

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**WEDNESDAY, 4 OCTOBER 1933**

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## WEDNESDAY, 4 OCTOBER, 1933.

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

## QUESTIONS.

## ASSIGNMENTS OF SUGAR-CANE LANDS EXCEEDED.

Mr. BRAND (*Isis*) asked the Secretary for Agriculture—

“Will he lay upon the table of the House a complete list of the certificates which have been issued by the Central Sugar Cane Prices Board, under ‘The Regulation of Sugar Cane Prices Acts Amendment Act of 1931,’ in respect of persons who have been exceeding their assignment areas?”

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

“The following certificates have been issued by the Central Sugar Cane Prices Board in respect of growers who have exceeded their assigned areas:—

Babinda mill—John Niven, Miriwinni.  
Pioneer mill—John Kelly, Airdale, Ayr;  
R. Kelly, senr., Airdale, Ayr;  
Tapiolas and Donovan, Box 95, Ayr;  
Bredden and Sons, Airdale, Ayr;  
J. Casalegno, Box 82, Ayr;  
J. W. Gray and Sons, Marali Siding, Ayr.”

“From Unemployment Relief Fund	...	...	...	£	1,345,020
From Loan Fund—					
Subsidies granted, £429,131; advances	...	...	...	£127,159	
Loans granted, £612,091; advances	...	...	...	454,004	
Total advances from Loan Fund	...	...	...		£581,163”

## DATE OF PRESENTATION OF AUDITOR-GENERAL'S REPORT ON PUBLIC ACCOUNTS.

Mr. FADDEN (*Kennedy*), without notice, asked Mr. Speaker—

“Has he any information as to when the Auditor-General's report on the public accounts will be available to hon. members?”

Mr. SPEAKER: When I raised this question with the Auditor-General some time ago, he informed me that he hoped to be able to make the report available in the middle of October, which would make the date of presentation a week earlier than last year.

## TREASURER'S FINANCIAL TABLES.

The TREASURER (Hon. W. Forgan Smith, *Mackay*) presented the tables relating to the Treasurer's Financial Statement for the year 1933-34.

Ordered to be printed.

## ESTIMATES IN CHIEF, 1933-1934.

Mr. SPEAKER reported the receipt of a message from His Excellency the Deputy Governor, forwarding the “Estimates of the Probable Ways and Means and Expenditure of the Government of Queensland for the year ending 30th June, 1934.”

Ordered to be printed, and referred to Committee of Supply.

## MONTHLY CALCULATION OF INTEREST ON PUBLIC CURATOR'S LOANS.

Mr. CLAYTON (*Wide Bay*), for Mr. WALKER (*Cooroora*), asked the Attorney-General—

“In view of the provision in the Money Lenders and Hire-purchase Agreement Bills for the monthly calculation of interest on loans and outstanding amounts, will he have the same rule applied to the lending business of the Public Curator?”

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

“The Public Curator is not subject to the provisions of ‘The Money Lenders Act of 1916’ or the amending Bill recently passed, and there is no analogy between the loan transactions of the Public Curator and the ordinary money-lender.”

## GOVERNMENT GRANTS AND LOANS TO LOCAL AUTHORITIES FOR UNEMPLOYMENT RELIEF.

Mr. MOORE (*Aubigny*) asked the Treasurer—

“For 1932-33, what was the total amount supplied to local authorities for unemployment relief purposes from the Unemployment Relief Fund and the Loan Fund, respectively—(a) grants; (b) loans?”

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

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## SUPPLY.

## OPENING OF COMMITTEE.

The TREASURER (Hon. W. Forgan Smith, *Mackay*) [10.37 a.m.]: Mr. Speaker, I move—

“That you do now leave the chair.”

Mr. MOORE (*Aubigny*): Before you leave the chair, Mr. Speaker, there are a few matters upon which I desire to say a few words. The one I particularly want to bring before the House arises from the fact that on the 31st August last I gave notice of the following motion:—

“That this Parliament resolves that Regulations Nos. 14 (4), 16 (2) (a), and schedule 2 of the regulations and amendments thereof under ‘The State Transport Act of 1932’ which were laid before the Legislative Assembly by Mr. Dash on 16th August, 1933, are disallowed.”

I took that action in view of the provisions of section 27 of ‘The State Transport Act of 1932,’ which states—

“All Proclamations, Orders in Council, and regulations made or purporting to have been made under this Act shall be published in the ‘Gazette,’ and thereupon shall be of the same effect as if they were enacted in this Act and shall be judicially noticed, and shall not be questioned in any proceedings whatsoever.”

Then it says—

“ All Proclamations, Orders in Council, and regulations shall be laid before the Legislative Assembly within fourteen days after such publication, if Parliament is in session; or, if not, then within fourteen days after the commencement of next session.

“ If Parliament passes a resolution disallowing any such Proclamation, Order in Council, or regulation, of which resolution notice has been given at any time within fourteen sitting days of such House after such Proclamation, Order in Council, regulation, or rule has been laid before it, such Proclamation, Order in Council, or regulation shall thereupon cease to have effect, but without prejudice to the validity of anything done in the meantime.”

The inclusion of a section like that in an Act of Parliament naturally presupposes—

Mr. SPEAKER: Order! The hon. member should know that he is not entitled to anticipate a discussion on a motion on the business-sheet. That is a well-recognised rule of parliamentary practice. The hon. member would be in order in arguing that such a motion should be brought forward for consideration, but he would not be in order in discussing the details of a motion notice of which had already been given.

Mr. MOORE: The need for the discussion is to my mind paramount. The only reason for desiring that Parliament should discuss such a motion is that hon. members should have the right to bring before Parliament matters which vitally affect Queensland and their constituents. We have been in a very difficult position, because we have had continual representations from our electors—I might call them grievances—that we attempt to do something to ameliorate the position in which they find themselves. It is an extraordinary thing that the Premier himself in his policy speech had this to say—

“ The problem of transport is common to all countries of the world, and cannot be solved by any arbitrary form of taxation that seeks to drive certain vehicles off the road. As a result of the development of motor transport, some of the railways now in existence would not, under modern conditions, be built. It will be Labour's policy to make an economic survey of transport problems with a view to determining on a satisfactory economic basis, the form of transport that is best to be used in any area or areas. A co-ordination of transport, recognising up-to-date methods and machinery, is the direction in which a solution may likely be found.”

No economic survey has been made, but an arbitrary system has been adopted in framing the regulations of placing such taxation upon people who are providing a convenience for the community that it is impossible for a motor vehicle to be run at all.

Mr. SPEAKER: Order! The Leader of the Opposition is discussing a motion which is on the business-sheet.

Mr. MOORE: I do not know how you can say I am discussing that motion, Mr. Speaker. I am discussing at the present time a grievance which is a very real thing and which it is desired to place before the

House. Some sections of the community are debarred reasonable transport facilities by an Act of this Parliament and the regulations which have been made under it. I do not want to infringe the rules of the House in any way, but this is, I think, a legitimate case to put before the House at a time when we have the privilege of putting before it our grievances and stating our reasons for them. I do not desire to anticipate my motion. There is plenty that I can say to it when it comes forward.

The TREASURER: Do you want an opportunity of discussing the motion?

Mr. MOORE: Yes.

The TREASURER: Why did you put it down for private members' day?

Mr. MOORE: I did not put it down on the sheet for private members' day at all. I gave notice that I would move a resolution of the House. I do not want to discuss that motion, but I do think I am entitled to lay before the House a very real grievance. Of course I may be stopped from saying anything about it, but I emphasise that it is of vital importance, particularly to country people, who should have some opportunity for expression in this House.

Mr. SPEAKER: It is generally accepted, and has always been generally accepted in this Parliament and in all other Parliaments of which I have knowledge, that discussion cannot anticipate a motion which is on the business-sheet for consideration during the current session. The hon. member would be entitled to draw attention to the need for discussing his motion, but he would not be entitled to anticipate discussion on the motion itself.

Mr. MOORE: There is no question about the need for an opportunity for discussion. I desire to give a particular instance to show how the State Transport Act is at present working to the detriment of country people. The information is contained in a letter which I received the other day. The writer states that a cream van runs through his property, which is situated 8 miles from the road. A set of wheels of a sulky, on which he was solely dependent for the transport of his cream, had to be sent away for repairs. He thought he would be able to obtain their return in the cream van. Instead of that—

Mr. SPEAKER: The hon. member must discontinue his speech if he persists in proceeding on those lines.

Mr. MOORE: Evidently we are to have no opportunity of placing our grievance before the House. I do think that when a definite motion is placed before us there should be a reasonable chance given to us to discuss it. This is a very important question. I do not desire to move the adjournment of the House, but I do want to take advantage of the opportunities that are afforded by the rules of the House to lay the case before Parliament. The Premier is perfectly within his rights in placing a notified motion at the bottom of the business-sheet, but there is a very urgent need that an opportunity should be given for us to place before Parliament the whole of the facts of the case and the disabilities it involves.

The TREASURER: You have not asked yet that that facility be given.

*Mr. Moore.]*

Mr. MOORE: Is it necessary to go and ask the Premier to give us the facility when a notice of motion is given?

The TREASURER: I asked you to deal with four motions that were on the business-sheet in a previous session, but you passed them aside.

Mr. MOORE: The fact that something may have been done is not any excuse in this instance. I want to take this opportunity of suggesting that when we have an opportunity of discussing a matter of urgent public importance it should be granted to us. I might have asked, Mr. Speaker, for an adjournment of the House, but I did not think it was a step which it was necessary to take when the Act of Parliament made provision that the regulations should be tabled and the motion for disallowance would give opportunity for discussion. If the Government are going to prohibit any discussion they are certainly taking away from the people in this State their great right of putting before the Parliament something which they consider is of the greatest importance to them. We are entirely in the hands of the Government. I am taking exception to the position in which we have been placed. It appears to me that if an Act of Parliament gives certain rights to members of the House those rights should be respected without the necessity of going to the Premier and asking if he is prepared to allow us to have them.

On two occasions during this session I asked a question relating to the number of registered unemployed and intermittent relief workers in May and August, 1932 and 1933. On the first occasion I was informed that the information was being obtained and on the second occasion I was told that it would be available in the annual report by the department. I knew that the information would be available in the annual report, but I desired the information at an earlier stage for purposes of discussion. It is not a difficult matter to procure the information, because it is already available in the department and it was tendered to the Federal Taxation Commission. The Minister was not justified in refusing to answer the question. Of course it is within his discretion to decline to answer the question, but to adopt the subterfuge of saying that the information is being obtained or that it will be available in the annual report is merely attempting to avoid the giving of information which is of value to Parliament and to the people outside. I know that the Government are quite within their rights in endeavouring to avoid the giving of information, but is it advisable for them to do that? No great expense would be incurred in preparing the information. It may not be to the advantage of the Government to supply it, but the paramount question in this Parliament should always be the public interest. Questions are asked with the object of securing information that will be a valuable aid in the intelligent discussion of Bills in this House. It is regrettable that we are unable to secure it. There seems to be a growing desire on the part of Ministers to decline to give essential information that is in the public interest and a protest should be entered before the desire becomes a habit. The Treasurer stated that when we were in Government we refused to supply information and that we refused to allow certain motions to be discussed. But those motions did not involve the important

[Mr. Moore.

principle that is involved in a motion standing in my name on the business-sheet to-day. The problem of unemployment is seriously agitating the public mind, and there is no reason why the information should be withheld.

The SECRETARY FOR LABOUR AND INDUSTRY: I told you that the information would be available in the annual report of the department.

Mr. MOORE: Exactly. I knew that when I asked the question.

The SECRETARY FOR LABOUR AND INDUSTRY: They, why did you ask it?

Mr. MOORE: Annual reports of departments, at times, do not contain all the necessary information and we are entitled to have full information when it is available. I would not object if the information were not available, but we should not be kept waiting for it when it is available and when it is urgently required.

The SECRETARY FOR LABOUR AND INDUSTRY: The correct information is not available.

Mr. MOORE: Then I am sorry that the officers of the department should have given incorrect information to such an important body as the Federal Taxation Commission.

Mr. P. K. COPLEY: You would misrepresent the statement of the Minister.

Mr. MOORE: I am not addressing the hon. member. When I want his advice I will seek it. It seems impolitic that the public should be kept in the dark on an important question like unemployment merely at the whim of a Minister or at the desire of the Government. The Estimates will shortly be available for discussion. Very few annual reports have so far been tabled. I quite recognise that many of the reports cannot be completed until some time after the close of the financial year, but the information in respect of other reports is kept up to date by weekly and monthly annotations. It is not so difficult to prepare those reports. We know that certain information is kept up to date for the continual use of the Bureau of Industry. Many of the monthly reports contain information quite apart from that which we desired. We desired only the actual figures relating to the number of unemployed on specified dates. Yet we have been denied the opportunity of getting the information. Now the Estimates are coming on and it is necessary that we should have that information to which we are entitled, if we are to discuss the position intelligently.

The SECRETARY FOR LABOUR AND INDUSTRY: You seem to forget you are not the Premier now.

Mr. MOORE: No, I do not forget that.

The SECRETARY FOR LABOUR AND INDUSTRY: You have no right to dictate as to how I should run my department.

Mr. MOORE: I am not dictating as to how the hon. gentleman should run his department.

The SECRETARY FOR LABOUR AND INDUSTRY: You are. That is the purport of your remarks.

Mr. MOORE: I have stated on two occasions that the Minister is within his rights in withholding the information if he desires. The only point which appeals to me is this: When a question is asked in the public

interest, is it politic for the Minister to deny the information required? It is perfectly competent for him to do so—just as it is competent for the Premier to put any motion, of which notice has been given, at the bottom of the business-paper, and, if that practice is to be adopted, the only remedy is to adopt some other means of discussing these subjects outside of Parliament. When the Treasurer could not get information as Leader of the Opposition in a previous Parliament, he made extravagant statements outside Parliament, and it was necessary then to make a statement in Parliament to correct the wrong impression created. That is a principle of which I do not approve, because very often extravagant statements made outside of Parliament convey a wrong impression, and when the statement is corrected in Parliament the truth never gets to the people. It is wrong to elicit public information in that manner.

The TREASURER: All I had to do with you was to tell the bare truth. That was bad enough.

Mr. MOORE: The bare truth can be very efficiently told. It depends on the glasses through which the Treasurer looks. It may have looked bare to the hon. gentleman, but when he made the public statement it was very well dressed. We have discovered that many statements made by the hon. gentleman, though not deserving of very fine clothes, are well covered in order to deceive the people.

I do not wish to delay the House. I merely wish to put forward my protest against the denial of the opportunity of securing a redress of a public grievance. It rests with the Government to say whether we are entitled to have an opportunity to discuss a matter of great public interest—one which affects the country districts very acutely—in order that we might show exactly how legislation and regulations framed by the Government operate. This is the first opportunity I have had of bringing the matter forward; and I have embraced it with a view to getting the Government to inquire into it.

Mr. KENNY (*Cook*) [10.58 a.m.]: I also wish to enter my protest against the action of the Government in refusing to Parliament the right to discuss certain regulations issued under the State Transport Act. When the Pig Industry Bill was going through this Chamber I drew attention to the fallacy of asking Parliament to pass a Bill wherein powers were given to the Governor in Council to issue regulations along certain lines. Immediately I commenced to discuss the matter and quote remarks of the Treasurer on the question he applied the "gag" and I was denied the opportunity to do so. Again I rose on the schedule to the Bill, which, *inter alia*, provided that regulations could be made to compel farmers to carry out certain improvements on their farms. I tried to move an amendment, and what happened? Again the "gag" was applied. Three times that day when we were endeavouring to discuss the question of regulations being tabled in this Parliament—and the Government have told us that opportunity is given to Parliament to disallow regulations issued during the recess—the "gag" was applied and we were denied the right to discuss the principle. A motion was tabled by this side of the House, so that regulations under the State Trans-

port Act could be discussed and disallowed because they are found to work detrimentally to the interests of the people in the country districts. What happened? The motion was put down at the bottom of the business-sheet. There is no other method of discussing that matter.

On this point I have only to quote the following remarks made by the Treasurer in this Parliament on the 12th December, 1931:—

"I take it that it is as futile to endeavour to prohibit motor transport to-day as it would be to attempt to prohibit the use of machinery and labour-saving devices in industry generally. Whether the Government like it or not, and whether this Parliament likes it or not, the people will demand cheap and effective methods of transport, and will use them wherever available; and it is merely attempting to shelve the position if we pass a Bill of this kind with the object of preventing the use of modern means of conveyance and forcing the people to use the railways."

