say upon the problem of local government. By his fulminations he endeavoured to lead the people of Queensland to believe that the Bill would make for a gloomy state of affairs and that it would set up a depression complex in the city of Brisbane. During the last general election campaign the Labour Party set out in its fighting platform that if it were returned to power it would reintroduce the principle of adult suffrage into local government affairs. The fulminations and the “pat-on-the-back” tactics of the hon. member for Toowong do not improve the position one iota, nor do they convince the people of Queensland that they were wrong in granting a mandate to this party. The people of Queensland have spoken. They have given us the mandate and from it we cannot deviate in any way. The

Labour Party will carry out the mandate in the interests of the people.

I congratulate the hon. member for Toowong upon his speech, regarding it, of course, as a deliverance from his own point of view. We all witnessed the pangs which the hon. member felt as he developed his points. If it was a pleasure to him, then I prefer that he enjoy it in solitude. He adopted all varieties of attitudes. He stirred himself into all kinds of political emotions. He adopted the weapon of pathos; he indulged in thunder. At one time he was as soothing as a little lamb licking the hands of the electors, and at others he was like Ajax defying the lightning. The stage that he set was mainly furnished with his own arguments, which at the end of his speech he tore to tatters. He invaded even the realms of domestic science. One can imagine him in the seclusion of his bedroom gnawing with avidity one of the articles of his underwear. One can visualise his relish of such an operation.

The hon. member dealt in a general way with the principle of the Bill, and condemned it roundly. He held himself out as a careful observer, and the kind of person to whom the fate of Queensland should be entrusted. He warned Queensland that this was a diabolical proposal, and when crystallised in legislation would result in harm to the life of the State for years to come. He is not sincere. He has lived for three years under a municipal franchise to which his Government gave legislative effect. He has lived well, and exhibited the same winsome smile that we saw on him to-day when he was not delving into pathos. He endeavoured to make a case for his party, and the only matter for congratulation is that the Opposition had to put someone up to oppose the Bill, and that he was called on to break his long silence to serve that purpose. I sympathise with the Leader of the Opposition.

Mr. MOORE: Who has put you up?

Mr. W. T. KING: The Leader of the Opposition could have put himself up to state the case for the Opposition.

Mr. MOORE: I will later on.

Mr. W. T. KING: We all recognise that the problems associated with Greater Brisbane are gigantic ones. The ramifications of the city are very great indeed. We are dealing with a population of 350,000 people, and vesting in them power to govern themselves. In the words of the hon. member for Fassifern, the Brisbane City Council is a third Parliament. There is no doubt about that when we consider its activities and undertakings. In the five-year period ended 1929 the population of Greater Brisbane increased by 60,000. Its area is 385 square miles. With one exception, it is greater than that of any other municipality in the world. We must recognise, therefore, the greatness of the area we are legislating for; we must appreciate its needs and the importance of its activities. We must not forget that on the 1st October, 1925, Parliament merged nineteen local authorities into a great whole, and thus conferred a vast benefit on the people not only in the area, but also throughout Queensland. Brisbane had obtained its first local government charter in 1859. It then had a population of 5,000. In the interval, much water had flowed down the river, and Greater

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Brisbane to-day is the result of the collective efforts of generations of civic government. I would not be doing my duty as a representative of the people if I did not pay tribute to the men, both past and present, who, in the realm of local government, contributed to bring about the splendid results we see to-day. Of their own free will they worked earnestly in the interests of civic government; and it must not be forgotten that in the building up of the State the progress of civic government looms large upon the escutcheon of Queensland. To the men who have played such a noble part in fashioning the destinies of the nation, the people of Queensland owe a debt of gratitude. Their actions and their good work are indelibly stamped on the scroll of history.

The magnitude of the work of local government may be gauged by a perusal of the following figures relating to the city of Brisbane for the financial year, 1932-33—

	£	s.	d.
Valuations—			
Urban	21,431,698	0	0
Rural	668,380	0	0
Number of Assessments	102,000		
Rates, Dues, Charges, and			
Interest Levied—			
	£	s.	d.
General Rates	937,767	16	8
Rural Rates	14,620	16	10
Tram Tracks	6,660	8	9
Electric Light Mains	826	7	10
Gas Mains	865	14	6
Oil Pipe Lines	16	11	0
Water Rates	497,188	13	0
Water Charges	49,872	0	10
Sewerage Rates	140,750	0	4
Cleansing Dues	154,802	3	0
Interest	23,293	10	3
Court Costs—Legal Proceedings			
... ..	2,206	10	6

What more eloquent proof could be given of the magnitude of the undertaking controlled by the authority so aptly designated by the hon. member for Fassifern as the "third Parliament"? Now, the people who control that "third Parliament" have rights, and one unalienable right is the right to vote. The hon. member for Toowong really supplied in his speech the reason why we should give votes to all adults in municipal affairs. The hon. member was endeavouring to prove that only people who paid rates had a right to vote in a municipality. It was unfortunate that the hon. member placed himself, so to speak, on the horns of a dilemma because he said that the man who owned a shop and rented it made the tenant pay the rates, and the tenant in turn passed on the taxation to the purchaser of the commodities retailed in his shop. So that the person who really pays the local authority taxation is the person who ensures the maintenance of the shop—or it may be a dwelling—that is rented. The greatest asset of any country is its men and women, and to deprive men and women of a right that is undoubtedly theirs is to filch from them something that is of great value to them.

It requires no detailed analysis on my part to bring the argument to its logical conclusion. As an interested student of public affairs I made it my business some years ago to read the utterances of public men on these matters, and it was my privilege to read a speech that you, Mr. Speaker,

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made in Parliament on principles affecting local authority administration. Without being in any way disrespectful, I gleaned from that speech that you, Mr. Speaker, did not enjoy the privilege of exercising a vote as a citizen of Greater Brisbane in certain elections in 1929. I recognise that under the existing legislation dealing with the city of Brisbane you are still deprived of the right to exercise a vote. Without wishing to give publicity to your private affairs, I know that you, Sir, rent a flat, but notwithstanding that you pay rent for that flat you are debarred, under the legislation passed by the Moore Government from exercising the municipal franchise in Brisbane. You occupy the high and distinguished office of Speaker of this Legislature, and as such you are recognised to be the first commoner in the land. Your work is appreciated in this House not only by the Government Party to which I have the honour to belong, but also by the Opposition, because your election to the Speakership was unanimous. I know that you are not lacking in intelligence, not bankrupt of knowledge, and not wanting of interest in public affairs. You have these three attributes that naturally equip you to occupy the position that you do with so much credit—a position that at the very least should give you the right to vote in local government in Brisbane. I know that you are a keen observer—the hon. member for Toowong paid you that compliment. I know that as Speaker of this House you control its destinies. Yet, under the Bill which the Moore Administration brought in, you can be Speaker of this House, rent your flat, and do all that you are doing, but not be allowed to vote in a municipal election. What a farce! It is opposed to all common sense.

Mr. MOORE interjected.

Mr. W. T. KING: The Leader of the Opposition is evidently cut to the quick by the taunts I throw across the Chamber. Surely the Leader of the Opposition sees the farcical condition that he legislated to bring about! (Opposition laughter.) He recognises by his hearty laugh that such a system should not be set up, but it was he and his following who created it. Surely he can now see to what absurdity he reduced local government—a veritable *reductio ad absurdum*! His system reduces not only the first commoner in the land, but other men of high reputation, from the position of being able to take part in the legislation of this Chamber to the position of not being able to exercise a vote in municipal elections.

Under this measure, which will be law shortly, the committee system will be restored. I do not believe in the system of executive control which was brought into existence by the Moore Government. It stands for a "hush, hush" policy. Three or four gentlemen getting £400 a year can meet in a private room in the town hall—and there are plenty of rooms in it—and act as it were for the whole of the council, without the council knowing what is in their minds. We know that quite a number of gentlemen on both sides of the Chamber have had enviable, and in other cases unenviable experience in local government. Under the committee system matters will be ventilated which could not be ventilated under the executive system. The hon. member for Toowong does not believe in a

policy of "hush, hush," but it is being practised in his electorate.

I believe also in the principle of the election of the Lord Mayor by the people. It is the most democratic system and far preferable to election by the aldermen. Human nature has been prone to err, ever since Adam sinned in the Garden of Eden, and if a mayor has to depend for his election on the whims of aldermen, there is more likelihood of his not doing his duty to the city as a whole than if he were elected by the people.

Mr. MOORE: Do you find that with the Ministry?

Mr. W. T. KING: I welcome the interjection of the Leader of the Opposition, for it is not often that I have the opportunity of replying to an intelligent interjection from him. There is a distinction between the two cases. Aldermen are nearer to the mayor than members of a political party to the Cabinet. The Leader of the Opposition will realise that because he at one time led a Government and he is experienced in local government also. The point I was making when I consented to give prominence to the Leader of the Opposition in the debate was that as the mayor would depend upon the aldermen for his position he could not do his duty as well as if he were elected by the people as a whole. Aldermen are only human and no doubt would expect something from the mayor in return for voting him into his position. If their political consciences will allow them, the hon. members for Hamilton and Toowong, both of whom have at one time occupied the office of mayor in the municipality of Brisbane—before it became Greater Brisbane—should understand the cogency of the arguments I am putting forward.

Mr. MAXWELL: That is a lot of tripe.

Mr. W. T. KING: The hon. member says it is a lot of tripe; there is no more admirable judge of tripe in the House than the hon. member for Toowong.

Mr. SPEAKER: Order!

Mr. W. T. KING: Our greatest assets are our children. Life and blood are assets in a community as well as property. I quite recognise that a man who owns property has certain rights, but I do not subscribe to the doctrine that property should entirely govern local authority matters.

It will be remembered that at the last municipal election certain gentlemen perambulated the whole of the Greater Brisbane area with the slogan "No salary for aldermen." They are all taking salaries to-day with, perhaps, one exception. I may be out of order in saying that I would like to see a clause inserted in the Bill that if aldermen do not accept their salary cheques within twenty-eight days of their being issued, the money shall revert to the Treasury.

This Bill enfranchises 80,000 people previously disfranchised. Members of the Opposition do not regard that as a wonderful achievement. The Greater Brisbane area is a very large municipality, and in 1929-30 the land and buildings in it were worth £120,000,000. The council of the city of Brisbane has all the powers of other local authorities and others in addi-

tion. It has also vested in it the machinery for bringing its powers into operation. Yet, for such a body hon. members, such as the hon. member for Toowong, would advocate a retrograde step!

I can imagine the hon. member looking on in mental horror at the creation of a kind of Sodom and Gomorrah by the present Government. One witnessed the extreme contortions to which the hon. gentleman subjected his mind in dealing with the matter, but one could see that his heart was not in his argument at all—that he merely had a job to fulfil, and that he was doing it to the best of his ability. He referred to all manner of things, from the nauseating task of eating furniture to patting himself on the back. I have a very sincere and high regard for him personally, and I hope that he does not break his hand in indulging in his pat-on-the-back tactics. No one would like to see him in the unhappy position of entering this Chamber with a bandaged hand. We should probably find him as we found him this morning seeking to ask a question on behalf of another hon. member whom he said was absent, but who was present all the while; and he probably would be unable to go about his duties as the whip of a party should! He has spoken, and he has opposed the Bill; but the Leader of the Opposition remains notoriously silent.

Mr. SPEAKER: Order! I suggest that the hon. member deal with the Bill.

Mr. W. T. KING: I was replying to certain arguments adduced by the hon. member for Toowong, but I naturally bow to your ruling, Mr. Speaker. The hon. member for Toowong meandered through torrid and frigid zones in dealing with the Bill.

Mr. SPEAKER: Order!

Mr. W. T. KING: I was coming to the point, Mr. Speaker, and I was about to say that the people of Queensland have given the Government a mandate to introduce the Bill. In a few days the principle of adult suffrage in local government will again have been crystallised in legislation, and I reiterate my statement that it will be a carrying out of the wishes of the people.