That is the statement of the Treasurer immediately prior to his making an appeal to the people of Queensland. The people believed him. They believed that he was sincere. They returned him to Parliament with a working majority. His first act was to abolish the State Transport Board set up by the previous Government, pass an Act and set up a board of his own choosing, and frame regulations of the character of which even members of his own party were not fully aware at the time. Thousands of protests came from all parts of Queensland, both to Government members and to members of the Opposition. Protest meetings were held throughout the State, condemning the regulations issued under the State Transport Act. The Opposition took the first opportunity of moving that the regulations be disallowed. The right to discuss the matter has been denied us. I desire to quote from an article published in a Northern newspaper to emphasise the necessity that this matter be rectified, and that a full discussion be permitted in Parliament. This article reads—

"The problem of transport is common to all countries of the world . . ."

Mr. SPEAKER: Order! The hon. member will not be in order in continuing on those lines.

Mr. KENNY: I take it, Mr. Speaker, that your ruling is that we cannot anticipate a motion on the business-sheet and cannot discuss the question? You have ruled that we would need to show the necessity for a discussion taking place in this Parliament. To show the necessity of that discussion I desire to quote the press, which is clamouring that the matter of the regulations under the State Transport Act be rectified at the earliest opportunity. Of course, if I cannot bring the press to my aid then I do not know where I am, nor does Parliament know where it is. This article proceeds—

Mr. SPEAKER: Order! The hon. member knows that he is not in order in continuing in that strain.

Mr. KENNY: If that is the case, Parliament will have no opportunity of discussing the matter. It would appear that regulations issued under an Act may be

*Mr. Kenny.]*

tabled in Parliament, but that although Parliament has the right to disallow those regulations, Parliament does not get the opportunity to do so. If that is the case we might as well close Parliament and return to our electorates, leaving the Cabinet to govern Queensland by regulation. It is indeed farcical that Parliament cannot discuss regulations which are detrimental to the public interest.

As I cannot discuss that matter I shall draw attention to other matters of importance to Queensland to-day. As the Leader of the Opposition has very properly pointed out, the Opposition have on numerous occasions sought information on questions of vital importance, but the information has been denied by Ministers of the Crown. Only a few weeks ago I asked the Treasurer a question in relation to the £2,000,000 which it was proposed to borrow in order to erect a bridge in Brisbane. I asked if he would submit to the Loan Council an alternative proposal to develop North Queensland with a similar amount of money. The reply I received was that the Government would consider any sound proposal. It was no reply at all; but you, Mr. Speaker, ruled earlier in the session that, because a question had been answered already in the session, it could not be asked again. It appears that the Treasurer and his Ministers can shuffle in any way they like and refuse a reply—can avoid giving information which we on this side of the House have every right to get. Similar treatment was meted out to me in respect of a question which I directed to the Treasurer asking the number of unemployed who had been absorbed under the Government's policy of spending loan money. The Treasurer told me what funds were available and what the local authorities anticipated would be absorbed. That was not a reply to the question which I asked, but on your ruling, Mr. Speaker, I am debarred from raising the question again this session.

How can the people of Queensland know the truth under these circumstances? It is very easy for the Treasurer to say that when he was Leader of the Opposition he had only to tell the bare truth in order to make his point. What the hon. gentleman forgets is that when the present Leader of the Opposition was Premier of the State he gave full and accurate information in answer to questions even though it may have been bad party politics to do so. The policy of the present Government is one of "hush, hush." Questions may be asked, but it is another matter to get the information desired.

During the last session we pointed out to the Treasurer that funds were being wasted in Queensland in providing facilities for tobacco growing at Beerburrum. This year I asked for information, but could not get it. I can now tell the House that £13,898 of public money has been spent in placing ninety-three families in tobacco-growing activities at Beerburrum; in other words, an average of £140 18s. 9d. per family has been expended by the Government. When these families were placed on that land the Secretary for Agriculture visited the area. Photographs were taken by the press and some of the photographs which appeared in the "Agricultural Journal" depicted the wives and children of the new settlers viewing the "promised land." Twelve months

have passed. The growers have sold their tobacco, which has returned them £2 12s. 8d. each for their year's work. After the returned soldiers had expended years of work at the settlement it was handed over to the unemployed, who had no experience of agriculture at all. They were given to understand that they could make a living and were told, "This is the 'promised land'; your future is assured."

The SECRETARY FOR LABOUR AND INDUSTRY: They were given a living—they were kept during the time they were there.

Mr. KENNY: They were kept, and those men must repay this money to the Crown.

The SECRETARY FOR AGRICULTURE: That is wrong.

Mr. KENNY: If that is so, why should the tobacco-growers in Marceba be asked to pay back the money to the Crown? Why put them on a different basis from those at Beerburrum? This tobacco at Beerburrum returned 5.3d. per lb., on the average, to the grower. That was all that the growers received for the tobacco when it was sold.

The SECRETARY FOR AGRICULTURE: That is not so.

Mr. KENNY: That is so. I have the returns of the sales with me.

The SECRETARY FOR AGRICULTURE interjected.

Mr. SPEAKER: Order! Every hon. member who wishes to speak on this question will have forty minutes. I ask the Minister to restrain himself until that time arrives.

Mr. KENNY: The Secretary for Agriculture interjects that I have not the figures. I have the returns from Beerburrum of the prices paid at auction, the quantity sold at auction, and the quantity sold since—authentic figures from the buyers. The following figures show the quantity sold and the amount received:—

Lb.	s.	d.	£	s.	d.
89	...	1 9	...	7	15 9
380	...	1 10	...	34	16 8
615	...	1 7	...	17	18 9
1,274	...	1 1	...	69	0 2
981	...	0 9	...	36	15 9
2,172	...	0 8	...	72	8 0
506	...	0 3	...	6	6 2
4,324	...	No offer			
708	...	No offer			
<hr/>			<hr/>		
11,049			£245	1 3	

The average is 5.3d. per lb. I demand the right to show the wastage of that £13,000 last year, and to point out to the people of Queensland that Parliament should not be asked to pass a similar amount this year. If we wish to put men on the land we should not make it too hard for them by putting them on a proposition where they have no chance of coming out on top, but put them where there is a possibility of success. Let the wastage of public money stop at Beerburrum, and let us go ahead where there is an opportunity to succeed. The Minister stated that between 400 and 500 acres of land will be planted this year, but I maintain that area should not be planted and that public money should not be wasted in a locality where only 5.3d. per lb. was received by the growers for the tobacco they grew.

[Mr. Kenny.]

The Government have ever since they came into power taxed and harassed the man on the land. We can see that that is so if we go into my electorate and through the sugar-growing areas. The Government policy is to have a revaluation for taxation purposes throughout the sugar-growing areas in order to try to build up the revenue to enable them to finance their proposals.

Mr. SPEAKER: Order! The hon. member will not be in order in anticipating the discussion on the Budget, which will shortly be presented. The discussion at this stage is on the matter of "grievances" only.

Mr. KENNY: I am not anticipating any discussion on the Budget. I have a definite complaint in this matter from an individual who has been put to the expense of getting a legal opinion and assistance to get a reduction. The letter is dated 5th April, 1933, and states—

"From the above it will be seen that the value has now been reduced from £2,460 to £1,570, a sum of £890, which is nearly half the amount of the original increase of £1,838."

The sum of £890 is nearly half the amount of the original increase of £1,838! The land was increased in valuation from £622 to £2,460. In order to get justice the man had to appeal. That cost him £25; but before he could appeal he had to pay the land tax. When his appeal was considered and the valuation was reduced by £890, the Income Tax Department took £25 9s. 10d.—in payment of Federal income tax—out of the money that was to be refunded to him. That sum was taken before his income tax was due. That is a very serious position. In the same month—the month of March—when it is an impossibility for cane farmers to get finance from the banks on account of the cyclonic seasons in North Queensland and when there is no certainty of what crops will be harvested—this man was asked to pay land tax of £84 on the 7th March; £45 unemployment tax on 22nd March; and £78 State income tax on 27th March—a total of £207. The position of the cane farmers should be considered, and they should be allowed to make their payments as late as the end of May.

The TREASURER: Who do you say that was?

Mr. KENNY: I am not telling the hon. gentleman who it was, but I can give the hon. gentleman the information if he wants it.

The TREASURER: We can make you lay the papers on the table of the House.

Mr. KENNY: You cannot.

The TREASURER: But we can.

Mr. KENNY: This man had to pay £207 to the State Government in the month of March, and if the Government would consider the position of the cane farmers in that area, where finance to-day is very hard to obtain, they would give them the opportunity of paying their assessments in May, when they get the returns for their cane from the mills. That would alleviate the position. If we have to go into every case in a manner similar to that in which we have gone into this one this morning, then it is going to be very hard indeed. I may have the opportunity of discussing this question at length when the Regulation of Sugar

Cane Prices Acts Amendment Bill comes before the House—if it does! I may then be able to point out to Parliament that the Government officials who are valuing this land have no idea and no knowledge of the local requirements at all. Were I to go on to that point, Mr. Speaker, you would be justified in saying that I could not proceed.

I have another complaint, and it is in reference to the Agricultural Bank. This bank is supposed to exist to assist the settlers. The Government are telling the settlers all the time how lenient and sympathetic they are. However, I will quote the words of one poor unfortunate, who was sold up by the Agricultural Bank, although he lodged at that bank a lien on 65 acres of maize which was refused him—

"Since then I have felled 16½ acres of standing scrub, stumped 80 acres of maize land, completely taking out at least 400 stumps.

"Erected over 250 chains of fencing; built a barn 39 feet by 18 feet, pig sties, three implement sheds, fowhouse, wash-house, and woodhouse.

"Built dairy concrete floor with water laid on at a cost of £50. Also cow bails, four stand concrete floor and stock yards, and crush, also water laid on to kitchen garden.

"Built two rooms on to dwelling-house and porch, and erected three extra 1,000-gallon tanks to house, all at my own expense.

"At the time of sale I owed the Agricultural Bank £120 interest and redemption on £615 soldier settlement advance principal payable in about twenty years, also £60 for rent to Lands Department.

"Amount received for sale on improvements, £1,300.

"The amount on call was £120 bank and £60 Lands Department.

"I wrote to Mr. Quodling and told him I would give him a lien on my 60 acres of corn, which would more than realise my indebtedness, but to no avail.

"I let Mr. Collins, chairman of Maize Pool have letter re sale of block from Mr. Quodling, as he (Mr. Collins) was going to Brisbane on maize matters, and he was trying to get Quodling to alter his decision. He (Mr. Collins) gave Mr. Bruce my letter to let him have a try to reverse order. Mr. Collins has written to Mr. Bruce for my letter, and I will send it you directly I receive same.

"J. Ward, sub-manager, Agricultural Bank, says the purchaser of block paid only £350 deposit, and the Agricultural Bank let him have £950 on terms for fifteen years. Until these fifteen years have expired I am not entitled to the surplus on sale or to corn.

"I am sixty-six years of age, with wife and three children, ages fourteen, thirteen, and twelve, and under these circumstances I am absolutely penniless. If I do not get this money of surplus on sale and corn I will be walking off without a shilling in the world to fight life's battle over again.

"I do not know what you think; but I think it is damnable."

*Mr. Kenny.]*

I agree. Here is the case of an unfortunate individual, sixty-six years of age, who has fought in three wars.

The SECRETARY FOR AGRICULTURE: What is his name?

Mr. KENNY: W. J. Tarrant.

The SECRETARY FOR AGRICULTURE: I will tell you all about him later. He is a horse stealer.

Mr. SPEAKER: Order!

Mr. KENNY: The hon. gentleman is wrathful. I suppose he will tell me that this man was behind in his payments to the bank. He may have been, in common with many other soldier settlers. I am airing a complaint.

The SECRETARY FOR AGRICULTURE: Tarrant got more lenient treatment than any other client of the bank.

Mr. KENNY: When he entered upon his block the value of his improvements was £5, but on being sold they realised £1,300, leaving to him a surplus due from the harvest of 66 acres of maize after meeting his indebtedness to the bank. The sale took place in July of this year, but this settler has not yet received his surplus. He has been told that he must wait for fifteen years before he can receive it. Is that justice? Is that leniency? He will be eighty-one years of age before he receives his final payment, if this statement be correct. The Minister says that that is justice. I have discussed the sale with men who wished to purchase the block, and they informed me that they did not have an opportunity to bid for the purchase of the property on terms.

The SECRETARY FOR AGRICULTURE: You know that that is one of the worst cases you could have chosen.

Mr. SPEAKER: Order! I hesitate to take any action concerning a Minister, but there can be no two laws in this House—one for one side of the Chamber and one for the other. The law of debate which applies to one side must also apply to the other. The Secretary for Agriculture and Stock would be well advised to restrain himself.

Mr. KENNY: The Minister said that I had chosen a bad case. This is a case where a surplus is due to the late settler. I am complaining that the Government have forced a settler off his block and have fixed a period of fifteen years in which the surplus may be paid by the incoming settler. The late settler is walking the roads looking for work. He has no home for his children. When the agent for the buyer came on to the block the children of the late settler were turned out of their beds. A girl of fourteen years of age was compelled to sleep with the boys on an open veranda whilst the agent of the purchaser went into the bedrooms inside. Is that justice? Is that sympathy? I ask the Minister—

Mr. SPEAKER: Order! The hon. member is now asking for interjections.

Mr. KENNY: I am asking the Minister when he rises in this Chamber to state if the settler to whom I refer can now receive the payment due to him. If the department is prepared to resell the property on terms extending over fifteen to twenty years, then the facilities necessary to enable those terms

to be offered should be provided by the department and not by the late settler.

Mr. SIZER: He could issue a writ against the Government.

Mr. KENNY: He has a legal claim, but he has not sufficient money to fight the Government. If that practice is continued it will mean that the farmers will have no clear conception of their legal position. Surely a settler is entitled to the surplus of the proceeds of the sale of his property! I have here a statement signed by a number of buyers who were present at the sale. They say—

“Re sale of Block 462-463 by A. G. Bank, W. J. Tarrant, lessee. On the occasion of this sale the auctioneer stated that the usual terms would hold. The block would be sold for cash, and if no cash was forthcoming it would be sold on terms.

“The auctioneer asked what offers for cash were forthcoming. The first bid was for £900, and bidding went up to £1,300. Nothing was mentioned about terms after the first bid. The buyer paid £350, cash and agreed to £950 over fifteen years.

“We, the undersigned prospective buyers, state that this is true.”

There are their signatures. I referred the matter to the Agricultural Bank, and it was in turn referred to the northern branch of the bank. The officers in the North said that the statement was not true. Of course, the officers are believed; the persons who make this statement are liars. Unless the matter is remedied the position of a farmer who is sold up by the Agricultural Bank will be hopeless. I discussed the matter with four different persons who were present at the sale and each one stated that it was announced that the sale was for cash. Terms were given at a later date. One man informed me that he would have offered £1,600 if he had known that it was a sale on terms, and this would have given a surplus of £300 to the late settler. The statement I have quoted was drawn up in the form of a statutory declaration as to the truth of its contents, and the signatures were witnessed by a justice of the peace. The Government just say that the statements are wrong. If the men making this statutory declaration are telling lies, why do the Government not proceed against them? The Government will not prosecute these men, but they refuse this individual the money he is entitled to for his life's work in developing and improving his farm. No matter what neglect the settler may have been guilty of in discharging his obligations to the Agricultural Bank, which made him the advance, nevertheless it was the duty of the Crown to see that the advance was repaid. He had a maize crop each year, and the bank could have taken action to see that portion of the proceeds of that crop were diverted to it. Instead the Government allowed him to devote the money to improving his farm, and when those improvements were completed they ejected him without any consideration.

This is a question which needs ventilation in this House. If that is the kind of administration which farmers are to receive from the present Government it is time we took a stand—time Parliament knew that a man could thus be deprived of such a balance after the claim of the Crown had

[Mr. Kenny.]



been satisfied. If I foreclosed on any individual, I would be compelled after satisfying my mortgage to pay the balance over to that individual. If I did not he would have cause for an action against me; but because this individual on whom the Government foreclosed happens to be "broke" and is unable to fight the Crown, he must get out and remain "broke." It is my duty to air the treatment that has been meted out to these unfortunate men. I do not know of any unemployed citizen who is in a worse position than this individual farmer. He is sixty-six years of age with three young children, the eldest being fourteen years old.

Mr. BRAND: Did they actually turn the children out on the road?

Mr. KENNY: They did. I have another case where the departmental officers were not game to go in and evict a farmer. They waited until he went to hospital with a broken leg. Then they put the bailiff in. His wife sent him word to the hospital that the bailiff was in charge. He left the hospital, and walked 12 miles on crutches in order to try to save his farm. What happened? The man after reaching his home fell and died. That occurred at Kairi. Yet the Government claim to be the champions of the poor selector! They are pursuing a policy of squeezing the last drop of blood out of these poor unfortunates. Talk about Shylock! Shylock was nothing to the present Government in squeezing out the moneys due to the Crown. The Crown must take preference in all cases of foreclosure, and other creditors are left lamenting. I have many other cases which I could quote for the benefit of hon. members and the people of Queensland, but these two cases should satisfy any Government and any individual of the nature of the so-called justice that is meted out to such poor unfortunate farmers.