Mr. RUSSELL (*Hamilton*) [2.57 p.m.] : The hon. member for Marce is not logical, but his speeches are certainly picturesque. The main feature of the Bill is the alteration of the franchise, the other matters being purely of a minor nature. The favourite argument adduced by hon. members opposite in support of adult suffrage in municipal elections is that the whole of the citizens of Brisbane directly or indirectly pay the taxation imposed upon the land within the city, and are therefore entitled to be enrolled as voters. The hon. member for Marce gave as an illustration that a man who rented a shop could not carry on his business without the patronage of his customers. He contended that the customers assisted the shopkeeper to pay his rent and rates, and that they should have an equal voice in the election of the aldermen to govern them. But what about the customers who do not live in the city of Brisbane, but who also keep the shopkeeper going? Are they to have votes also? If the justification of this proposal rests on the fact that certain people purchase commodities from the shop, then we must "go the whole hog" and say that all customers of all shops in Brisbane should

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have the right to vote at the election of aldermen in the city of Brisbane. When the contention is carried to its logical conclusion, its absurdity and fallaciousness become apparent. It is a well-known axiom of government that there shall be "no taxation without representation." That is admitted in parliamentary elections, because every citizen pays taxation, directly or indirectly. Even the lowest in the community contributes taxation in some way or another, and, all being equal in the eyes of the law, he has an equal voice in the election of his representative to Parliament. That is an argument that has, in the course of time, gained great weight and to which most of us subscribe. Municipal government is a different matter altogether, because the taxation necessary to carry on the administration, services, and work of a local authority is imposed on unimproved land values.

Logically speaking, the vote should be confined to the owner or occupier of the land who is primarily responsible for finding the funds necessary to enable the council to function. To show how foolish is the argument of the other side, I need only point out that we all know that to-day a great number of properties in Brisbane are not earning sufficient income to pay the rates. It cannot be alleged that the citizen who does not himself own land is nevertheless contributing to the rates when the property is not earning sufficient to pay those rates. We must also bear in mind that there is no analogy between municipal and State government, notwithstanding that the hon. member for Maree adopted the statement of the hon. member for Fassifern that the Brisbane City Council was a third Parliament. I do not agree with him at all because all the powers possessed by the municipality are delegated to it by the State Parliament. The delegated powers are part and parcel of the powers of legislation and administration possessed by the State Parliament, in the election of which every citizen in Queensland has the right of voting. Every citizen has had a voice in returning representatives to this Parliament to frame the legislation necessary for local government, which should be quite sufficient so far as he is concerned; to the ratepayers only should be assigned the power of electing representatives to carry on the administration of the city.

Australia has followed fairly closely the American system of local government. To-day the American system of local government is in the melting pot. There has been so much trouble there that we should hesitate before looking any longer in that direction for an example. Our local government law, as well as that in America, was originally based on the English system. It has operated for a long period and has worked very satisfactorily. In England to-day the ratepayer only has a voice in the election of aldermen or councillors, with the exception that in London a more conservative franchise obtains than in the other cities and boroughs. During the last few years innovations have been introduced in Queensland such as the election of mayor by the electors, and the appointment of executives as provided for by the Moore Government. There have been radical changes in the system in America, particularly since the revolution. It was felt that there should be a complete breakaway from English institutions, and that is how we first got the stupid idea of election of the mayor by the ratepayers. In America

democracy very nearly ran amok. It was originally thought that popular election of officials would prevent the growth of autocracy. It was found necessary to adopt certain checks and balances in the municipal system. So in America to-day we have the spectacle of officials of the municipality being elected by the citizens. In Philadelphia seventy-one public officers are elected by popular vote. San Francisco holds elections for forty different officers, including coroners, sheriffs, public prosecutors, recorders, etc. There has been such an outcry against the system of appointment by popular vote, and the corruption which has, in consequence, crept into municipal elections that there is a strong demand for the abolition of the system and the substitution of one more in accord with democratic sentiment.

This Bill is retrogressive inasmuch as it seeks to establish a system which has proved to be faulty. The Moore Government in 1930 recognised that fact. At that time there was a good deal of popular agitation for the substitution of some new methods. It was realised that some reform was required, and bearing in mind the example of other countries the late Government introduced innovations which they thought would be of benefit to the citizens of Brisbane. They determined that the franchise should be limited to those actually responsible for furnishing the income required for carrying on the works and services of the city. To-day it does not require a popular election to select the best men to run a municipal council.

No one can deny that at the last election a good body of men were elected to the Brisbane City Council, and although in certain quarters there has been strong criticism of their methods, in the main these men have carried out their duties honorably and honestly. Nor can anyone gainsay the fact that in the person of the present Lord Mayor the best selection was made. Alderman Greene, who was elected on an exhaustive ballot of the aldermen, has proved himself the equal in ability and all other necessary qualities in a mayor of any of his predecessors, so that it is nonsense to say that in the election of the mayor by the aldermen, we substituted a system inferior to that propounded by the Labour Party and incorporated in their legislation in 1924 providing for the election of a mayor by the citizens. The latter method simply aimed at the reproduction in Queensland of the American method of election of public men. We know that in America politics dominate the system, that if the Democrats win the election every officer who is a Republican is dismissed, from the mayor downwards—even to the elevator boy, as one American writer has said, whilst at the next election the position may be reversed. We want to get away from any tendency in that direction. That is why the amending legislation of 1930 was enacted. We desired principally to prevent the domination of any political party in the government of the city of Brisbane. We recognised that the chief functions of the city council were administrative; men of administrative ability were wanted to carry on the great departments of the city council.

The Brisbane City Council, as the hon. member for Maree has just said, was a great experiment, and an example of an attempt—a very courageous attempt, too—to govern a very large area under one council. When the original City of Brisbane

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Bill was being discussed doubts were felt as to its efficacy. I think that events have proved that we were somewhat ambitious, that the area incorporated was too large. However, it is no use going back on that decision to-day. The whole difficulty at the time was this: knowing that it would be submerged in the Greater Brisbane area, every council made an attempt to carry out all the works it possibly could before its extinction, to borrow all the money it possibly could, and to foist as many commitments on the new council as it could. The new council was loaded with a debt approximating £4,000,000 to £5,000,000. One of the main difficulties of the present position is that the new council has been faced with the necessity of raising from year to year enormous sums from the ratepayers in order to pay interest and redemption on these commitments. Much of the criticism that was directed and is being directed against the council to-day is the direct result of the unfortunate position which occurred in 1925 when the first Greater Brisbane Council took charge and had to face this mountain of debt. The old Brisbane City Council, which was controlled by Labour aldermen, was the biggest culprit of them all, as it committed the new council to new works costing upwards of £1,000,000, and although it knew that at the rate of expenditure in that last year it would be necessary to levy a rate of 11d. in the £1 to cover current expenditure it purposely dodged the issue and struck a rate of only 7½d. The new council was forced to make up a big deficiency in the old city council's revenue that year, and all the citizens of Brisbane have been called upon to meet that deficiency. I merely mention that to show that a great deal of unjust criticism has been levelled against the Greater Brisbane Council. It shows also the fallacy of entrusting the franchise to people who have no direct responsibility. Do hon. members opposite mean to say that a man who is conducting a business here, and who has large interests in property on which he pays heavy rates, should not have a greater voice than the merest hobo in the park in deciding how that money shall be spent and who shall represent him? Under this Bill, a man who lives outside the city boundaries and who pays thousands of pounds to the city in rates cannot vote for the election of aldermen to decide how much money shall be extracted from him. That shows the unfairness of the adoption of the adult franchise in the municipal government, which is after all on all fours with that of a huge State department. When we appoint members to the Council of Scientific and Industrial Research, which may be regarded as a large department, do we ask everybody outside to record his vote? Do we ask the electors of Queensland to vote for the appointment of the Commissioner for Railways, for the appointment of the Commissioner of Main Roads, or the members of the Land Administration Board? All those departments are on all-fours with a huge local government scheme like that of Brisbane.

The powers possessed by the city of Brisbane are delegated by Parliament to the council, for the reason that Parliament would otherwise be responsible for the carrying out of the works and services. These services have been expanding with the growth of the city. I think it was in Sir Thomas

McIlwraith's time that the Local Government Bill was first introduced in order to relieve Parliament of some of those duties and prevent log-rolling of those who were known as the "roads and bridges" members. It was decided that these powers of Parliament should be delegated to another authority, and residents in various areas were called upon to perform the duty that otherwise the Government would have to discharge. Therefore, there is no analogy between the powers possessed by municipal authorities and those possessed by Parliament. In the election of members of Parliament every man or woman has a vote, and rightly so; but for the better government of municipalities it is wise that the people who find the money should call the tune. The insertion of adult suffrage in the Bill is a retrograde step and will not make for the better government of Brisbane.

The hon. member for Marce made some reference to the election of mayor. I know that in 1929 there was a good deal of agitation against the Moore Government because we decided that under the existing form of franchise—the aldermen being elected on a restricted franchise and that as far as possible eliminating party politics—it was not necessary to have a separate election for mayor. The current idea in American politics in connection with the election of a mayor is that a candidate for mayor is recognised to be the leader of a certain political party, and he is opposed by a candidate representing another political party; so that in the American election we have the people divided into two political factions. Consequently it is necessary in that case to have as candidates the leaders of political parties, but it was otherwise here. We endeavoured to eliminate party politics—which, to my mind, is a curse in municipal government. What necessity is there for the introduction of politics in the government of the city of Brisbane? After all, it is practically a matter of administration. The policy of the council is the policy of the Government. The Government are elected by the people on a certain policy, and that policy must permeate every local authority in Queensland; consequently there is no need for the intrusion of politics into municipal government. That being so, our electoral rolls should be so framed as to provide for election by the ratepayers, the people who supply the money, of men they can trust to carry out their duties, these in turn to choose their mayor.

Hon. members opposite contend that the mayor will have greater independence if elected by the people and will be able to initiate a policy because he has the people behind him. I think it a great mistake to make the mayor the sole executive of the council as under the old system established by the Act of 1924. The aldermen were called upon to act on committees and discuss matters affecting the administration of the council, but the whole of the executive duties, the responsibility for carrying out of those duties, rested entirely on the mayor, who thus became the sole executive officer. It is impossible for any man to carry out his duties as a sole executive officer in such large departments as we have in the city council. Recognising that it was only fair that the mayor should have the assistance of some of the aldermen, who would

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co-operate with him in carrying out the decisions of the council, we established the executive system, which has been successful despite the allegation that we instituted a "hush, hush" policy. If the hon. member for Maree reads the Act passed by the late Government he will find that the executive under that measure only continue in office at the pleasure of the council. It gave no exclusive power to the executive to run the affairs of the council. It was recognised that the council was a free agent and that any member of the executive could be removed by vote of the council. If any of the members of the executive have not done their duty, why have the council not ousted them as they have power to do under the Act? By election, through the executive, the people have full control of the administration. Such a procedure certainly removes from the mayor the great danger of autocratic power which he might possess were he the sole executive officer. The latter system may be all right so long as we have reasonable men in office.

It must be remembered that under this Bill a mayor will be elected for a period of three years and will not be removable from office if he proves objectionable to the council or the people. The Bill places in the hands of the mayor tremendous power. He has authority over the Water and Sewerage Department, the Tramways Department, the Health Department, and so on. A system of control that is good enough for the Premier of Queensland, with the limited power which he possesses, should be good enough for the mayor of Brisbane. Under this Bill we are going back to the American system of the election of public officers. Under our system we elected twenty men, who are the choice of the voters in Brisbane. Surely they can be trusted to elect by exhaustive ballot the best man available for the position of mayor! Prior to 1924, in the old city council, there was no provision in the Act for the election of the mayor by ballot. It was done by a show of hands. The 1930 Bill made for improvement. I have always been a strong advocate of the election of the mayor by the aldermen.

The Bill proposes to do away with the executive. In 1929 a good deal of attention was being paid to the question of city managership and government by commission. Both methods were analysed very carefully. Some of our own friends were greatly dissatisfied with the Bill which we produced, but in the executive system we, to some extent, met the position of those who desired a city managership. The executive system is practically the same as the system of city managership or government by commission, but on a slightly larger scale. In the city managership system the whole power of the council would be entrusted to one man. In a democratic country like Australia it would be unacceptable to the people if, after they had elected the aldermen, the latter delegate the whole of their powers to a man who might become an autocrat. After all, it would be very difficult to get a man suitable for the position of city manager. In America they have special training colleges for such men. The system is also in use in Germany.

Mr. W. T. KING: The commission system?