We shall have another opportunity at a later date to deal with this and many other subjects, and to show that the Government are not living up to their pledges. The people of Queensland were promised by the Premier that if his party were returned they would raise £2,500,000 by way of loan from the people of this State, and that they would bring happiness into the homes of the people where there was then only darkness. What happened? The Premier, after being returned on that election pledge, callously betrayed the men who trusted him.

Mr. SPEAKER: Order! The hon. member is not using parliamentary language in saying that an hon. member betrayed someone.

Mr. KENNY: I was only repeating the Premier's own words. He used those words as Leader of the Opposition in this Parliament, and at that time no exception was taken to them. If you, Mr. Speaker, take exception to them I will not proceed in that strain. I say that the people were misled. They found later that the statements of the hon. gentleman were only so much froth and bubble. They were only words to enable him to be returned as Premier of this State. The Premier as Leader of the Opposition may have been conceited and his conceit run away with him. He was returned and naturally the people wish to see the Treasurer carry out his election pledges, and we on this side of the House have been

waiting for this money to be raised. Men are going through Queensland to-day by the thousand looking for work. We have tried to get information from the Secretary for Labour and Industry as to the present trend of unemployment; but, as the Leader of the Opposition said, that information has not been forthcoming. We know why. The unemployed in this State have increased by nearly 10,000 as compared with twelve months ago. Although an additional 10,000 unemployed are on the unemployment market to-day the Government are saying that they have £3,300,000 to spend, and yet they are short spending the vote to-day at the rate of £140,000 a month. They are short spending as they did last year. Last year the Government short spent £1,000,000 although men were walking the streets looking for work.

Mr. SPEAKER: Order!

Mr. KENNY: I say the Government short spent last year.

Mr. SPEAKER: Order! The hon. member is not entitled to indulge in a general discussion. He knows that this is the "grievance" stage.

Mr. KENNY: My grievance is that work was not found for these men when the money was available. We want to know why the work was not given which was promised them—why this election pledge was not carried out. The money that is available now is being short-spent in order that it may be kept for an election splash; but in the meantime the men have only the words of the Premier to depend on. Perhaps these men will be able to pat themselves on the back and say, "All right; let's wait another eighteen months, and when the election is coming on he will spend £3,000,000. We will get jobs for three or four months, and then we will walk the roads again."

Unfortunately, the unemployed are only waking up to the true position. When we get to the Estimates I shall not try to convince the Treasurer and his Ministers with my own argument; I will convince them with the arguments of these men.

The TREASURER (Hon. W. Forgan Smith, Mackay) [11.32 a.m.]: Under the provisions of Standing Order No. 298, I move—

"That the hon. member for Cook be ordered to lay upon the table of the House the documents from which he has just read extracts."

Question put; and the House divided:—

AYES, 29.

Mr. Barber	Mr. Hynes
" Bedford	" Keogh
" Brassington	" King, W. T.
" Bruce	" Mullan
" Bulcock	" O'Keefe
" Conroy	" Pease
" Cooper	" Smith
" Copley, P. K.	" Stopford
" Dash	" Taylor, G. C.
" Foley	" Wellington
" Funnell	" Williams
" Gair	
" Gledson	<i>Tellers:</i>
" Hanlon	" Copley, W. J.
" Hanson	" Waters
" Hayes	

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## NOES, 23.

Mr. Bayley	Mr. Plunkett
" Clayton	" Roberts
" Deacon	" Russell
" Edwards	" Sizer
" Fadden	" Sparkes
" Grimstone	" Taylor, C.
" Kenny	" Tozer
" King, R. M.	" Wienholt
" Maher	
" Maxwell	<i>Tellers:</i>
" Moore	" Brand
" Nicklin	" Costello
" Nimmo	

## PAIRS.

AYES.	NOES.
Mr. Llewelyn	Mr. Morgan
" Larcombe	" Daniel
" Collins	" Peterson

Resolved in the affirmative.

Whereupon Mr. Kenny laid the documents on the table.

Original question put.

Mr. MAXWELL (*Toowong*) [11.36 a.m.]:  
Mr. Speaker—

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

"That the question be now put."

Question—"That the question be now put"  
—put; and the House divided:—

## AYES, 29.

Mr. Barber	Mr. Hayes
" Bedford	" Hynes
" Brassington	" Keogh
" Bruce	" King, W. T.
" Bulcock	" Mullan
" Conroy	" O'Keefe
" Cooper	" Pease
" Copley, P. K.	" Smith
" Copley, W. J.	" Stopford
" Dash	" Waters
" Foley	" Wellington
" Funnell	
" Gair	<i>Tellers:</i>
" Gledson	" Taylor, G. C.
" Hanlon	" Williams
" Hanson	

## NOES, 23.

Mr. Bayley	Mr. Plunkett
" Brand	" Roberts
" Clayton	" Russell
" Costello	" Sizer
" Deacon	" Sparkes
" Edwards	" Taylor, C.
" Grimstone	" Tozer
" Kenny	" Wienholt
" King, R. M.	
" Maher	<i>Tellers:</i>
" Maxwell	" Fadden
" Moore	" Nicklin
" Nimmo	

## PAIRS.

AYES.	NOES.
Mr. Llewelyn	Mr. Morgan
" Larcombe	" Daniel
" Collins	" Peterson

Resolved in the affirmative.

Question—"That the Speaker do now leave the chair" (*Mr. Smith's motion*)—put; and the House divided:—

## AYES, 29.

Mr. Barber	Mr. Hayes
" Bedford	" Hynes
" Brassington	" Mullan
" Bruce	" O'Keefe
" Bulcock	" Pease
" Conroy	" Smith
" Cooper	" Stopford
" Copley, P. K.	" Taylor, G. C.
" Copley, W. J.	" Waters
" Dash	" Wellington
" Foley	" Williams
" Funnell	
" Gair	<i>Tellers:</i>
" Gledson	" Keogh
" Hanlon	" King, W. T.
" Hanson	

## NOES, 24.

Mr. Bayley	Mr. Plunkett
" Brand	" Roberts
" Clayton	" Russell
" Costello	" Sizer
" Deacon	" Sparkes
" Edwards	" Taylor, C.
" Fadden	" Tozer
" Grimstone	" Walker
" King, R. M.	" Wienholt
" Maxwell	
" Moore	<i>Tellers:</i>
" Nicklin	" Kenny
" Nimmo	" Maher

## PAIRS.

AYES.	NOES.
Mr. Llewelyn	Mr. Morgan
" Larcombe	" Daniel
" Collins	" Peterson

Resolved in the affirmative.

## COMMITTEE.

## FINANCIAL STATEMENT.

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

The TREASURER (Hon. W. Forgan Smith, *Mackay*) [11.45 a.m.]: Mr. Hanson, I propose to submit to the Committee the customary information relative to finances of the year which closed on the 30th June, 1933.

When delivering the Budget statement on the 29th September last year, I anticipated that the deficit in the Consolidated Revenue Account would be £1,490,868. The actual deficit was £1,554,444.

Although the deficit is, approximately, £63,000 over the estimate, it is £520,000 less than the deficit for the previous year. This is evidence that the present Government's efforts to reduce the tremendous gap between receipts and expenditure, which was their inheritance from the previous Government, are meeting with success.

The estimated receipts and expenditure, as compared with the actual, were as follows:—

	Estimated.	Actual.	Over Estimate.
—			
Receipts ..	£ 13,299,535	£ 13,396,644	£ 97,109
Expenditure ..	14,790,403	14,951,088	160,685
Estimated Deficit	1,490,868	..	
Actual Deficit ..	..	1,554,444	

Exchange on oversea remittances for interest cost £1,075,768, as compared with £1,047,718 for 1931-1932. It will be remembered that this charge amounted to only £10,625 in 1929-1930.

The contribution to the Public Debt Sinking Fund was £388,231, as compared with £363,391 in the previous year, an increase of £24,840.

The total charge for exchange and sinking fund contribution was £1,463,999, which is over 94 per cent. of the deficit.

The receipts and expenditure under the main heads, as compared with the Budget estimate, are shown in the following table:—

## RECEIPTS, 1932-1933.

Head of Revenue.	Budget Estimate.	Actual Receipts.	Over Estimate.	Under Estimate.
	£	£	£	£
Amount received from Commonwealth .. ..	1,096,235	1,096,235	..	..
Taxation .. .. .	3,220,000	3,291,519	71,519	..
Land .. .. .	1,125,000	1,193,614	68,614	..
Mining .. .. .	37,300	45,339	8,039	..
Railways .. .. .	5,925,000	5,851,207	..	73,793
Other Receipts .. .. .	1,896,000	1,913,730	22,730	..
Totals .. .. .	13,299,535	13,396,644	170,902	73,793
Over Estimate .. .. .		£97,109	£97,109	

## EXPENDITURE, 1932-1933.

Head of Expenditure.	Budget Estimate.	Actual Expenditure.	Over Estimate.	Under Estimate.
	£	£	£	£
Schedules .. .. .	718,784	732,449	13,665	..
Interest on Public Debt .. .. .	4,974,615	4,932,460	..	42,155
Executive and Legislative .. .. .	35,007	34,805	..	202
Premier and Chief Secretary .. .. .	91,405	90,489	..	916
Home Secretary .. .. .	1,302,123	1,291,496	..	10,627
Public Works .. .. .	146,972	139,451	..	7,521
Labour and Industry .. .. .	100,161	169,800	69,639	..
Justice .. .. .	156,854	162,288	5,434	..
Treasurer .. .. .	1,377,690	1,444,049	66,359	..
Public Lands .. .. .	212,439	217,927	4,888	..
Agriculture and Stock .. .. .	109,146	104,762	..	4,384
Public Instruction .. .. .	1,344,876	1,330,770	..	14,106
Mines .. .. .	57,331	58,719	1,388	..
Railways .. .. .	4,163,090	4,242,223	79,223	..
Totals .. .. .	14,790,403	14,951,088	240,596	79,911
Over Estimate .. .. .		£160,685	£160,685	

## RECEIPTS, 1932-1933.

Receipts were £97,000 in excess of the estimate. This improvement was gratifying and was due mainly to increased revenue from income tax £73,000, stamp duty £26,000, land revenue £68,000, and £22,700 in certain other receipts. Railway receipts, however, fell short of anticipations by £74,000, land tax by £17,000, license fees by £14,000, and totalisator and betting tax by £13,000.

Income tax collections amounted to £1,743,000, which is £69,000 in excess of the previous year.

£442,580 was received from land tax, which is only £96,000 over the previous year.

The increase in land revenue is accounted for by receipts from timber royalties, which were nearly £70,000 more than the estimate. The adoption by the Government of the recommendations of the Timber Advisory Committee has given a much-needed impetus to the timber industry which, in turn, has been reflected in increased revenue to the Crown by way of royalties.

The revenue received last year must be regarded as satisfactory, in view of the fact that the economic situation continues to be abnormal, and that extremely low prices are still being obtained for our exports, although wool prices have improved recently.

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## EXPENDITURE, 1932-1933.

The total expenditure exceeded the estimate by £160,000. The principal items accounting for this excess were—

	£
Outdoor Relief .. .. .	67,000
Exchange .. .. .	33,000
Contribution Public Debt Sinking Fund	18,000
Loss to 30th June, 1932, on Queensland Section Kyogle Railway .. .. .	23,000
Railways .. .. .	79,000
Other items .. .. .	20,000
	£240,000

Against these increases, savings were effected in interest on the public debt £42,000, and on other services aggregating £38,000, making a total saving of £80,000, and leaving a net excess of £160,000.

The additional charge for exchange is due to the depreciation of sterling in relation to the United States dollar. It was not anticipated, when framing the estimates, that sterling would depreciate to the extent it did during the greater part of last year.

I am pleased to say that it has now improved considerably, and it is hoped that the improvement will be maintained, thus reducing this charge during the current year.

In accordance with the agreement with the Commonwealth Government in connection with the Queensland section of the Kyogle Railway, any loss incurred in the working of that section has to be borne by the State. The sum of £23,371 had, therefore, to be provided to meet the accumulated losses to the 30th June, 1932.

Railway expenditure, although £79,000 in excess of the appropriation, was about £109,000 less than the previous year. The increased expenditure over the appropriation in the Railway Department is largely accounted for by the necessity to undertake, during last financial year, repairs to locomotives, which had been seriously neglected by the previous Government.

The following summary shows the total expenditure for the years 1929-1930, 1931-1932, and 1932-1933, and the increase or decrease of the last year over the year 1929-1930:—

Expenditure.	Year	Year	Year	Increase or Decrease	
	1929-1930.	1931-1932.	1932-1933.	1932-33 on 1929-30.	
				Amount.	Percentage.
Uncontrollable Expenditure—	£	£	£	£	
Interest on Public Debt .. .. .	5,181,116	5,004,626	4,932,460	Decrease. 248,656	Decrease. 4.79
Sinking Fund .. .. .	313,535	363,390	388,231	Increase. 74,696	Increase. 23.82
Exchange on Remittances Oversea	10,625	1,047,718	1,075,768	Increase. 1,065,143	Increase. 10,024.88
Total .. .. .	£5,505,276	£6,415,734	£6,396,459	Increase. £891,183	Increase. 16.19
Controllable Expenditure—					
Railways .. .. .	5,946,163	4,352,894	4,243,823	Decrease. 1,702,340	Decrease. 28.63
Other Expenditure .. .. .	5,269,616	4,300,755	4,310,806	Decrease. 958,810	Decrease. 18.19
Total .. .. .	£11,215,779	£8,653,559	£8,554,629	Decrease. £2,661,150	Decrease. 23.73
Total Expenditure .. .. .	£16,721,055	£15,069,293	£14,951,088	Decrease. £1,769,967	Decrease. 10.59

The reduction in controllable expenditure last year is equivalent to a decrease of 23.73 per cent. on the expenditure for 1929-1930. This compares with a decrease of 22.84 per cent. in 1931-1932. The decrease in all expenditure last year was 10.59 per cent. compared with 1929-1930, and it was £118,000 less than in 1931-1932, the expenditure during that year being a decrease of 9.88 per cent. compared with the year 1929-1930.

## REVENUE DEFICIT, 1932-1933.

Arrangements were made by the Loan Council with the Commonwealth Bank to provide funds to meet the revenue deficits of the several States for last year. Under these arrangements, the bank agreed to accept Commonwealth Treasury bills for the required amounts. Bills for £1,580,000 were issued on account of the deficit of this State.

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This was £25,000 more than the actual deficit, and bills for that amount were, therefore, cancelled early in July, leaving a liability of £1,555,000. These bills have a currency of three months, and will be renewable from time to time as they mature, until they are either redeemed or converted into funded debt. Interest at the rate of 2½ per cent. per annum is charged by the bank at present. The proceeds of Queensland's share of the loan of £8,500,000, floated in Australia last April, of which £950,000 had been received at 30th June, have been utilised for the temporary redemption of bills for that amount. These temporarily redeemed bills will be available for re-issue when the proceeds of the loan are required for expenditure on public works. In the meantime, interest is being paid on the loan proceeds only.

Bills amounting to £630,000 on account of the revenue deficit were outstanding on the 30th June. Of these bills, £25,000 have been permanently cancelled, as I have already mentioned.

#### TRUST AND SPECIAL FUNDS, 1932-1933.

The receipts from Trust and Special Funds amounted to £5,579,027, being an increase of £693,914 over the previous year. The main items in which receipts increased were Chillagoe smelters £51,947, Police Superannuation Fund (not previously included) £63,896, Public Curator £21,025, Unemployment Relief Fund £716,365. The principal decreases were Main Roads Fund £105,782, Railway Superannuation Fund £21,434, Inkerman Irrigation Area Fund £26,608, State Insurance Fund £25,557.

Expenditure increased from £4,329,843 to £5,650,004. Main roads disbursements amounted to £1,133,720, which was £374,620 in excess of last year, taking the grant of £320,000 from the Commonwealth Government into account. Of the total disbursements from the fund, £951,193 was expended on road works, compared with £587,962 during the previous year.

Unemployment relief cost £1,771,111, being an increase of £570,437 over last year. The increase is due to the Government's policy of extending the sphere of unemployment relief, which now embraces single men without means. The payment of the basic wage rates to intermittent relief workers has been adopted, and, whilst of much benefit to the recipients, has increased the charges on the fund.