Mr. RUSSELL: No, the city managership. In America the commission system is

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gradually going out of vogue. In Germany the practice is to train the burgomasters who are entrusted with the control of the city. The latter system is practically the same as the American city managership system. As I said previously, we should not endeavour to foist on the people any system that is not democratic. In the provisions of the 1930 Bill there was power to appoint a city manager if the council saw fit to do so. Of course, I am not advocating that. I am a strong believer in the executive system. We have seen how satisfactorily it works in parliamentary matters, where the power of Parliament or the decision of Parliament is carried into effect by the executive known as the Cabinet. That system has stood the test of time. It is a British institution, and I prefer to stick to British institutions rather than resort to American institutions. I may say that the whole question received a great deal of attention in Canada, where the stupidity of the committee system was eventually realised, and a system practically equivalent to ours was adopted. In the cities of Toronto and Montreal, where a certain number of aldermen are elected, another body of controllers is elected who become the executive council. That system is working satisfactorily in both those large cities. The reversion to the obsolete committee system is one of the biggest blots on the Bill. I have seen trumpery matters discussed in the council for hours, whilst matters of major importance have gone through without any discussion whatever. Ex-mayor Jolly described the committee system as cumbersome and unwieldy. Decisions are held back too long. Under the executive system decisions on administrative matters are given quickly. Bear in mind that the executive has no authority except that which is conferred on it by the whole council. I have had experience of the committee system, and I say unhesitatingly that it is a great mistake to go back to it. Under the committee system the council is divided into certain committees, and each elects a chairman. They discuss matters and draw up reports for presentation to the council. The time of the council is wasted over trivial matters which ought to be settled by an executive, as they are to-day. I am not denying the fact that probably the executives have usurped functions that do not belong to them; but I have shown that a remedy is available. If it is not used that is the fault of the aldermen of the city of Brisbane. Under the committee system the chairmen table their reports, the reports are discussed, and certain resolutions are adopted. There is interminable discussion upon small matters. The chairmen have no executive power. They are merely the mouthpieces of the committees of which they are the chairmen. They are merely there to guide the meetings of the committees and to table their reports to the council. Beyond that the chairmen have no more power than an ordinary alderman. Would it not be wise to give these chairmen certain administrative power, so that they could act in conjunction with the mayor in carrying out the purely administrative functions of the council? Surely that is a sensible system! I am sorry indeed that the Government, at the instigation of the Labour aldermen of Brisbane, have seen fit to alter the present system. We know that a number of Labour aldermen owe their existence to the fact

that they are constantly in the limelight. They like to ventilate small trumpery matters. Under the executive system there is less publicity for the aldermen of the Brisbane City Council. Under the committee system, where everybody speaks on every matter that comes up for review by the council, whether big or small, a certain amount of publicity is given. Because that has been removed there has been a strong clamour for its revival, and I think that is one of the biggest blots in the Bill.

Many other alterations are proposed, but we shall have an opportunity of dealing with them in Committee.

A little while back I came across a very important reference, which puts the whole matter in a very small compass. It referred to the tendency of the times and to the necessity for keeping civic government abreast of the times. We should not pass a Bill which takes the retrograde step of reintroducing the obsolete committee system. Municipal control is a matter for experts. Political warfare should be made to disappear entirely. I strongly object to the city council being made the battle ground of two political forces. Let us get rid of that and let us get down to business! The large departments of the council demand the greatest administrative skill. A recent experiment in local government was the adoption in the city of Dublin of the city manager plan. The Minister in charge of the Local Government Bill of 1929, General Mulcahy, in the Parliament of the Irish Free State, said—

“In view of the importance of the proper exercise of local government functions to the welfare of the community and of the financial effects of bad and uneconomic management, it has become of paramount importance to secure the utmost efficiency in execution by local authorities of their powers and duties. Local government is dynamic—it cannot stand still. It is continually adapting itself or being adapted by the Legislature to new functions imposed upon it.

“A point appears to have been reached at which, in the interests of better local government, a separation of the deliberative and administrative functions of local authorities is desirable, particularly in reference to the larger municipalities, where the complexity of function is most apparent and large financial matters are concerned. It is conceived that such a separation would be entirely in accord with modern democratic theory and practice. Such separation would ideally take place on the lines that the purely administrative and executive functions of local government should in an important local government area such as a large municipal borough be entrusted to an expert officer capable of co-ordinating and controlling the management of the local government business of the authority.”

“Modern theory and practice both concur in the view that the expert administrator is a necessary institution in local government required for the dispassionate consideration and solution of local government problems. Admittedly, the problem is to secure the proper demar-

cation of functions between the expert administrator and the local government body. Such demarcation should apparently follow the lines which separate the deliberative function of the local authority from their purely administrative functions.

“The proper carrying on of the services for democracy must mean that with the non-expert democratic elected body you must associate the expert, and you must give the expert independence that will enable him to carry out the work that the democratic body wants. That does not mean that you set up a democratic body and an expert in order that the expert will flout the democratic body.”

That puts the position in a nutshell. It is absolutely essential that there should be a separation of the deliberative and executive functions of the council. Consequently, the reversion to the committee system would be in contradistinction of the system now adopted in other parts of the world, where an attempt has been made to bring local government abreast of the times rather than to revert to the obsolete system which this Bill proposes to put into operation.

At 3.31 p.m.,

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

Mr. RUSSELL: The city of Dublin has appointed a city manager. His functions were delegated to him by the Dublin City Council. The City of Cork has also a city manager. As far as can be ascertained in both cases the system is working satisfactorily. Under that system the idea of popular election has been preserved, but executive functions have been removed from the aldermen and placed in the hands of experts. The Moore Government in their legislation sought to retain the deliberative functions to the elected representatives, while the executive functions were delegated to the executives, in conjunction with the mayor. If given a fair trial that system would help to solve many of our problems and bring about much better government than will be obtained under this Bill.

I have taken a good deal of interest in municipal government and offer my suggestions without any prejudice whatever. I have seen the two systems working, and the time has arrived when not only Queensland but also all other States in Australia should make a thorough investigation of the whole problem. We have the example of America with the defects and advantages of the system used there, and we have the examples of Canada, the Irish Free State, the old established order in England which has proceeded uninterruptedly, and is working satisfactorily—in fact, the English electors take a greater interest in the management of the boroughs than we in Australia take in local government here—and we also have the example of modern developments in Germany of the training of burgomasters. Political warfare should be abolished from discussions in municipal matters. In order to bring that about we must adopt a system which will preserve the popular election of the representatives, and also provide efficient administration. An inquiry along the lines I have suggested would put an end to political wrangling when we come to the question

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of what government should be imposed on the people of Brisbane. After all, the people of Brisbane are the people to be consulted, and if consulted they would give their unhesitating disapproval of this Bill.

Mr. KEOGH (*Merthyr*) [3.35 p.m.]: It was rather amusing to hear the hon. member who has just resumed his seat deploring the introduction of party politics into local government matters. He would have us believe that he was opposed to the introduction of party politics into local government matters, but I desire to point out that when the Act which this Bill seeks to amend was being put through Parliament by the Moore Government, the hon. member addressed a meeting of the National Progressive Party at Clayfield and said that the reason why the Moore Government had introduced it was to abolish party politics in the City of Brisbane.

According to the hon. member for Hamilton the only way to do away with party politics was to amend the legislation in such a way that no Labour representative could ever get a seat on such a council. That was the idea of the hon. member for Hamilton—to do away with party politics in local government! Yet the hon. member has the audacity to speak as he did to-day. I am afraid hon. members opposite will have to find other means of misrepresenting the public before they can convince them that it is in their best interests not to vote for the election of representatives to control the affairs of the city.

To listen to the hon. member, one would think that the committee system and the policy of adult franchise alone were responsible for all the wrongs of to-day. It is interesting to note that when the hon. member for Hamilton was vice-mayor of the Brisbane City Council, he voted to increase the valuations of the city from £17,500,000 to £22,000,000. That increase was an indirect taxation on the people far greater than any direct taxation that may have been imposed. Lacking courage, however, the hon. member for Hamilton would not increase the rate directly, but resorted to the method of increasing the valuations, which meant in actual practice that the people were taxed threefold and sometimes fourfold. For example, the increased valuation would affect water rates, sewerage rates, general municipal rates, and in many cases the increased valuations brought the land within the ambit of land taxation where the latter had not previously existed, because almost invariably both Commonwealth and State Governments accept the valuations laid down by municipal authorities. Thus it will be seen that the hon. member who has just resumed his seat helped to create a burden on the people of Queensland of which he should be ashamed. At all events, the hon. member should be heartily ashamed to talk about any other person increasing the rates, after his sorry record. It was not the committee system or the adult franchise which increased those valuations. Nor was it the committee system or the adult franchise which was responsible for that great blunder, the Grey Street Bridge. That was the work of the Nationalist Party which controlled the municipal policy at the time. I was a member of the Cross-river Bridges Committee of the Brisbane City Council, but that committee did not know that the Grey Street Bridge

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was to be built until after the Nationalist Party had decided the matter secretly. When the resumptions associated with that bridge were being put through, it was the hon. member for Hamilton who was in charge of the municipal government, in the temporary absence of Lord Mayor Jolly on holidays; so that the hon. member for Hamilton must take on his shoulders the responsibility for the extra cost to the ratepayers of that white elephant. The Grey Street Bridge was built notwithstanding the recommendations of a Commission comprising three engineers, who were appointed by the council to collect data as to the best site for a bridge. That commission cost the ratepayers £6,000. Its recommendation was for a bridge at Petrie Bight, or alternatively at Ivory Street, in the Valley. Another recommendation was that a small bridge, costing £30,000, might relieve the congested traffic at Victoria Bridge; but notwithstanding that it cost the people £6,000 to collect the necessary data, the hon. member for Hamilton and his Tory colleagues on the council of that day thought themselves far above the commission and created a white elephant for which the people of Brisbane are being charged £700,000. In spite of that the hon. member for Hamilton has the temerity to say that the committee system and adult franchise are the ruination of local government.

Under the committee system the control of the staff reposed in the town clerk, who at that time was receiving £1,500 per annum as chief administrator of the city; but the Moore Government said, "We will let the town clerk and the deputy town clerk draw their full salaries, but we will take full control of the staff away from them and put it into the hands of executive aldermen." Hon. members opposite talk glibly about experts; but here is an instance where they removed the administration of the staff from the control of experts and gave it to people who had no experience of municipal government. It is painful to listen to hon. members opposite. I find in the "Public Administration," the journal of the Institute of Public Administrations, the remarks of Sir Ernest Simon when addressing an international conference of local authorities in Cambridge last year. Dealing with the question of control of municipalities throughout the world, he recommended that they should go back to the committee system which was democratic and in the interests of the people. He stated that the reason why he made that recommendation was that the administration of municipal affairs was a domestic matter, and that therefore aldermen, as representatives of the people, should know the details of the business of the council in the interests of the people. The only way in which those details could be dealt with was by a system under which aldermen would sit on committees, with the experts of the department concerned with them, to explain the details of the business to be done. They, in turn, would then be able to explain to the council the why and the wherefore of their recommendations.

I have also here a statement made at that conference at Cambridge by Mr. T. M. Cooper, K.C. It is rather interesting to read his remarks. He stated—

"To the student of orthodox political science and history, the idea that

the executive should wield extensive and largely uncontrolled judicial powers is utterly foreign to the spirit of the British Constitution."

The hon. member for Toowong talked of the British Empire; yet he spoke definitely against the constitution of the British Empire by advocating the system of executive control.

Under the system of executive control a coterie of aldermen was appointed by the late Government to control the destinies of an elected body; in other words, it was a civic commission within an elected body. They controlled the destinies of the city under a restricted occupier franchise. I cannot understand why the Moore Government did not also abolish all other desirable conditions. Their idea was to have everything cut and dried when the aldermen came in. Aldermen had very little control over the executive. An executive of new aldermen, who had never been in municipal life before, were placed over the town clerk. We propose once again to put the town clerk in control of the administrative staff, as he should be.

Another great bone of contention with hon. members opposite is the franchise. Every person in the community over twenty-one years is entitled to a vote and to a voice in the destinies of this great city. The hon. member for Hamilton came down so low as to talk about the poor unfortunate man who might have to sleep in a park as a hobo, but people in glass houses should not throw stones—we cannot tell where we are going to end up. It may be our lot some day to be hoboed in the park—I hope it will not be—but every hon. member, whether Tory or not, should have a little more kindly human nature and natural instinct than to apply the term "hobo" to any poor individual who is unfortunate enough to have to sleep in a park and suggest that it is undesirable that he should mix with people in the city. If hon. members opposite cannot say anything better than that, they ought to "dry up." I say that the man who is unfortunate enough to have to sleep in the park is as much entitled to a vote as any other person in the community. He may be unfortunate for the time being in not being able to pay for sleeping accommodation or to buy something to eat, but that is no reason why he should be deprived of a voice in the affairs of the community. When the Great War was being fought the hon. members for Hamilton and Toowong, and even the hon. member for Cook, did not care whether a man was a hobo sleeping in the park, or what his situation was in life—he was eligible and welcome to go to the war. Some of those men who are now termed hoboes by the hon. member for Hamilton were then acclaimed as heroes because they went to the war to protect the interests of the hon. member. I say also that the women of the city are entitled to votes in the election of aldermen. The women who bear children in this city should have the right to say who should be in control of this sub-department of government. That should be so in the interests of themselves and of their families. Hon. members on the other side say "No, only those who directly own a piece of ground or something like that should have a vote." No doubt those same hon. members will be glad to have those

same women go round and canvass for them when the next elections are pending.