Expenditure on the Chillagoe smelters exceeded the previous year by £36,158. Inducements offered by the Government have resulted in a considerable addition to the quantity of ore sent to the smelters for treatment. About one thousand miners and surface hands are being provided with employment, directly and indirectly, by the operations of the smelters.

#### LOAN FUND, 1932-1933.

Expenditure from Loan Fund amounted to £2,138,022. This sum is £1,025,112 in excess of the expenditure for the previous year, and £335,101 above the year 1930-1931.

The sum of £3,167,242 was appropriated on Loan Fund Account. This included £940,000 provided under the special revival loan for the relief of unemployment, and £620,000 under what is known as the scheme for special winter relief for the unemployed. It will be remembered that the Commonwealth Government is providing half this amount.

Sums amounting in the aggregate to £362,278 were disbursed on account of the special revival loan of £940,000. The bulk of this special provision has been made available to local authorities by way of loans and subsidies for various works. It will be realised that, for some works, considerable time is required for the preparation of plans and specifications, and even when work is actually started, the rate at which the money is expended depends on the nature of the work. It is estimated that, at the 30th June last, commitments for an additional sum of £835,000 had been incurred on account of works then in progress, or to be started at an early date. The Government

has requested local authorities to expedite the commencement of these works and activities, the finance for which has been approved by the Treasury, so that employment may be provided and assets of value created for the community.

As regards the special winter relief loan, £556,070 was spent during the year. Allocations amount to £643,000. This sum includes the repayment of £15,000, the loan advanced to Mount Morgan, Limited, and £8,000 repayments on account of advances to cotton-growers. The Commonwealth Government has agreed to the re-allocation of these sums.

The State Employment Council appointed to deal with the funds available under this loan, recommended the following allocations, which have been approved:—

	£
Ringbarking, scrubfalling, etc. . . . .	190,000
Construction of Pioneer and Developmental roads . . . . .	74,000
Developmental Road works . . . . .	200,000
Prospecting for Minerals . . . . .	28,800
Mount Morgan, Limited, Developmental work . . . . .	15,000
Cloncurry Copper, Limited—Investigating Murdoch process of treating oxidised ores . . . . .	3,000
Coke Ovens, Bowen . . . . .	30,000
Provision additional Wheat Storage . . . . .	31,000
Cotton Production—Assistance to necessitous farmers, Upper Burnett, Callide, and other areas . . . . .	40,000
Small Farm Settlement—	
Nerang Areas . . . . .	10,500
North Coast Areas . . . . .	5,000
Establishment of Farm Boys' School, St. Lucia . . . . .	2,000
Aircraft Landing Grounds . . . . .	12,200
Total amount allotted . . . . .	£641,500
Balance available for allocation . . . . .	1,500
Total . . . . .	£643,000

In addition to the two items with which I have just dealt, advances to local authorities, hospital boards, and similar bodies amounted to £326,538.

It is estimated that the liability at the 30th June in connection with all commitments on Loan Fund Account for works in progress or about to be commenced was in the vicinity of £1,200,000.

In addition to the items of expenditure from Loan Fund, which I have already mentioned, the sum of £1,554,444 was charged to that fund, and credited to Consolidated Revenue Fund to meet the deficit for last year in the latter fund. As I have previously explained, this sum was raised by the issue of Treasury bills, and as these bills form part of the public debt, the transaction has to be included in the Loan Fund Account.

It has not yet been possible to arrange for the funding of the accumulated deficits in the Consolidated Revenue Account in respect of the financial years ended June, 1929, 1930, 1931, and 1932, which aggregated

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the sum of £3,806,367. As I explained in my last Financial Statement, deficits that had accrued up to 30th June, 1932, were financed from cash balances in the Loan and Trust Fund Accounts, although the previous Government secured parliamentary authority under "The Government Loan Act of 1931" for the raising of loans not exceeding £5,000,000 to cover revenue deficits. When the accumulated deficits of £3,806,367 (up to 30th June, 1932) can be funded, the transaction will be dealt with in the same manner as applied during last financial year; that is to say, when the loan is raised to fund the deficits, the transaction will be passed through the Loan Fund Account and merged into the Public Debt.

The sum of £7,500 was repaid to the Commonwealth Government, being a moiety of repayment received on account of advances made under the special winter relief loan. This is half the loan of £15,000 repaid by Mount Morgan, Limited. Under the arrangements in connection with the special winter relief loan, half the interest received for loans and half the capital repayments have to be paid to the Commonwealth Government. That Government has agreed to

the re-allocation of repayments received to date. These repayments will, therefore, again be available for the purposes for which the loan was originally raised.

Payments into the Loan Fund Account last year were as follows:—

	£
Repayments by Local Authorities and other borrowers .. .. .	1,228,640
Amount received under Land Sales Proceeds Act .. .. .	11,427
Commonwealth moiety of expenditure under winter relief loan ..	282,350
Proceeds of domestic issues .. ..	26,100
State's proportion of loans raised by Commonwealth .. .. .	1,453,674
Proceeds of Treasury Bills .. ..	1,115,000
Loan from Commonwealth Savings Bank .. .. .	354,000
	<u>£4,471,191</u>

The following are the details of the cash transactions in the current account of the Loan Fund:—

	£	£	£
Balance at Current Account, 1st July, 1932 .. .. .			2,621,375
Receipts during the year—			
Repayments Local Authorities, &c. .. .. .		1,224,294	
Receipts under "The Land Sales Proceeds Act of 1911" .. .. .			11,427
Moiety of Expenditure provided by the Commonwealth on Account of the Commonwealth-States Scheme for Relief of Unemployment .. .. .			282,350
Proceeds of Loan Issues—			
Australia—			
4 per cent. Domestic Issue .. .. .		8,000	
3½ per cent. Domestic Issue .. .. .		18,100	
			<u>26,100</u>
State's Proportion of Loans Issued by the Commonwealth Government—3¼ per cent. .. .. .	1,590,650		
Less Charges .. .. .	2,836		
	<u>1,587,814</u>		
Less not received at 30th June, 1933 .. .. .		134,140	
			<u>1,453,674</u>
Proceeds of Sale of Commonwealth Treasury Bills—			
Australia—			
2½ per cent. .. .. .	820,000		
2¼ per cent. .. .. .	295,000		
			<u>1,115,000</u>
Loan from Commonwealth Savings Bank on Account of Increase in Savings Bank Depositors' Balances .. .. .			354,000
Transfer from Trust Funds on Account of Adjustments between Trust Working Account and Loan Account of the Agricultural Bank .. .. .			4,346
			<u>4,471,191</u>
			7,092,566
Disbursements during the year—			
Expenditure as per Budget Table E5 .. .. .		2,188,022	
Amount Transferred to Consolidated Revenue Fund to meet Deficit for Year 1932-1933 .. .. .			1,554,444
Portion of Repayments received during the Year Transferred to Consolidated Revenue and applied towards the Payment of Sinking Fund Contributions in terms of "The Commonwealth-States Financial Agreement Ratification Act of 1927" .. .. .			100,000
Moiety of Repayments under the Commonwealth-States Scheme for Relief of Unemployment, Repaid to the Commonwealth Government .. .. .			7,500
Further Amount of Expenses under "The Commonwealth Debt Conversion Loan" Paid during the Year .. .. .		2,377	
			<u>3,852,343</u>
Balance at Current Account, 30th June, 1933 .. .. .			<u>£3,240,223</u>

The sum of £134,234 on extended deposit is not included in the balance of £3,240,223 at the credit of the Loan Fund current account.

The actual cash in hand at 30th June was £1,430,407, made up of credit balances in the Loan Fund and Trust and Special

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Funds, and a debit balance in the Consolidated Revenue Fund as follows:—

	£
Credit Balance Loan Fund Account ..	3,374,457
Credit Balance Trust and Special Funds Account .. .. .	1,996,551
	5,371,008
<i>Less—</i>	
Debit Balance, being unfunded deficits in Consolidated Revenue Fund .. .. .	3,806,367
	1,564,641
<i>Less—</i>	
On Extended Deposit .. ..	134,234
Actual Cash .. .. .	£1,430,407

#### EXPENDITURE FOR PROVIDING EMPLOYMENT.

The following table contains an informative statement of the funds expended for the direct purpose of providing employment during 1932-1933, as compared with similar expenditure during the year 1931-1932:—

	1931-32.	1932-33.
	£	£
Railways .. .. .	70,584	55,406
Agricultural Bank .. .. .	209,431	228,989
Buildings .. .. .	84,358	243,200
Forestry .. .. .	20,000	44,102
Land Settlement, &c. .. .. .	21,445	19,493
Loans to Local Bodies .. .. .	306,371	327,000
Main Roads .. .. .	587,962	951,193
Prickly-pear Land Commission .. .. .	50,620	63,176
Commonwealth—States Loan for Relief of Unemployment .. .. .	8,062	556,070
Special Loan for Relief of Unemployment .. .. .		362,278
Unemployment Relief .. .. .	1,055,583	1,492,695
Water Supply .. .. .	43,326	26,847
State Advances Corporation—Workers' Dwellings .. .. .	116,611	207,999
Workers' Homes .. .. .	27,667	31,736
	£2,602,020	£4,610,184

#### PUBLIC DEBT.

At the 30th June, 1933, the public debt amounted to £114,530,355, which is an increase of £2,619,070 since the 30th June, 1932.

£43,461	Instalment Stock, interest .. .. .	£3 2 0 per cent.
46,044	Instalment Stock, .. .. .	3 9 9 per cent.
825	Instalment Stock, .. .. .	3 15 0 per cent.
9,491	Instalment Stock, .. .. .	3 17 6 per cent.
2,231	Instalment Stock, .. .. .	4 0 0 per cent.
176,760	Bonds and Stock, .. .. .	4 0 0 per cent.
5,000	Bonds and Stock, .. .. .	3 10 0 per cent.
182,369	Bonds at .. .. .	7 0 0 per cent.
£466,181		

Of the redeemed debt, £182,369 was domiciled in America, £5,000 in Great Britain, and £278,812 in Australia.

The balance of the special sinking fund established in connection with the 7 per cent. American loan has been exhausted in the purchase of bonds of that issue. Funds required for the purchase of these bonds will be provided by the National Debt Commission from the State's Sinking Fund, in future.

£3,085,880 was added to the debt during the year, being the proceeds of loans and Treasury bills, and the debt was reduced by £466,810, of which £466,181 was redeemed through the Sinking Fund, and £629 by way of an adjustment in the State's liability in connection with the South Brisbane-Kyogle railway.

Of the loans raised by the Commonwealth Government in November, 1932, and April, 1933, Queensland's quotas were £333,516 and £1,034,140, respectively. Of the latter sum only £950,000 had been received by the 30th June. The balance has been received since that date. These loans bear interest at the rate of 3½ per cent. per annum, and mature on the 15th December, 1942.

£173,000 was also obtained from the Commonwealth Bank under an arrangement made by the Loan Council, whereby the bank provided £2,000,000 towards the loan programmes of the States. This loan carries interest at the rate of 3½ per cent. per annum, and is repayable on the 15th December, 1942.

Loans amounting to £354,000 were obtained from the Commonwealth Savings Bank, of which £350,000 carries interest at 3½ per cent. per annum and £24,000 at 3½ per cent. per annum.

Treasury bills for £1,115,000 were outstanding at 30th June. Of this sum £630,000 was for revenue purposes, and £485,000 for loan. Bills for £310,000 of the latter sum were issued on account of the winter relief loan, and £175,000 on account of the special loan for the relief of unemployment.

When Queensland first obtained Treasury bill accommodation in December, the rate of discount was 3½ per cent. This rate has been reduced by degrees to 2½ per cent. Of the bills outstanding on the 30th June, £295,000 had been discounted at 2½ per cent., and £820,000 at 2½ per cent. The former have since been rediscounted at 2½ per cent. All bills are discounted for a period not exceeding three months.

The sum of £466,181 provided by the Sinking Fund was utilised for the redemption of the following debt:—

#### LOCAL DEBT CONVERSION.

On the 30th June, 1932, State securities for £9,990 had not been converted in terms of the Commonwealth Debt Conversion Act. Additional securities to the value of £8,410 were dealt with during the year, leaving £1,580 outstanding on 30th June, 1933, of which £300 have since been converted.

Stock for £258,110, bearing interest at the rate of £4 1s. 4d. per cent. per annum, the original date of maturity of which is

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the 1st January, 1934, will, in terms of the Act, be reconverted into new securities, at par, bearing interest at 4 per cent. per annum, and maturing on the 15th November, 1941.

These securities are at present tax free, but upon being reconverted, they will become subject to Commonwealth taxation to the same extent as the new securities referred to in section 20 of the Act.

#### TREASURY BILLS.

During last financial year Treasury bill accommodation to the extent of £2,065,000 was obtained for:—

	£
Revenue deficit .. .. .	1,580,000
The State's quota of the Commonwealth—State's Winter Relief Loan .. .. .	310,000
On account of special loan for relief of unemployment .. .. .	175,000
	£2,065,000

As the revenue deficit bills were £25,000 in excess of actual requirements, bills for that amount were permanently redeemed early in July.

The bills for £175,000 on account of the special loan for the relief of unemployment were taken up by the Commonwealth Bank on the understanding that they were to be redeemed when the proceeds of the first loan flotation were available. These bills were, accordingly, permanently redeemed in July out of our share of the loan floated in Australia last April.

In addition to the foregoing permanent redemptions, the cash which became available as the result of the last loan flotation has been utilised for the temporary redemption of revenue Treasury bills. On the 30th June, £950,000 of these bills had been temporarily redeemed, and since that date bills for a further £150,000 have been dealt with in a similar manner. Further bills for a total value of £550,000 were temporarily retired during July and August, surplus cash being utilised for this purpose.

As our present cash balance becomes exhausted, these bills will be re-issued, and, as I have already stated, the proceeds will be credited to the Loan Fund Account, and will thus become available for expenditure on public works.

The arrangement which I have just explained will result in a saving in interest. In effect, the revenue deficit of last year is being temporarily financed by loan cash to the extent and for the period during which the bills are redeemed.

I wish to make it clear that, with the exception of the bills for £25,000 on account of the revenue deficit, and bills for £175,000, which I have already stated have been permanently redeemed in accordance with the understanding with the Commonwealth Bank, all other bills have been only temporarily redeemed, until such time as the cash is required. In accordance with this understanding, £850,000 was obtained from the Commonwealth Bank on the 27th September; bills for that value being reissued and accepted by the bank. All the States agreed to the arrangement under which the proceeds of the loan floated in April have been utilised for this purpose.

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#### MATURING DEBT.

No debt matured last financial year, either locally or overseas, and none will mature during the current year.

The annual contractual obligations in connection with the redemption of instalment stock held by the Commonwealth Savings Bank will be met by the National Debt Commission out of the State's Sinking Fund.

The Commission will also provide funds for the purchase of bonds of the 7 per cent. and 6 per cent. American loans, if those bonds continue to be procurable at the prices specified in the contracts. During last year, 7 per cent. bonds of the face value of 887,500 dollars were purchased for £290,036 15s. 1d., and 6 per cent. bonds for 120,500 dollars were purchased for £35,994 11s. 9d. The total purchases of these bonds to 30th June, 1933, were—

	£	s.	d.
7 per cent. bonds \$2,605,500 purchased for .. .. .	710,689	12	7
6 per cent. bonds \$572,000 purchased for .. .. .	129,734	12	2
Total .. .. .	£840,424	4	9

Exchange amounting to £275,803 12s. 5d. is included in the total purchase price.

#### OVERSEA LOANS.

A problem which affects Queensland to a greater extent than any other State is the interest payable on external loans. I maintain that the Australian public are entitled to a substantial reduction in the rates of interest on these loans, and I am of the opinion that the Imperial Government should afford facilities in this direction. The interest charge on the oversea debt is an extremely difficult burden for the people of Australia to carry. The reduction in our national income, brought about by the tremendous fall in the prices of our exports, has made it inequitable for Australia to continue to pay rates of interest out of all proportion to present price levels. The circumstances justify the contention that some substantial relief should be accorded in this respect.

It is obvious that while our exports continue to realise such low prices it will be extremely difficult to meet our interest liabilities, and balanced budgets will be an impossibility until there is a marked change for the better in prevailing conditions.

Action has been taken by the Loan Council to convert loans in respect of which optional dates of redemption exist.

Conversions of Australian stocks have already been effected of 6½ per cent. loans for £11,409,965, 6 per cent. loans for £32,221,191, and 5½ per cent. loans for £5,951,000. These loans have been converted at the reduced rates of 4 per cent. for £17,221,191 previously carrying 6 per cent., 3½ per cent. for £15,000,000 6 per cent., and £5,951,000 5½ per cent.; and 3½ per cent. for £11,409,965 6½ per cent.