A civic commission was inaugurated in Sydney a couple of years ago. It was prophesied that it would do wonderful things. Three members of the commission received between them salaries of £14,000 per annum. What was the result? Rates were increased to meet their expenses. Eventually, when the next Tory Government came along, the commission had to be wiped out. One Tory Government appointed them, and another Tory Government wiped them out because they were too expensive to the people. Yet we have had hon. members here talking about commissions! It is conceded that Birmingham is the best controlled city in the world to-day. That city is run on the committee system, even more than is proposed in this Bill. Each committee is responsible for its own department and it is only on major points of policy that it reports to the council. In that respect the committee system is sound. The hon. member for Oxley the other day spoke about "party against party." It is the Nationalist idea that party politics in the council should be abolished. The hon. member for Oxley said the first City of Brisbane Act was a scandalous piece of legislation. I reply that that Act was certainly one of the most democratic Acts that have ever been introduced by Parliament. Its introduction brought under one control nineteen local authorities and portion of two others. The co-ordination and amalgamation of all these local bodies under one administration was of advantage to the people. It was in the interests of the people, because, at the time, chaos existed between the nineteen different bodies. I recollect one incident that occurred, I believe, in the electorate of the hon. member for Oxley. Council men were being paid at the rate of £4 per week for digging grass out of a ditch and throwing it on to the middle of the road. That was on a main city highway. Notwithstanding that, the hon. member says the Act which put a stop to such things was a "scandalous piece of legislation."

I now desire to refer to the cost of some of the roads built in the Greater Brisbane area—work which could only be done by the amalgamation of the local governing bodies. Individually they never had money enough to do it. The figures are—

	£	s.	d.
Annerley Road	15,838	18	6
Beaudesert Road	19,860	16	11
Ipswich Road	31,111	18	3
Logan Road	44,159	0	1
Main Gympie Road	27,494	6	5
Moggill Road	34,496	9	1
Old Cleveland Road	27,783	11	8
Paddington Road	33,970	15	2
Samford Road	48,826	9	3
Waterworks and Ashgrove Road	30,615	7	0
Sandgate Road	141,130	5	9
Wynnum Road	97,669	19	6

The making of these main arterial roads to connect the nineteen local authority bodies at a cost of £552,951 is a fact that proves that the City of Brisbane Act was of great benefit to the people, instead of a "scandalous piece of legislation," as the hon. member for Oxley has designated it. In addition to that the council has spent £500,000 in drainage and water channeling. These are most important factors in the interests of

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the health of the people. The Nationalist Party in the city council need not take credit for that because it was due to the Labour Party that the Act was passed, enabling the people to live under a decent system.

At 3.54 p.m.,

Mr. SPEAKER resumed the chair.

Bridge construction in Brisbane involved the people in an expenditure of £1,000,000. They would not have been able to secure those facilities had the City of Brisbane Act not been passed. Those things were not brought about because of any weakness in the committee system but followed the evolution of the times. A sum of £500,000 was spent on drainage in the interests of the health of the people. When bubonic plague broke out in Brisbane a few years ago the Government found it necessary in the interests of the people to compel the local authorities to clean up their areas. Then the City of Brisbane Act was passed. The people of the city appreciate the efforts that were made by the Home Secretary in the Labour Government, Mr. Stopford, in passing that Act. Had it not been passed there would now be no road to Wynnum, nor would there be a road to Sandgate costing £121,000. There would be no road to the electorate of the hon. member for Toowong, nor would there be a road towards Beaudesert. The individual local authorities could not have financed these undertakings.

The hon. member for Hamilton referred to the heavy taxation burden, to the inefficiency of certain aldermen, and to the increased expenditure incurred by the Brisbane City Council. During the time that the hon. member for Hamilton was the vicemayor of the council, land valuations were increased by over £5,000,000. Prior to that time when he was mayor of the Hamilton Town Council the area was more heavily rated and carried higher land values than any other local authority within the present city of Brisbane area. The people of the area were rated at 10d. in the £, and later at 1s. in the £1. When the area was taken over by the passage of the City of Brisbane Act the following roads were constructed by the new council:—

	£
Kitchener road	1,459
Lamington road	914
Lancaster road	6,072
Old Sandgate road	2,468
Sandgate road	6,798
Eagle Farm road	1,899

Although the Hamilton local authority area was more highly rated and carried higher land valuations than any other local authority area within the present city of Brisbane area, during the time the hon. member for Hamilton was a member of the Hamilton Town Council the area could not boast of one decent road. It could not even boast of proper footpaths. When the City of Brisbane Act was mooted the Hamilton Town Council sought a loan of £15,000 from the City of Brisbane Council to construct River road and Breakfast Creek road, Hamilton, so that it might be able to hand over the area with at least one decent road.

Now the hon. member for Hamilton has the audacity to talk about excessive taxation. It would be far better if he were to

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concoct some other charge to level against the Brisbane City Council.

When speaking the other day the Leader of the Opposition asserted that when Labour was in control of the Metropolitan Water Supply and Sewerage Board it expended a considerable amount of money to win political support, but I would point out to him that Labour was in control of this department for only eighteen months before it was taken over by the Brisbane City Council. Apart from that time it had been controlled by the Tory Party. I would remind the Leader of the Opposition that the sewerage facilities were constructed under the contract system so dearly beloved by the Tory Party. Tenders were called for the work but the contractors broke down on their jobs. The board secured judgment against the contractors for the sum of £33,000, but they might just as well have secured a judgment against me. It might have been to their advantage to secure a judgment against me, because I owned a home whereas the contractors owned nothing. I should like to submit these figures showing the cost of constructing water facilities and sewerage facilities in the City of Brisbane—

	£
Cost of water scheme	4,371,855
Cost of sewerage scheme	3,613,655
Total	7,985,520
Capitalised interest	787,075
Total capital cost	£8,772,595

Now compare those figures with two larger cities which have been controlled by the Tory Party throughout. The capital cost of the water supply in Sydney was £23,534,241, the cost of the sewerage £14,613,152, and the cost of drainage £631,876, making a total capital cost of £38,829,269. The sewerage system in Sydney was commenced when wages were as low as 5s. per day, whereas in Brisbane, thanks to a Labour Government, the workers were paid a decent wage. Nevertheless, there is a difference of £30,000,000 in the capital cost in Sydney as compared with that in Brisbane. The sewerage system of Sydney is not finished yet, nor is its water scheme.