A Queensland 6 per cent. loan for £2,000,000 is included in the 4 per cent. conversion.

The Loan Council will proceed to deal with further optional loans as opportunity offers. Of these loans, which carry interest at the rate of 5 per cent. and over, there still remains upwards of £35,000,000.

At the present time, Queensland has the option of redeeming 3 per cent. loans in London, amounting to £4,274,213, which mature on the 1st January, 1947. The



arrangements agreed to by the Loan Council up to the present do not contemplate the conversion of any loans carrying an interest rate of less than 5 per cent.

Unfortunately, Queensland has no option of redeeming any loans carrying interest of 5 per cent. or over until the 1st July, 1934, on which date the option over a 5½ per cent. loan for £3,781,700 will take effect.

The next optional date in respect of 5 per cent. loans will operate from the 1st June, 1935, when a loan for £1,327,769, bearing that rate of interest, will become subject to redemption.

Loans for £18,178,800, bearing 5 per cent. interest, may be redeemed on or after the 1st October, 1940, and loans for £19,713,325, bearing the same rate of interest, are redeemable on or after the 1st July, 1945.

It will be seen, therefore, that we have no prospect of obtaining any relief in the near future, unless we are afforded facilities in this direction not at present available.

The justice and equity of such relief cannot be disputed, and are based upon the same premises, and for the same reasons that actuated the British Government in regard to the huge conversions of its own indebtedness. The State's interest charges on oversea debt is nearly 70 per cent. of the total interest bill.

#### LOAN COUNCIL.

Meetings of the Loan Council were held in July and October, 1932, and February, May, and June, 1933.

The principal matter dealt with at all these meetings was the provision of funds to meet revenue deficits and loan expenditure. The conversion of oversea debts was also fully discussed.

At the meeting held in June, 1933, the Commonwealth and the States submitted information with respect to estimated receipts and expenditure on revenue account for 1933-1934. The Commonwealth estimated to have a surplus of £360,000, and each of the States showed deficits, which amounted in the aggregate to £9,940,000.

The position was further considered by each of the States, and the aggregate of the deficits was reduced to £8,500,000.

The loan programmes for the current year were also considered at the meeting in June.

The total programmes for the Commonwealth and all the States are—

	£
Gross programmes .. .. .	20,930,000
Less repayments and domestic raisings .. .. .	3,784,000
Balance to be raised .. .. .	£17,146,000
Queensland's programme is as follows:—	
	£
Gross amount .. .. .	3,300,000
Less—	
Repayments (estimated) .. .. .	900,000
	2,400,000
Domestic raisings (estimated) .. .. .	150,000
	2,250,000
Cash balance (after allowing for £200,000 Treasury Bills redeemed in July) .. .. .	934,000
	1,316,000
Proceeds loan raised in April .. .. .	1,084,000
Balance to be raised .. .. .	£232,000

Assuming that the estimated repayments and domestic issues will be realised, we will be in the fortunate position of being assured of our cash requirements for loan purposes, with the exception of £232,000. No difficulty should be experienced in raising this comparatively small sum.

#### ESTIMATES, 1933-1934. EXPENDITURE.

The estimates of expenditure from consolidated revenue have been framed with due regard to economy and the requirements of the several Government activities. The appropriations are considered to be essential for the proper functioning of the departments concerned. Further material reductions could not be made without seriously impairing the efficiency of the departments.

Provision has been made for increases to the salaries of public servants. Increases formerly provided under Industrial Court awards have been withheld for three years in the case of officers receiving £450 per annum or more, and for two years in the case of other officers, except that the basic wage awarded by the court has been paid to all age-21 officers. Salary increases have not been withheld during this period by either the Commonwealth or the other States. Much confusion has arisen in seniority and grading in the Queensland service, and the longer the flow of increments is stopped the worse will the confusion become.

The total appropriations on consolidated revenue account amount to £15,051,337. This sum is £100,000 in excess of the actual expenditure last year. It is, however, £1,670,000 below the expenditure for 1929-1930. The provision for controllable expenditure is £8,725,245, which is £2,490,197, or 22 per cent. less than the controllable expenditure for that year.

#### RECEIPTS, 1933-1934.

Receipts on consolidated revenue account are anticipated to amount to £13,202,935, this being £193,709 less than the collections for the preceding year.

Income tax and land tax are expected to yield £168,000 and £33,000, respectively, less than last year.

The return from licenses will probably be £21,000 below that of the previous year, but this is accounted for by the fact that fees for motor drivers' licenses are now included with the collections under the State Transport Act, the receipts from which are expected to reach £65,000.

A reduction of £46,000 is expected in the aggregate of land revenue and mining receipts.

Receipts from railways cannot be relied upon to reach more than £5,835,000, which is £16,000 below the previous year's figure. The reduction in rail freights for wool that came into operation as from July last are estimated to be valued at £53,000 per annum. Rebates, in respect to store sheep, etc., are valued at an additional £25,000 per annum.

Other receipts may be expected to yield £30,000 in excess of 1932-1933.

Briefly stated, the position is that expenditure is estimated to amount to £15,051,337, and revenue to £13,202,935, leaving a deficit at 30th June, 1934, of £1,848,402.

Arrangements have been made by the Loan Council to provide the necessary finance to

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meet a deficit of £1,850,000 in the Consolidated Revenue Account of this State for the current financial year. In order to ensure that this sum will not be exceeded, most careful control must be exercised over all items of expenditure.

The Government does not intend to impose additional taxation for the purpose of reducing the deficiency. Under the arrangement made by the Loan Council, the Commonwealth Bank will provide the necessary funds, and will accept Treasury bills for the required amount.

#### TRUST AND SPECIAL FUNDS.

The appropriations for trust and special funds amount in the aggregate to £5,579,642, which is £111,336 less than the appropriations for the preceding year.

Increased provision is made for the following services:—

	£
Chillagoe Smelters .. .. .	36,000
State Coke Works .. .. .	42,400
State Coal Mines .. .. .	6,500
	<hr/>
	£84,900

It is anticipated that there will be increased activity at the Chillagoe Smelters, owing to the fact that certain types of gold ore are now being sent to the smelters for treatment.

A sum is provided which is estimated to be sufficient to cover expenses of the State Coke Works for a full year's operations. Only £6,992 was expended last year on account of the working expenses of this activity.

The increase in the provision for the State Coal Mines is rendered necessary owing to the additional supplies of coal required for the manufacture of coke at the Bowen State Coke Works. The establishment of these works will afford extra employment for miners at Collinsville to the extent of one day a week for 240 men.

The appropriation for the State Government Insurance Office is £85,381 less than last year. Provision is made for £15,000 for the completion of the new insurance building, on which £88,746 was expended last year.

The receipts from all trust and special funds are estimated to yield, approximately, £5,800,000.

#### LOAN FUND.

As I have already stated, the Loan Council has approved of a loan programme of £3,300,000 for this State for the current year. The works on which it is proposed to expend this sum are set out in the loan estimates.

The sum at our disposal is £1,112,000 in excess of the amount expended last year.

In apportioning the sum available for the current year an endeavour has been made to formulate a programme of works which will provide the maximum amount of employment.

£431,374 is appropriated for buildings. This is £193,000 in excess of the expenditure last year.

The appropriation of £300,000 for the State Advances Corporation is £61,000 in excess of disbursements during the previous year. £50,000 is appropriated for advances under the Buildings Improvement Act.

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£400,000 is provided for the Main Roads Commission. £200,000 was made available from the Commonwealth-States Winter Relief loan for expenditure by the Commission last year.

£1,017,714 is required for loans and subsidies to local bodies.

£100,000 is appropriated under the Department of Public Lands for rural advances. This sum will be utilised for loans to settlers for clearing, ringbarking, scrub-felling, water supplies, and generally for the improvement of the productivity of their holdings. £265,000 was provided for this purpose last year, and the whole of this sum was allotted prior to the 30th June. Advances actually made to that date amounted in the aggregate to £177,000.

£40,000 is provided for advances for the purchase of wire-netting. Advances by the Commonwealth Government under the Wire and Wire-netting Advances Act having ceased, it becomes necessary to make provision from State funds for this purpose.

Provision is made for £300,000 for loans by the Agricultural Bank. This sum is £71,000 in excess of advances made by the bank last year. £50,000 is also provided for special loans to be advanced by the bank for rural development.

An amount of £30,000 is provided for grants and loans in aid of prospecting.

#### GENERAL.

It is gratifying to the Government that the Loan Fund appropriation for the current year will enable the continuance of the accelerated programme of works and development that was initiated shortly after this Government's accession to office. It is to be doubted whether there is a country in the world that is capable of responding more readily to expenditure on such activities than the Commonwealth generally and the State of Queensland in particular. The scope and the need for such development are obvious to all. In addition to creating assets of value to the community, the utilisation of funds for these purposes relieves unemployment in a most effective manner. Business is stimulated by the circulation of increased purchasing power which, in turn, augments the demand for consumable goods. To the extent that consumers' purchasing power is created so will solvent demand be restored which will permeate, with beneficial results, all sections of trade and commerce. The value of schemes of public expenditure, particularly during a period of deflated price levels, is considerably enhanced by reason of the effect in setting a larger volume of purchasing power circulating from hand to hand among the consumers of goods and services.

Criticism is often directed at the efficacy of such form of governmental activity. I have never asserted that through such channels alone can stable conditions in industry be attained. I fully realise that far-reaching changes in the economic structure are required to reach such an objective. The statement made by Mr. Walter Runciman, President of the Board of Trade in Great Britain, at one of the sessions of the Economic Conference recently, may very likely encourage criticism of the line of policy now under review. It will be remembered that considerable publicity was given to Mr. Runciman's statement that the British

Government "was terminating their scheme for dealing with unemployment by way of capital expenditure works." Many competent English authorities, however, have expressed amazement at this attitude, which, in some quarters, was described as "throwing away the last chance of achieving agreement at the World Conference even on a partial programme for recovery." "The Economist" (published in London) was constrained to comment that "the inception of a well-considered programme of public works as a stimulus to recovery would be a tangible proof of the sincerity of British expansionist professions." Subsequently the British Prime Minister (Mr. Ramsay MacDonald) found it necessary to indicate in the House of Commons that Mr. Runciman's statement "was directed primarily to the proposal made by the International Labour Office that facilities should be given for the issuing of international loans to finance public works in Eastern Europe." Mr. Ramsay MacDonald went on to say—

"As regards work here, the policy of the Government is in no way altered. They are providing, or assisting to provide, finance for schemes of a remunerative or necessary character."

This declaration not only clarifies the British Government's attitude in this matter, but coincides with the sentiments expressed in the joint statement of Mr. Ramsay MacDonald and President Roosevelt of the 26th April last (at the conclusion of their discussions in America) that "Governments can contribute to business recovery by the development of appropriate programmes of capital expenditure."

I hold the view that this form of policy is an integral feature of any form of national planning. In actual practice, as a part of a co-ordinated plan of recovery, it should be accompanied by a policy of monetary reflation and by organised effort to bring prices back to a satisfactory level. It is common ground with all those who have intelligently studied the world paralysis of industry with its resultant unemployment everywhere that renewed expenditure on a large scale is a prime essential. Government activity, therefore, in the direction of a developmental public works programme is assisting materially in the directions to which I have referred.

The failure of the World Economic Conference to achieve any tangible results on such vital matters as price levels, war debts, etc., will doubtless provoke many nations to pursue a line of activity in the direction of "economic nationalism." The success or failure of the American experiment will undoubtedly have an influence upon world affairs generally, but whatever may be said in criticism of the President's policy, it must be admitted that it is an attempt to promote recovery upon the basis of restoring solvent demand. Recent cable advices from the United States hint at the possibility of negotiations being resumed in respect to the stabilisation of international currencies. The announcement published by the British Empire delegation to the World Conference reaffirmed the necessity for a rise in price levels to be effected so that, amongst other things, the burden of debts and fixed charges might be harmonised with capacity to pay. The statement also expressed the view that the Governments of the British Commonwealth should persist, by all means in their

power, whether monetary or economic, in the policy of furthering this objective. As is well known, under the Constitution, monetary control is vested in the Commonwealth Parliament, but having regard to the fact that over 60 per cent. of the commodity production of the Commonwealth is consumed within our own borders, there is scope available (yet unexplored) for effective action in the direction referred to.

Proposals for the restriction of production must be strenuously opposed, more especially in the case of debtor countries. The theory that prices can be raised and underconsumption cured by producing less should not be worthy of a moment's consideration. The view expressed by the Empire Marketing Board in its memorial to the British Empire Delegation to the Economic Conference aptly summarises what I regard as an economic axiom. The Empire Marketing Board stated the position in this manner—

"It is the falling-off in demand owing to diminished money incomes of consumers rather than the excessive increase in the supply of agricultural commodities which has brought about the present over-production. The chief need at the present time is to restore world demand rather than to restrict production still further. Restriction of production in general is obviously no remedy for general impoverishment."

Australia does not appear likely to obtain any material advantages from the Ottawa Conference; indeed, variations have since been made in important directions limiting the agreements that were arranged on that occasion. The overseas trade figures for the financial year ended June, 1933, indicate that total imports to the Commonwealth increased by £13,272,574 in 1932-33 compared with 1931-32, as compared with an increase of £11,858,925 in exports. Excluding trade in specie and bullion, however, merchandise and commodity imports increased by £12,777,399 compared with £3,197,942 increase in exports, during the periods under review. The gross Customs revenue collections by the Commonwealth Government during 1932-33 exceeded by £2,554,998 the revenue from this source for the previous year (1931-32). It is also observed that the importations of textiles and cotton piece goods are included amongst the items in which the import trade has been augmented. The manufacture of these particular commodities, for example, offers scope for expansion within our own borders and employment for our own people, but adequate tariff protection must necessarily be afforded. Meantime, whilst Customs revenue soars, factory operatives are thrown on the unemployed list and become an added charge upon the States' Unemployment Relief Funds. A balanced trade is an important factor in the economic life of the nation, particularly in the case of a debtor country such as Australia.

The financial relations between the Commonwealth and the States is a matter which is engaging the serious attention of the State Governments. Apart from the disabilities which the smaller States are alleged to have sustained as the direct result of federation, the finances of all the States are affected by the fiscal policy of the Commonwealth. The State Governments are unable to balance budgets, or even to effect a reasonable approach to balanced budgets.

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The Commonwealth Government, however, was able to secure a large surplus last year, and, apparently, will be equally fortunate this year. It is not generally known that the Commonwealth Government's taxation collections in Queensland from all sources approximate or exceed those of the State Government, notwithstanding the fact that the responsibility for unemployment relief devolves upon the State. Reference to various tables in "Finance Bulletin," No. 23, recently issued by the Commonwealth Statistician, shows that Commonwealth collections in Queensland for 1931-32 were £265,325 more than the State's. Comparing somewhat analogous items, it will be found that Commonwealth revenue in Queensland in respect to Customs, excise, sales, and income taxation during the year mentioned aggregated £4,860,423, as compared with £2,763,974, on account of State income and unemployment relief taxation, which means that the Commonwealth, in effect, has under the headings mentioned derived £2,000,000 more in revenue from Queensland than the State Government with all their responsibilities. The bulletin points out that the Commonwealth figures "do not necessarily indicate the amounts contributed by the people of each State, inasmuch as moneys are collected in one State in respect of goods consumed or assessments made on account of other States." It would appear, therefore, that the contributions by Queensland citizens to Commonwealth taxation revenue is greater than the figures disclose, particularly in respect to taxation from the Customs and excise. The position undoubtedly calls for adjustment, and for the purpose of reviewing the matter from all aspects, the last conference of Premiers in Melbourne in June last decided that a special Premiers' Conference should be held early next year for this purpose. The matter is an important one, and the debate on the Financial Statement makes available an opportunity to hon. members generally of addressing themselves to this phase of our economy should they desire to do so.

It will not be inappropriate to refer to recent events within our domestic environment which portend an improvement in business conditions. Higher values were obtained for wool at the September sales held in Brisbane. The averages for greasy wool sold at the September, 1933, sales was in the vicinity of 15d. per lb. and £20 a bale compared with 9.84d. and £13 7s. 2d. per bale at the same period of last year. The increase in the revenue of the Titles Offices at Brisbane, Rockhampton, and Townsville is evidence of an improvement in real-estate values. The directors of the large city departmental stores are agreed that business is steadily improving and that the prospects for the summer trade are most encouraging. The annual report of the Brisbane Timber Merchants' Association published in the press on 28th September last made pleasing reference to the fact that the "increase of 25 per cent. in the building figures of Brisbane and the other eleven largest towns in the State for the twelve months ended 30th June, 1933, represented a definite turn of the tide." The building industry is rightly regarded as a basic one in the economic structure and in the extent of its dependent industries. During the current year the Government is contributing its quota to stimulating building and construction activity and the employ-

ment of skilled artisans, as the following appropriations indicate:—

	£
Public Buildings—Maintenance ..	61,500
Public Buildings—New Construction ..	400,000
Workers' Dwellings and Workers' Homes—New Construction and Renovations .. .. .	250,000
Building Revival Scheme .. .. .	50,000

Most parts of the State have shared recently in nature's bounteous rains, which will be of benefit to our primary industries and ensure the volume of production in various directions.

GOVERNMENT MEMBERS: Hear, hear!

The TREASURER: Mr. Hanson, I move—

"That there be granted to His Majesty for the service of the year 1933-34, a sum not exceeding £300 to defray the salary of the aide-de-camp to His Excellency the Governor."

The House resumed.

The CHAIRMAN reported progress, and asked leave to sit again.

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

#### MOTOR SPIRIT VENDORS BILL.

##### INITIATION IN COMMITTEE.

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

The SECRETARY FOR PUBLIC WORKS (Hon. H. A. Bruce, *The Tabrickland*) [12.47 p.m.]: I move—

"That it is desirable that a Bill be introduced to provide for the regulation of the Sale of Motor Spirit, and for other purposes."

The object of the Bill is to promote the sale and more efficient marketing of power alcohol, which, as all hon. members know, is at present produced at Sarina, in North Queensland. A tremendous advantage will accrue to the State if the supply that can now be produced can be marketed. There is also the possibility that greater supplies will be available. The fact that the product is a spirit which can be satisfactorily used is the motive for this proposed legislation. In many countries throughout the world to-day power alcohol is incorporated with mineral petrol, which, of course, is produced mainly in America. The following countries have passed enactments similar to the one which I propose to introduce:—France, East Senegal, Germany, Austria, Hungary, Italy, Spain, Sweden, Norway, Poland, Czecho-Slovakia, Latvia, the Republic of Panama, Philippine Islands, South Africa, Southern Rhodesia, and Jamaica.

In the United States of America there seems to be something more than a suggestion that power alcohol manufactured from grain and other farm produce should be made a compulsory ingredient for admixture in all motor fuel. The desire was not to compete with the American oil interests or to seek a cheap motor spirit, but to find some useful way of disposing of the enormous grain surplus in that country. It is estimated that a 10 per cent. mixture would absorb 650,000,000 bushels of grain per annum for which conversion power alcohol plant would be required costing 200,000,000 dollars. The Illinois Agricultural Association, one of the largest gasoline

[Hon. W. Forgan Smith.

distributors in the United States, has been experimenting with a 10 per cent. alcohol admixture. All its clients, whether ordinary motorists, farmers, merchants, or businessmen, were asked to complete a questionnaire after they had tried the mixture. Replies were received from 712 customers up to April, 1935, with this result—

430 customers reported an average mileage increase of 2.66 miles per gallon; 3 customers reported an average decrease of 1 mile per gallon; 279 customers reported no change.

An analysis of the returns showed—

	10% Alcohol Better.	Petrol Better.	No Difference.
Starting .. ..	579	2	121
Acceleration .. ..	675	1	26
Smoothness of running .. ..	670	..	32
Anti-knock .. ..	673	..	29
Power .. ..	678	1	23
General preference .. ..	683	1	18

Whilst these figures may not be entirely convincing, they are at least an indication that a power alcohol admixture cannot be condemned on the ground of inefficiency.

This proposal means much to our people engaged in the sugar industry. Recently the price of sugar was reduced by ½d. per lb. and every effort should be made to compensate the growers for this reduction by encouraging the use of a by-product of the industry. Power alcohol in Queensland is manufactured entirely from molasses—a by-product of sugar. The proposal will give employment, directly and indirectly, to a large number of people who are at present unemployed, and it will provide an opportunity for the manufacture of a motive power in this State which will be of great assistance to Australia in the event of an outbreak of war. We would then be independent of those countries from which we now import motor fuel. I state quite frankly that Australia has been the milch cow of the world and there is no reason why we should not follow the good example of the countries that I have mentioned where it is provided that imported mineral motor fuel shall, before use, be mixed with a percentage of locally manufactured power alcohol. The ex-Secretary for Railways on many occasions has bitterly complained of the excessive use of imported motor spirit in this country. His contentions have been thoroughly sound. We should cease to import large quantities of motor fuel and we should bend our efforts in the direction of assisting a new industry, thereby providing increased employment and making ourselves independent of other countries by the manufacture of an efficient power spirit.

The first clause which really deals with the subject-matter of the proposed legislation is clause 3. It provides for the licensing of major companies who sell petrol in Queensland. It will be necessary for every such company to take out a license. All persons purchasing from major companies will become automatically licensed on receipt of a certificate to this effect from any such company.

Another provision sets out that an application for a license shall be made to the Treasurer, and in that application the place of business must be stated. Every application shall be accompanied by a bond of £1,000. This bond must be issued by the State Government Insurance Commissioner, or a licensed insurer under "The Insurance Acts, 1916 to 1923," as a guarantee of the licensee's compliance with the Act, but money or prescribed securities may be deposited in lieu of a bond. A license will be operative for one year, and will be subject to renewal if the terms of the Act have been complied with.

It is also provided that the holder of a license shall purchase at the prescribed price the necessary number of gallons of power alcohol to conform to the standard prescribed for admixture with every 100 gallons of petrol. In the case of any non-licensed person selling spirit which has been purchased from a licensed person, such non-licensed person shall be considered the agent of the licensed person.

Mr. FADDEN: Are those conditions prescribed in the Bill?

The SECRETARY FOR PUBLIC WORKS: The Bill will not state the definite amount of power alcohol to be used in every 100 gallons of petrol. That is a matter which will be governed by regulation.

It is further provided that if the holder of a license commits a breach of the law, or neglects, or fails to comply with the requirements of clause 6, which prescribes the quota of power alcohol, he shall be adjudged guilty of an offence. Power is given to the Treasurer to take legal proceedings under the measure in the Supreme Court, and any fine, or forfeiture of a bond shall be paid into consolidated revenue.

Another provision is that any person who sells any motor spirit in contravention of the provisions of the Bill shall be guilty of an offence. Any breach will be subject to a minimum penalty of £20, and a maximum penalty of £200. Any licensed person who fails to comply with the provisions for the blending of petrol and motor spirit in the manner prescribed, or who persistently commits a breach of any provision of this Bill shall have notice served on him by the Treasurer of his intention to cancel his license. The reasons for this decision will be given in the notice. A licensee will have the opportunity of appealing to a police magistrate against this decision of the Treasurer, while either party to the proceedings may appeal against the decision of the police magistrate to the Full Court. Any such appeal will be determined by way of rehearing. Costs in the cause will be at the discretion of the court. A notification of the cancellation of any license will be published in the "Government Gazette," and this will be considered prima facie evidence of the service of such notice. Any person whose license has been cancelled will not be allowed to perform any function which comes within the purview of a license required under the Bill. The penalty for a breach of this provision will be a minimum penalty of £20 and a maximum penalty of £200.

It is also provided that a person duly authorised by the Treasurer may from time to time inspect books, accounts, documents, etc., of any person licensed under this Act. Such person will be empowered to make

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necessary extracts from such documents, books, and accounts. Any holder of a license, or agent, or servant of such licensee who withholds information from this duly authorised person shall be guilty of an offence, for which a maximum penalty of £100 is proscribed. Every person, including a principal or agent, shall keep proper books and accounts in which every sale shall be recorded, together with full particulars which will make them readily understood. The Minister administering this Bill, or such person as may be authorised by him, may require every person, principal, or agent to alter the method of keeping books if such method is not considered satisfactory by the Minister, or such authorised person. The maximum penalty for an offence under these provisions is £100. A record of all licenses is to be kept by the Treasurer. The place of business mentioned in an application for a license shall be considered to be the registered office of the licensee. Every licensee shall exhibit a sign setting out that he is a licensed motor spirit vendor, and all notices will be considered duly served on the licensee if left at his registered office. The Bill also provides that the chairman of directors, manager, or other governing officer shall be liable to punishment unless proof is forthcoming that the offence was committed without his knowledge.

Mr. BRAND: What has the penal clause reference to?

The SECRETARY FOR PUBLIC WORKS: It really means that if there is any violation of the law now being enacted the person that I have mentioned shall be considered liable on behalf of the company, unless proof is forthcoming that the offence charged against the company was committed without his knowledge.

I have already told hon. members of the provision relating to the display of the sign "Licensed Motor Spirit Vendor."

Mr. MOORE: Does that apply to every garage?

The SECRETARY FOR PUBLIC WORKS: I should say that it would. At the present time hundreds of advertising signs are displayed by the big oil companies. It will be adding no great burden to these companies to have a sign displayed that the garage is a licensed motor spirit vendor. Hon. members know as well as I do that one garage may have seven or eight advertising signs in the interests of, say, the Shell Company of Australia Limited, or the Vacuum Oil Company Proprietary Limited. The display at a garage of the sign "Licensed Motor Spirit Vendor" will indicate to the car owner that he may purchase at that garage the mixture that we propose shall be used.

Mr. CLAYTON: Will there be any fee for the license?

The SECRETARY FOR PUBLIC WORKS: That will be proscribed by regulation. The Bill provides that any person guilty of any offence under it shall be liable to a fine of £200 where no other penalty is proscribed.

Mr. MOORE: What do you call a "major" oil company?

The SECRETARY FOR PUBLIC WORKS: I understand there are seven major oil companies in this State, including the Shell

Company of Australia Limited, the Vacuum Oil Company Proprietary Limited, the Texas Company (Australasia) Limited, and the Commonwealth Oil Refineries Limited. We are really dealing with wholesale importers of petrol.

Another portion of the Bill will provide—

"(1) All proceedings for offences against the Act shall be heard and determined in a summary way on complaint under 'The Justices Acts, 1886 to 1932.'

"(2) The court shall not reduce the penalty below any proscribed minimum.

"(3) (a) In any proceedings under the Act, the licensee must produce the license, otherwise he will be deemed not to hold it; and

"(b) Contents of books kept or belonging to any person, or found on premises, shall be deemed to have been made by or with the authority of such person, unless proof to the contrary is given."

The Bill, which comprises seventeen clauses, will be available to hon. members at an early stage. Recently there was an article in a paper purporting to show that the use of alcohol as petrol in European countries was unsatisfactory. In reply to a cable which we sent we received the following reply:—

"Reports from France were unfounded and were immediately contradicted and disposed by the French Minister of Agriculture. Germany sold last year 150,000,000 gallons 10 per cent. fuel which likely increase to 250,000,000 this year. Czecho-Slovakia results so satisfactory that Government increasing percentage fuel on market. Use of alcohol continues to increase rapidly in European countries where universally accepted as most satisfactory fuel."

For some considerable time attention has been given in Queensland to the manufacture of power alcohol from sugar-cane products such as molasses. The importance of such an industry is apparent and its establishment is of considerable advantage, not merely to the State but to the Commonwealth as a whole.

Representations have been made from time to time by various sugar associations and other representative bodies as to the necessity of action to utilise to the fullest advantage the by-products of sugar-cane, and the surplus cane, and to establish on sound lines another key industry directly associated with sugar such as the production of power alcohol would be.

The power alcohol distillery at Sarina has been operating for some years and of course the main consideration in the success of this important industry is the finding of a profitable market. The question as to what could be done in the matter has occupied the attention not only of the Commonwealth Government but also of previous State Governments. All have expressed their sense of the great importance of the new industry and its value to Australia as a whole, but there has been considerable difficulty in arriving at what may be considered a fair and equitable solution of the problem.

I have mentioned the production of power alcohol from molasses, because at present that is the raw product from which our power alcohol is made in Queensland to-day, but I would draw attention to the fact that

power alcohol can be produced from corn. In corn-producing centres in my electorate, and several electorates represented by other hon. members, it may be possible in future that surplus corn can be suitably utilised for the manufacture of power alcohol. It may be possible—although I hope it never will be—that our surplus wheat can be used for the purpose. The same comment applies to surplus potatoes. Power alcohol may also be made from waste straw or from any other form of vegetable matter. Naturally, authorities differ in regard to the value of the different vegetable matters, but I venture to say that in a State like Queensland there is not an electorate which could not produce something from which power alcohol could be made; therefore it is of vital importance to every hon. member, to the people they represent, and to the State of Queensland and to the Commonwealth as a whole that this Bill should be passed.

Mr. SWAYNE (*Mirani*) [2.10 p.m.]: Representing the only electorate in Queensland where power alcohol is produced to any extent, I believe in this proposal. Not having seen the Bill, I cannot say more than that at the present juncture, but I think that legislation on proper lines would be of great benefit to Queensland. In 1929 I brought the matter before the House under a resolution on Private Members' Day. At that time I thought it should be a matter for Federal action. I moved—

"That, in view of the uncertainty regarding the future of the export market for sugar, it is desirable that a full investigation be made, either by Royal Commission or such other means as the Government may consider most effective, into the possibilities of profitable utilisation of products of the sugar-cane other than sugar—(a) through the conversion of the molasses and possibly some of the cane juices into industrial alcohol, and assisting in the work already being done in this direction; (b) by the manufacture of celotex or other material from the megass; (c) into any other avenues that may be opened in this connection and assisting the same."

That resolution was supported by both sides of the House, and was the first time the matter was mentioned. It asked that investigations be made by the Federal Government. I wrote to Mr. (now Sir Harry) Gullett, who was then Minister for Trade and Customs, as follows:—

"Dear Mr. Gullett—

"As the representative in the State Parliament of the electorate wherein is situated the Shellkol Distillers, I was interested to note your recent remarks re the difficulty in disposing of its output. This most certainly is not owing to any defect in the spirit itself, as it is now definitely proved that if anything it is superior to pure petrol when blended in the proportion of 15 per cent., but the fact of the matter is that it comes into competition with those concerned in the sale of the imported article with a large amount of capital outlay invested in their sales organisations. Instances have come under my notice in which deliberate misrepresentation is being made to prevent the sale of Shellkol. Further, I might point out

that the consumption of a fuel in which a blend of Australian-produced spirit enters is of concern not only to the sugar industry and its by-product molasses, but of many other branches of farming. In the case both of the cereal and the potato grower, in times of glut a proportion of their crops could be so utilised if it were, as is done by some of the leading European nations, provided that before imported petrol is offered for sale it be blended with a proportion of locally produced industrial spirit. By doing so we would not only be acting as France, Spain, and Hungary, and I think others have already done, but the retention in Australia of the cost of, say, 15 per cent. of the money now being sent overseas would be quite a considerable sum. Possibly such action would not only keep this money in local circulation, but also be of assistance in stabilising the prices of the farm crops above-mentioned. In France, I am informed, sawdust is used as one of the raw materials. Venturing to put this suggestion before you.—Yours sincerely, E. B. Swayne. P.S.—I might mention that in this Parliament I was able to get a resolution carried affirming the desirableness of such action, but the matter is too large to be successfully carried out by a single State."

I may say in passing that the same misrepresentation as regards the sale of alcohol, as is mentioned in that letter, is being made to-day. The reply I received was as follows:—

"With reference to your letter of 17th May on the subject of action being taken to make it compulsory for all petrol companies to mix a certain percentage of Australian power alcohol with their petrol, I desire to advise that I have looked carefully into the question, but as the matter is one that involves the marketing of goods within the Commonwealth, it is a matter of State control and beyond the functions of the Commonwealth Government. I recognise the difficulty of the interest concerned, convincing the various State Governments of the advisability of taking the course suggested, but the Government most concerned is that of Queensland, and it would seem that they might consider applying the principle in that State where the consumption of petrol is quite important."

One of the difficulties that have been raised as likely to prevent the success of the proposal is the possibility of the insufficiency of the supply of power alcohol. I suggest that any legislation be so worded that the mixture may be dependent on the available supply of power alcohol. As the supply increased then the compulsory proportion of that fuel could be made higher, until the desired proportion was reached. At the present time 15 per cent. seems to me to be a proper proportion.

I am pleased that the idea has been incorporated in this Bill. There will be further opportunity for speaking on the subject at the second reading stage, but I take this opportunity of pointing out that a proposal is even now before the public for the manufacture from coal of spirit for use in internal combustion engines. In that regard

*Mr. Swayne.]*

I quote an extract from the Brisbane "Telegraph"—

"PETROL SUPPLY THE WEAK LINK IN CHAIN OF AUSTRALIAN DEFENCE.

"PRODUCTION OF OIL FROM SHALE VITAL.

"Canberra, 22nd September.

"Emphasising the urgent need for Australia to include in any defence programme the provision of oil supplies, a defence authority declares that, in the event of war and a blockade, Australia's merchandised defence forces would be helpless within two months because of the shortage of petrol."