We have another example of the so-called efficiency of the Tory Administration in Sydney. Their experts constructed a pressure tunnel from Potts Hill to Waterloo, a distance of 10 miles. The estimated contract cost was £1,000,000, but when the work was completed the cost was £2,000,000. Even then the tunnel was discovered to be useless, and the expenditure of another £2,000,000 was necessary to put a steel lining in the tunnel, and then to line the whole work with cement. So much for the Tory system of government in civic affairs in Sydney!

Let me now compare the cost of the water and sewerage undertaking in Melbourne with that of Brisbane. The cost of the water scheme in Melbourne was £10,390,281, and the sewerage system, which was started in 1891—some of the work was done by convicts—cost £12,272,135, or a total of £22,662,414. The sewerage system is not yet finished. Melbourne, although possessing a population far greater than Brisbane, does not show a profit on its sewerage scheme.

The latest figures I have are for last year, when a loss of £11,000 was disclosed. If the cost of the sewerage farm is added the total is £25,922,481. Yet hon. members opposite refer to the capital cost of the sewerage system of Brisbane! They refrain from referring to what contributed to that cost. They do not tell us that their own party was responsible for the work, which was carried out under the costly contract system. That system very nearly ruined the people of Brisbane, for instead of the sewerage system costing £1,000,000 it cost £3,000,000.

The hon. member for Hamilton strongly advocated the city manager plan of civic government. That system was tried in connection with our sewerage system. A man named Dunlop was put in charge of one section of sewer. After £200,000 had been expended under his sole direction every shaft fell in, and eventually a new line of sewer had to be constructed. That is the system hon. members opposite advocate! It is a Yankee system, and is used in America to-day. The system is rotten with graft and corruption, but the people have no redress. I believe there is safety in numbers, and that the interests of the people should be left in the hands of their elected representatives, who can elect the various committees for administration purposes, and not leave that phase of local government in the hands of a small coterie.

The hon. member for Hamilton and his colleagues advocate the election of the mayor by the aldermen, whereas this Bill provides for his election by the people. If the election of mayor is delegated to the aldermen, conflicting interests immediately set about endeavouring to secure the return of their representative, but when that high dignitary is elected by the people he is able to carry on the administration of the city in the interests of the people, independent of the aldermen. I remember a case which occurred in South Brisbane where three Labour aldermen "ratted" on a Labour mayor and left him in a minority, but as he was elected by the people he was able to put his policy into effect in defiance of the aldermen. It was said that the present occupant of the office of Lord Mayor of Brisbane was pushed into that position by Labour. Hon. members opposite did not say whom they wanted to fill that post, whether it was a Labour man or a Civic Reformer. Civic Reformers do not know what they want. The hon. member for Hamilton was afraid to say anything against them because their leader, Alderman Tait, had "put the wind up him," and made him afraid of his power. Alderman Tait is one of the greatest political adventurers that ever entered public life in Brisbane. In fact, he misrepresented the policy of his party to the people. He promised the people if he and his followers were returned to power that they would not accept payment for their services, that they would reduce rates, that they would not accept payment for their telephone services, nor would they accept free tramway passes. In their own words, they promised to make this city a city to be proud of. As soon as they were elected they provided for salaries and increased the rates by $\frac{1}{2}$ d. in the £1, which was equivalent on present valuation to an additional impost of £44,000. There are men who are His Majesty's

guests because they have been guilty of false pretences, but these aldermen, elected on false pretences, grabbed their salaries with both hands, accepted telephones and other privileges, and escaped. Then their wonderful leader, Alderman Tait, asked for a trip to America in his own interests, and later called upon the council to defray some of his expenses!

I was very much surprised to hear the hon. member for Fassifern urge a reduction in the salaries of aldermen. Particularly am I surprised at the hon. member's attitude, because I have heard that he is a very good employer and believes in paying his employees for the work they do. Under these circumstances I cannot understand why he should want the public employee to work for nothing or next to nothing. I am satisfied that the hon. member does not fully understand the magnitude of the operations of the Brisbane City Council. The activities of the council include water, electric light, tramways, health, and sewerage; and the control and co-ordination of these activities is no easy task. The local authorities which were absorbed by the Brisbane City Council employed nineteen town clerks, whose salaries ranged from £400 to £1,000 per annum. The nineteen chairmen of these shire councils received from £500 to £1,000 per annum. All that money has been saved, and twenty aldermen now have to carry out the same duties. Yet the hon. member for Fassifern wants them to do it for nothing. Since the Greater Brisbane Council was established, the tramway undertaking has been taken under control from the Tramway Trust, which comprised eight members, the chairman of which received £500 per annum and the other members £250 per annum. I may say that the hon. member for Hamilton accepted his small emolument of £250 in addition to his salary as alderman, and the hon. member did not have any tender regard for the extra rates imposed on the people when he accepted that payment. The Water and Sewerage Board of eight members, each of whom received £150 per annum, was absorbed by the Brisbane City Council. Likewise the Victoria Bridge Board, which previously cost £500 per year. The Brisbane City Council also control the supply of electric light and power to 42,210 consumers; yet the City Electric Light Company have seven well-paid directors in respect of only 40,000 consumers. In these circumstances I cannot understand the argument of the hon. member for Fassifern that the public representatives should not be paid. I am quite satisfied that the hon. member did not realise the promises that were made by the Civic Reform candidates and the subsequent actions of those who were elected. I am sorry that the salaries paid to aldermen are not as originally prescribed, because every public representative, whether parliamentary or municipal, is entitled to be paid for his services. Any alderman of the City of Brisbane Council who does his work well has to devote all his time to it, and deserves any remuneration he receives.

Mr. NIMMO (*Only*): I move the adjournment of the debate.

Question put and passed.

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

The House adjourned at 4.12 p.m.

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