Seeing that we are not fortunate enough to possess large supplies of mineral oils of our own, we should look for some means of making ourselves partly independent of the present regular sources of supply. As mentioned in the extract I have quoted from the press, from the defence aspect alone the proposal must commend itself to hon. members. I am pleased that the matter has come up for consideration again, and I look with pleasure to the opportunity of delivering my second-reading speech on the Bill.

Mr. MOORE (*Aubigny*) [2.19 p.m.]: I am disappointed with the Bill, not because it provides for the utilisation of power alcohol, but because I believe that the matter could have been dealt with in a much more simple fashion. The Bill could have provided that oil companies must purchase a quantity of power alcohol in a prescribed proportion to the amount of foreign spirits sold. Why should there be all these restrictions, regulations—all the provisions for fidelity bonds and for licensing? It is agreed by all that mixed with mineral petrol in a proportion of not more than 15 per cent, or less than 8 per cent, power alcohol is an efficient spirit. It is all very well for a Minister to say that sales of power alcohol have increased in France, Germany, and Czecho-Slovakia; but he knows full well that it is compulsory upon all oil distributors in those countries to add a certain percentage of power alcohol to their motor spirit. As transport facilities increase in those countries, so must the quantity of the power alcohol admixture. The important question to be asked in connection with a Bill like this is: Is it going to increase the price of petrol to the Queensland public? The matter was submitted to me two or three years ago, and the vital questions were: What were to be proportions of alcohol and petrol, and would the people of Queensland have to pay a higher price than that paid in the South?

The SECRETARY FOR PUBLIC WORKS: It will be optional to the companies to include from 10 to 20 per cent.

Mr. MOORE: The Minister forgot to mention that the only company manufacturing power alcohol in Queensland at the present time is operating at Sarina. This company constructed its plant and buildings in direct opposition to express advice, and established a distillery which was quite unsuitable for the work. It had to be rebuilt and new machinery had to be installed. Does it expect the public of Queensland to pay for its mistakes? We know full well that in other parts of the world power alcohol can be distilled at a very cheap rate indeed. The price that the company at Sarina expects in order to make a profit is considerably higher than it should be, because the public of Queensland are being called upon to pay for the

mistakes made by the company in the beginning. When it started, it was under the delusion that molasses was a waste product—that it was of no value, but since that time molasses has proved to be a somewhat valuable product.

The SECRETARY FOR PUBLIC WORKS: It was a waste product at that time.

Mr. MOORE: Yes. It has since become a valuable product because of its utility for fuel and fertiliser. That has altered the calculations of the company. It does not follow that because a company acted on the assumption that it was going to manufacture a saleable product out of a waste product the public should pay for the miscalculation involved when the waste product became a valuable product. There is no reason why, in those circumstances, the Government should come to the rescue of the company and save it from the loss. The efficiency of the product is undoubted; but will the price to the public be increased? Will it cost 3d. per gallon to bring it to Brisbane to be mixed with petrol? I understand that the price of power alcohol at Sarina to-day is 1s. 7d. per gallon, and that would make a retail price of 1s. 10d. per gallon for the admixture in Brisbane, where the retail price of petrol is 1s. 3d. and 1s. 4d. per gallon. If the proportion to be added is to be 10 per cent., it will mean an increase in the cost of fuel.

The SECRETARY FOR PUBLIC WORKS: That is one reason why it was not possible to lay down a definite policy without the use of regulation-making power.

Mr. MOORE: The regulations cannot take into consideration the cost to be borne by the community. The freight cost north of Mackay, where distances are shorter, is infinitely less than the cost of freight to the South, and it may be economic to say that motor spirit sold north of Mackay shall include a certain proportion of power alcohol. I understand that approximately 1,000,000 gallons per annum of power alcohol can be manufactured at the distillery at the present time; but that represents only 2½ to 3 per cent. of the quantity of the motor spirit sold in Queensland. I also understand that an admixture of 2 per cent. to 3 per cent. is quite useless—in fact, worse than useless, because the addition of such a percentage of power alcohol is a detriment to the complete fuel. It needs to be somewhere over 8 per cent., and not much in excess of 15 per cent.

The SECRETARY FOR PUBLIC WORKS: It is proposed to allow an admixture of between 10 and 20 per cent. of power alcohol; but, as you say, 2½ per cent. would be absurd.

Mr. MOORE: This Bill will practically make the motor spirit industry a Government one, because the Government will have the right to inspect the books, accounts, and documents of a licensee, take extracts from them, and force the licensee to deposit a bond of £1,000 with them, such bond to be obtained from the State Government Insurance Commissioner or some other insurance office—all in order that 1,000,000 gallons of power alcohol can be distributed throughout Queensland! Surely the object of the Government can be achieved without setting in motion such cumbersome machinery, and without such interference in industry!

The SECRETARY FOR PUBLIC WORKS: Very often a flowing river has its origin in a very little stream.

[*Mr. Swayne.*



Mr. MOORE: When the river shows signs of developing, then it will be quite necessary to take all these precautions, but the river will not commence to flow within the next twelve months, because there is no proposal to-day to augment present supplies of power alcohol. This Bill is more or less a subsidy to a particular industry. It will enable this industry to keep going; the men engaged in it apparently find that they are unable to continue without this compulsion. Surely it is not necessary in an industry of this sort, where a limited amount only of an article is manufactured, to provide all this cumbersome machinery, interference with industry, and regulations!

The SECRETARY FOR PUBLIC WORKS: How would you prescribe the necessary amount of power alcohol to be mixed with motor spirit?

Mr. MOORE: I would not bother to know. I would do just the same as is done in France. I would not care whether the company taking the spirit mixed it or not. In France the Government practically say to the vendors of motor spirit, "You take so many gallons of power alcohol in proportion to the quantities of motor spirit you sell. You can mix it, sell it, or throw it into the sea if you like." All that matters is that the companies take their proportion of power alcohol. That is all that the Government want. They should be guided by common sense and not care twopence whether a company purchasing power alcohol mixes it with motor spirit, or sells it, or what it does with it. It can utilise the spirit to suit the demands of its customers. It may be that it will find it more convenient to ship it away.

I want to guard against any endeavour to bolster up a particular industry by compelling a section of the community to pay an extra price for the mixed spirit. I do not think that the price of petrol will always keep at the present level, but there is no question that with the present methods of manufacturing power alcohol at Sarina this legislation will mean an increase in the price of petrol.

The SECRETARY FOR PUBLIC WORKS: When the matter was being investigated by your Government and the present Government petrol was 2s. 2d. per gallon.

Mr. MOORE: I know it was, and that made a great difference. I am trying to point out that under present conditions the price asked for this alcohol will mean an increase in the price which the people of Queensland will have to pay for the mixed spirit. There is no reason why they should. There are already enough bolstered industries in Queensland. If through the lack of efficient machinery power alcohol is costing 60 per cent. more to produce than it otherwise should there is no occasion why petrol users should be compelled to pay for the inefficiency.

The SECRETARY FOR PUBLIC WORKS: That does not follow at all.

Mr. MOORE: I am only taking an ordinary common-sense view, which shows that the price of petrol under this Bill will be increased by 10 per cent. Power alcohol is now costing 1s. 10d. per gallon in Brisbane. To this has to be added the cost of mixing plant, storage, etc., and if it is mixed with petrol which is being sold at 1s. 3d. per gallon, obviously there will be an increase in what the people will pay. If the sellers

of motor spirit are to be compelled by law to absorb a certain amount of power alcohol the price of motor spirit must go up, and the people of Queensland will have to pay an increased price per gallon in order that one industry in a particular place shall receive assistance. I quite admit that the present power alcohol industry may be the precursor of a very much bigger one.

Mr. W. T. KING: Do you not want to support the sugar industry?

Mr. MOORE: If the sugar industry is going to rely for its existence on one little power alcohol factory at Sarina, then it is time it went out. I would point out to the hon. member that the Minister himself pointed out that it was not a question of manufacturing power alcohol from sugar, but of manufacturing it from sugar by-products, wheat, maize, and potatoes. We should devote our attention to the question whether the people of Queensland should be compelled to pay an increased price for petrol, which everybody uses, in order that one company should be assisted to pay for a mistake made in the initial stages of its enterprise? If that is so, we are not justified in supporting this Bill. We are not justified in introducing a Bill which aims at so much restriction and regulation when it is possible in one or two clauses to carry out what is desired by the Government.

Another point to be considered is that at the present time we are receiving as a contribution to main roads construction and maintenance 2½d. per gallon on all petrol sold. For every extra gallon of power alcohol sold we shall lose a contribution of 2½d.

Mr. W. T. KING: But are we not building up a Queensland industry?

Mr. MOORE: We may be, but not necessarily so. The Shell Company of Australia Limited has been a distributor of an admixture to which much publicity has been given, but the result has been such that the company is taking out most of the pumps that were installed to deal with that admixture. I have used it in my own car and have found it quite efficacious. What I do not want to see is one company being bolstered up at the expense of the community if it is not necessary. There is no occasion for it, because power alcohol can be made efficiently and considerably cheaper than it is to-day. Yet this Bill deals with one particular factory. In all the cumbersome machinery that it is setting up, the Bill is going very much further than is necessary. It is important to remember that, because all these things have to be paid for by the community.

Mr. O'KEEFE interjected.

Mr. MOORE: The hon. member is perfectly happy in placing a burden upon the motorists of the community if it will be of advantage to one particular section. The company that has been mentioned is well able to stand on its own resources. Possibly the capital of the United Distilleries Limited is equal to the revenue of Queensland for two or three years.

Mr. O'KEEFE: Why are you boosting up foreign industries? Why don't you go to America?

Mr. MOORE: I am not boosting up foreign industries. I am not objecting to the

*Mr. Moore.]*

Bill. What I am objecting to is all the unnecessary top-hammer in the Bill. I do not object to the provision that each company shall acquire so much power alcohol, but I do object to the Government's stipulating what the admixture shall be, how much the oil companies shall sell, and how much shall be paid for the spirit. Those are matters that could be regulated by the companies themselves. All the Government need to ensure is that the various oil companies shall acquire a stipulated quantity of power alcohol each year. Instead of doing that, the Government introduce a complicated Bill of no value. If provision is made that, say, 1,000,000 gallons of power alcohol shall be absorbed by the various oil companies yearly that is sufficient. It is no concern of the Government whether the companies sell it or not. I have not had the opportunity of perusing the Bill, but from what the Minister has stated the Government have apparently taken a great deal of trouble to anticipate what might develop at some future period of time into a considerable industry. To-day we are not dealing with that, and it seems a pity that we should regulate and restrict to the extent foreshadowed in this Bill in order to ensure a result that could be secured more easily.

Mr. FADDEN (*Kennedy*) [2.35 p.m.]: As one who represents a sugar electorate and also as one who has taken a keen interest in the possibilities of the power alcohol industry as an industry for Australia, I welcome the Bill on general principles. I recognise that, unfortunately, the sentiment of the average Australian is such that he has to be forced to become patriotic. If the power alcohol industry—which affords a splendid opportunity to give a fillip to our agricultural industries and consequently has great possibilities as an absorber of unemployed—is to be established on a national basis, it should be established on an efficient basis. In compelling an admixture as hoped for under this measure, the Government are taking no novel action. America, the home of the mineral oil industry, became so perturbed in recent years at the growth of power alcohol in foreign countries that its Bureau of Industry and Science sent out a questionnaire to no fewer than forty-nine countries regarding the manufacture and use of power alcohol and asking for general information on the subject. The replies which were received, and which happily I have in the form of a pamphlet issued by that bureau, show that in fifteen countries at least an admixture is compulsory by law. I think it would be of interest to hon. members if I read some short summaries of the enactments in some of those countries—

“Germany.—Alcohol is produced in Germany chiefly from potatoes, although some is obtained from grains, molasses, and sulphite waste liquor. A negligible amount is also obtained synthetically from carbide and by processing of sawdust. As in most countries which use alcohol for motor fuel, the problem in Germany is to obtain sufficient quantities of alcohol of the proper quality. There are, however, a number of trade-marked brands on the market, such as ‘monopolim’ composed of 75 per cent. gasoline and 25 per cent. alcohol.

“France.—Certain legislation has been recently enacted regulating the purchase

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and mixture of alcohol with gasoline from 25 to 35 per cent.

“Italy.—A new decree of 9th December, 1931, however, was published in the ‘Gazetta Ufficiale,’ of 13th January, 1932, and provides that sufficient alcohol 99.6 degrees pure, shall be mixed with gasoline, at the rate of 20 per cent. by volume, to consume one-fourth of the annual domestic production of alcohol which is to be set aside by the producers of that purpose.

“Czecho-Slovakia.—The blend is composed of 50 per cent. absolute alcohol, 30 per cent. gasoline, and 20 per cent. benzol, and is mixed by 25 alcohol distilleries.

“Austria.—In the event that the alcohol price becomes higher, mixing is not compulsory. The percentage of the alcohol in the blend is left to the discretion of the Minister, with the stipulation that it contain not more than 25 per cent. alcohol.

“Hungary.—The alcohol is sold by the alcohol monopoly, the National Alcohol Trading Company, and is mixed with gasoline in accordance with the royal decree of 1929, which makes it compulsory for all gasoline of 0.735 degree specific gravity or over, to be mixed with alcohol at the rate of 20 per cent. alcohol and 80 per cent. gasoline.

“Latvia.—In order to help the agricultural industry a law was passed which requires that all gasoline, kerosene, benzol, or other liquid fuels used for internal combustion engines must be mixed with absolute alcohol to be purchased from the State Alcohol Monopoly. The proportion of the mixture must be 25 per cent. absolute alcohol and 75 per cent. gasoline.

“Sweden.—This motor alcohol is mixed with gasoline in the proportion of 25 per cent. by weight of motor alcohol (99.5 per cent. pure) and 75 per cent. gasoline.

“Chile.—The percentage of alcohol must not be less than 10 nor more than 25 per cent.

“Brazil.—There is also compulsion, which is on the moderate basis that it must not be less than 5 per cent. alcohol.

“Philippine Islands.—They are required to market a fuel known as ‘gasonal,’ and power alcohol must be part of that admixture.

“Argentina.—The large producing and refining industry has so far been successful in forestalling any legislation to compel use of motor fuel substitutes, and, except in some sections, where a negligible amount of alcohol was mixed with gasoline by individual users, the motorists have not desired the substitute fuels.”

That goes to show the absolute necessity that Australia should provide for a satisfactory admixture in order to give the essential impetus to a local industry. That power alcohol can be successfully manufactured is beyond any doubt whatever. The Commonwealth Institute of Science and Industry—which became the Council for Scientific and Industrial Research—as far back as 1918 recommended that this matter be investigated very seriously from a national point of view. It also reported on the matter

at a later date, but up to the present nothing has been done. Our agricultural industries are in such a position that a fillip such as might be given by the introduction of power alcohol in the home market would be very acceptable. Professor Lewis, an eminent British authority, lecturing on fuels in April, 1930, at the Institute of Engineers, London, stated—

“It is to alcohol, and alcohol alone, to which posterity will have to turn for a fuel, and the sooner this fact is recognised and the full force of experiments is turned on the problems of the alcohol motor the better. The German Government has, however, realised the vast future that alcohol as a fuel has before it, and is fully aware of its unlimited possibilities.”

The Australian Institute of Science and Industry, in Bulletin No. 6, 1918, stated—

“The dependence of Australia on outside sources for her supply of mineral oils, and especially of those lighter oils which are suitable for use in internal combustion engines, is a matter to which attention has been directed for a number of years.

“Since the outbreak of war Australia has been able to secure a supply of mineral oils sufficient to meet her needs, but in view of the increasing shortage of shipping and the large demands for petrol in connection with the war, Australia may at any time be thrown on her own resources for supplies of liquid fuel. As opposed to her deficiencies in supply of natural oil fuels Australia has the advantage over many other countries in the necessary elements for the production of raw materials which can be used as a source for the manufacture of alcohol. The world is using the existing supply of mineral oils faster than the rate of production. Some medium for the convenient application of the sun's energy other than the mineral oil deposits, which take geological ages to form, will soon become necessary. Such a medium exists in those crops which contain sugar and starch, from which alcohol can be produced by human agency in annual rotation from inexhaustible supplies. The development of the cultivation of crops for the manufacture of power alcohol is likely to play an important or even essential part in a complete agricultural policy. It may lead to the cultivation of areas unsuited for other crops, and may assist in the diversification of the agricultural industry. Certain crops grown as raw material for the manufacture of alcohol could be used as stock feed.

“As regards the engine problem, investigations in America, Germany, and France, and experiments carried out in Melbourne by the committee, show conclusively that alcohol can be used with entire success in internal combustion engines. There are no difficulties in the design of efficient alcohol engines, and a fairly high degree of efficiency can be obtained with alcohol, in existing petrol engines if certain alterations are made to them.”

In 1927 the Council for Scientific and Industrial Research had this to say—

“It is well known that Australia is practically entirely dependent on outside

sources for her supply of liquid fuels, and particularly for those fuels suitable for use in the internal combustion engine. This position is very unsatisfactory even in times of peace, but in times of emergency it becomes positively dangerous. Moreover, in view of the probable world-wide impending shortage of petroleum, a considerable amount of discussion has already taken place in the United States, from which country a very large proportion of Australian liquid fuel is derived, as to the desirability of prohibiting exports altogether.”

It is opportune to mention the absolute dependence of Australia on imported motor spirit, irrespective of the prices charged. The following table shows the prices of imported American petrol in the years mentioned:—

	Per gallon.	
	s.	d.
1908 ... ..	1	0
1917 ... ..	3	0
1918 ... ..	3	6

Last April it was sold at 2s. 2d. per gallon; but owing to a war between the oil interests the price for petrol to-day is the lowest for many years. The people of Queensland must not be misled by that low price level, and they must not consider it as anything like permanent. It cannot be considered at a price comparable with that which in the future will be the economic price of a blended spirit containing at least 10 per cent. of alcohol and not more than 90 per cent. second-grade spirit. The ruling price of petrol is low to-day owing to the desire of the major oil interests to continue their monopoly of the Australian oil supplies, which they have held for many years.

From a national point of view the time is long overdue when the people of Australia took the matter into their own hands and did as much as they possibly could to make use of the market that already exists for power alcohol. We must not deceive ourselves in our desire to establish a power alcohol industry. We must see that it is established as an efficient industry. We have enough inefficient industries in Australia to-day. That is one cause of the trouble in which we find ourselves. Should the power alcohol industry be established, it must be established at the minimum of cost and the maximum of efficiency. In any regulations the Government make under this Bill they should see that every step taken will safeguard the industry by insisting on efficiency. The price of the mixture must not be unduly increased with a desire to place the power alcohol industry on a proper basis.

I make a concrete suggestion to the Minister in charge of the Bill. The Tully mill this season has 11,000 tons of sugar over its peak production. It will have to export that sugar—throw it into a “No. 2 pool.” I urge upon the Government the necessity of establishing a power alcohol distillery in conjunction with the Tully mill. The farmers, who are united as a co-operative association, would control the industry and conduct operations upon the latest scientific lines. Not only would the surplus of 11,000 tons of sugar be converted into power alcohol, but also most of the difficulties of the industry in the matter of cane assignments there would be overcome. Land now lying idle but suitable for the production of sugar-cane would

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be brought under production for the growing of crops to be used in the manufacture of power alcohol. The expenditure of £50,000 on the establishment of an up-to-date distillery in conjunction with the Tully sugar mill would be a flea bite as compared with the expenditure of £100,000 upon a Government building in the city of Brisbane. It would give a considerable impetus to industry. It would create confidence in the minds of the agriculturists of the State—a feeling that is fast slipping away. It would create confidence in the sugar industry, and indicate that the Government were sincere in their desire to solve the problems of the industry. It would provide the motorists of Queensland with an efficient motor spirit at a minimum cost, because it would be produced on the latest scientific lines.

In the distillation of power alcohol attention need not be concentrated upon its production from sugar-cane; we should also turn our attention to its manufacture from maize, potatoes, arrowroot, cassava, and other agricultural products. There is plenty of scope for the energies of the Minister in the establishment of this industry on a proper, sound, efficient, and economic basis.

Mr. KENNY (*Cook*) [2.52 p.m.]: As a representative of a sugar area I am naturally very interested in the Bill, but I am not prepared to say just what will be its effect upon the sugar industry or upon the motoring community until I have given it careful consideration. I admit that it is desirable that a Bill be introduced to encourage the manufacture of power alcohol for the use of our people, and I hope that it will be effective. I also hope that it will result in bringing a considerable amount of idle land under production. I am vitally interested in the maize industry because a considerable quantity of maize is produced in the Tolga district in my electorate. A local market is not available for the whole of the output, and a considerable quantity must be exported to the other States and other countries. If the manufacture of power alcohol is established upon an economic basis it will probably result in a considerable expansion in the maize industry for the production of power alcohol. In view of that fact I am very anxious that the Bill should be as effective as possible and that the regulations to be issued thereunder will not destroy the industry once it has been established. I realise that it is undesirable for any industry to be established upon an artificial basis. The Government should consider the matter from every angle so that the industry will not collapse of its own weight after it has been established.

If one can judge from the remarks of the Minister the most important part of the Bill is that which contains the regulation-making power. It therefore will be difficult for hon. members to discuss the Bill in an intelligent way because we will be unable to anticipate the minds of the Ministers who will be responsible for the promulgation of the regulations. Whilst I whole-heartedly agree that the Bill should be introduced, I am also anxious that it should not be spoilt by the regulations made under it. It would be wise to outline the whole proposal in the Bill so that the people at large would be able to judge the matter for themselves. Unless we take every care at the beginning, the results may be detri-

mental, not only to the sugar industry but also to the maize and other industries that may have economic possibilities under the Bill. The regulations may be framed in such a way as to make it impossible for the industry to expand. I prefer not to discuss this Bill further until I have had an opportunity of fully perusing it. When the Minister makes his second reading speech he should make it plain what Cabinet or he has in mind. If the desire is to build up the power alcohol industry in order to provide assistance to the sugar, maize, wheat, and potato industries then I will be behind him "100 per cent.," and wish him every success in his objective.

Mr. TOZER (*Gympie*) [2.55 p.m.]: This Bill seems to be absolutely justified and, up to a certain extent, advantageous to Queensland. If by the use of power alcohol we can further develop the sugar, maize, wheat, and potato industries and create employment to absorb our unemployed, then the Government are justified in bringing down the Bill, but we desire to know considerably more about it than we do at present. It is true that the Minister explained the object of the Bill, but he dwelt on three points on which I cannot agree with him. He first said that it would be governed by the regulations to be issued by the Governor in Council. I always understood that an Act governed the regulations. If we are to have a Bill governed by regulations, I am against it, because we do not have a chance to frame, or even consider those regulations. When they are tabled we shall be in much the same position as we are in connection with the regulations issued under the State Transport Bill. The Opposition must accept the regulations immediately they are issued by the Government.

The second point on which I do not agree with the Minister is the provision enacting a minimum fine of £20 and a maximum fine of £200. I have no objection to the maximum fine, because a magistrate views such a provision as an indication that the Legislature looked upon such an offence as serious, and concludes that he is bound to inflict a heavy fine. When a minimum fine of £20 is set down, however, the magistrate has no power to inflict a fine below that amount, irrespective of the circumstances. I had an illustration of the effect of the enactment of a minimum fine in a recent case. Two boys living close to a timber reserve accepted work from a man to fall a tree for posts and rails. There was no fence delineating the boundary of the reserve. The tree was valued at 9s. They commenced work and a ranger subsequently appeared on the scene. The boys were apprehended and charged with stealing timber, and notwithstanding that both were unemployed they were fined £5 each, the minimum amount prescribed by the regulations, or one month's imprisonment in Brisbane gaol. That is an instance of an unreasonable law. If a similar case occurred under this Bill the magistrate would have no discretion to inflict a fine lower than the minimum. We are not cognisant of the facts that may surround every offence.

I understood that the Government had no intention of imposing fresh taxation during the current financial year, but almost every Bill they introduce contains provisions for new license fees to be imposed by regulation. We do not know what these fees will

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be. They will be paid in the first instance by the licensee, who will pass the impost on to petrol users.

I would like to know also whether a monopoly is to be granted to the Sarina factory? If it is, I am opposed to the measure. If, however, an equal opportunity will be given to all, then that will be quite fair.

The SECRETARY FOR PUBLIC WORKS: I can assure you we are not going to give a monopoly to any company.

Mr. TOZER: Furthermore, the supply of power alcohol should not be restricted to the sugar industry. Other agricultural industries may also be worthy of consideration.

I should also like to know if the admixture of power alcohol with petrol will mean an increase in the price to the consumer. That would not be wise, because although the price of petrol has recently been reduced it is still not as low as in other parts of the world. Of course, if the admixture is sold at no increased price then it will be good business for the country. It will certainly lessen the amount of imported petrol, on which of course we have to pay duty. Therefore, if we cannot discover oil in this country, we must concentrate on the next best thing—namely, power alcohol. In this connection it is interesting to note the steps that are being taken in some countries to extract petrol from coal. We have extensive coal fields in Queensland, and if we could utilise coal for the production of petrol we would stimulate the coal mining industry and provide a great deal of employment. Not only that; it would also be excellent business for Queensland.

Until we have an opportunity to peruse the Bill we cannot deal with the matter in detail. From what the Minister has stated the Bill will be a fairly long one. I hope it will be for the benefit of Queensland and that its enactment will not result in an increased price for petrol or in increased taxation in any way. Let the Government do all they can to avoid extra taxation.

Question—"That the resolution (*Mr. Bruce's motion*) be agreed to"—put and passed.

The House resumed.

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

Resolution agreed to.

#### FIRST READING.

The SECRETARY FOR PUBLIC WORKS (Hon. H. A. Bruce, *The Tableland*) presented the Bill, and moved—

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

Question put and passed.

Second reading of the Bill made an Order of the Day for to-morrow.

#### CITY OF BRISBANE ACTS AMENDMENT BILL.

##### SECOND READING—RESUMPTION OF DEBATE.

Question stated—"That the Bill be now read a second time"—

Mr. NIMMO (*Oxley*) [3.6 p.m.]: For the life of me I cannot understand why the Government should introduce this Bill allegedly to improve the legislation dealing with the city of Brisbane. No one can deny

that the amending legislation enacted by the Moore Government had a very beneficial effect on the financial position of the city. The result was in striking contradistinction to the period when the affairs of the council were administered by representatives elected on the adult franchise. I think the title of the Bill now under discussion might well be "A Bill to endeavour to secure the election of Labour representatives to the city of Brisbane." That seems to me to be its object. The owner-occupier franchise was a just one, but no one can say that the provision in this Bill is fair or reasonable. Rather does it penalise people who have built up the city to its present position.

At one period in our history Governments attended to all matters affecting local affairs, including roads, bridges, and other matters that are now controlled by municipal authorities. Governments, in order to get rid of many of their obligations and seeing that quantities of land had been bought by private owners, threw the burden of looking after municipal affairs on to the ratepayers themselves. They elected from amongst their number certain men to discharge those functions and expend the money which they contributed for improving the cities, towns, and shires in which they lived. Great work was carried out by the men who thus were elected, and who felt it was an honour to be chosen to represent their fellows. Much good work was carried out gratuitously by them, and the wonderful work they did for the people stands to-day to their credit. Up to the time when the Socialist Government obtained power in Queensland rates were reasonable and the cities were managed very well. The Home Secretary smiles, but no one can gainsay that fact. I would ask any ratepayer of the city of Brisbane whether his rates were not reasonable up to the time the Socialists assumed control of the Treasury benches. They naturally established adult franchise and payment of representatives. From that period rates bounded ahead so rapidly that men who struggled to become owners of their homes could hardly live in them owing to the amount they had to pay for rates—to-day they are paying a rent in the form of rates for the homes they live in.

By the passing of this Bill every person twenty-one years of age and over will be entitled to vote, and such persons can out-vote the property owners and others who have to find the money. Although we recognise that it is the object of the Government to make conditions such that Labour will secure control of the Brisbane City Council, the question arises whether they will succeed. I say definitely, "No," because it is an established fact that people who vote Labour at a State election will not vote for Labour municipal council candidates. They recognise that the men who have been returned as Labour representatives to the city council simply pander to the employees of the council; they simply hunt for popularity in order to get returned for a further term as paid representatives. For that reason the Labour Party have no hope of being returned with a majority to the Brisbane City Council.

The HOME SECRETARY: There is nothing to worry about.

Mr. NIMMO: I am not worrying about it. What I am trying to drive home is the

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absolutely unjust voting power which has been given to people who have no interest as to whether the city is solvent or insolvent. We ought to encourage people to buy property and make their homes here, but with the huge rates which are already imposed on Brisbane city properties and the possibility of a Labour council being returned under the adult franchise—

The HOME SECRETARY: You just said there was no hope of a majority of Labour members being returned.

Mr. NIMMO: That is so, but there is that possibility. Are people likely to face the possibility of the rates getting to such a height that eventually there will be confiscation? The Labour Party would be able to nationalise all property in Brisbane, as the rates are at such a stage as to amount almost to confiscation. I ask the Home Secretary if he thinks it just that a person who has been in the city for only one month should have a vote? Such men may have no intention of making this their permanent home. They have the right to vote and to say who the representatives shall be who will expend the money contributed by the owners of the property in the city. If the Minister answered truthfully he would certainly say, "No, the provision is unjust." Concessions should be given only to those people who pay the piper. Even in Russia, where the socialistic idea is carried out in its entirety, only those who work are entitled to ration tickets. Even there they have to fall back on the capitalistic idea of giving reward for services. The people who do the work of building the city here are those who should be entitled to the vote. The Government say that every adult should have a vote. Do they carry out that principle in their own ranks? A man cannot get a job in Queensland unless he has a union ticket, or goes out into the rural districts and secures a job on a farm. Preference to unionists prevails. The possession of a union ticket does not mean that the holder is a first-class worker or that he is an excellent tradesman. It guarantees nothing of that kind. It merely indicates that the holder is a "dinkum" unionist, and has paid his money to party funds or the maintenance of unionism. Only the workers who take out union tickets have rights; only if they are financial have they the right to vote at the election of officers of that union.

A GOVERNMENT MEMBER: You know nothing about it.

Mr. NIMMO: I would not know as much as the hon. member who has been a union secretary and owes his seat in Parliament to that qualification. In a plebiscite for the selection of a candidate for the party of the Minister, do they allow everyone to vote? No. They allow only the financial members of the unions that privilege. Members find it pretty hard to get a vote. They have to prove everything up to the hilt, and I have been told that some of them hardly know the name in which they have to record their votes. Who are allowed to vote for the election of representatives on the boards controlling the egg pool, the wheat pool, and other similar pools? The suppliers of the eggs, the wheat or other products sent to the pools. According to the Minister's argument, the consumers should have the right to vote for the representatives on these respective boards. Then we have the hospi-

tals boards, which the Home Secretary administers. According to the argument put forward by the members of the Government in advancing the present Bill the public should be entitled to vote for the representatives on such boards. However, we find that the Government are autocratic, and the Home Secretary knows that some of the representatives appointed by the Government to hospital boards do not give satisfaction to the people of the various districts.

Parliament itself is elected on the adult franchise. There may be justification for that course, for the reason that Parliament has the right to tax every individual in the State, but the city council can tax only the people who have land. The council cannot tax the individual. From that point alone the Minister should reconsider his Bill and allow only those to vote who have struggled to make their homes in the city and provide the finance necessary to maintain it.

The policy of the Labour Party has always been to borrow and squander. That will continue if a Labour council is returned to power in the city of Brisbane. It will simply borrow and squander as much money as it possibly can. During fourteen years of office in Queensland the Labour Government more than doubled our national debt, and the same unenviable record will be built up in the Brisbane City Council if Labour is returned. In a very short time owners of houses in Brisbane will be unable to pay the rates on their dwelling sites. In many suburbs land values have been boosted by the expenditure of loan money to such a high level that in some cases 24-perch allotments carry a valuation of £600. It is utterly impossible for a working man on such an allotment to sell his home at a reasonable figure—the high rates prevent him. He is compelled to pay rates at 1s. 3d. in the £1 on a £600 valuation. Is it financially possible for him to do so?

I have obtained some information to show the position of certain counties in the old country following upon a change to adult suffrage. In the Shire of Godstone, Surrey, England, the first loan, one for £906, was raised as far back as 1900. The whole amount had been repaid by 1913, leaving that local authority without any loan indebtedness. From 1913 to 31st March, 1929, the loan indebtedness of that local authority had grown to £436,939, necessitating eight times the staff to attend to administrative matters. Rates had been increased to such a high level that the people were unable to carry on and the population decreased by 10,000. During the period from 1913 to 1929, they were driven from their district, simply because the aldermen in control pondered for the irresponsible "flapper vote" exercised by people who were anxious to secure the greatest amount of benefit and the greatest amount of pleasure. The aldermen did not encourage the people to be thrifty and to pay their way.

I strongly object to the introduction of politics into municipal life. Party politics were unheard of in municipal affairs prior to the advent of a Labour Government to office. I have been associated with two local authorities. Some of the members of those councils held Labour views. They were not elected because of the views they held, but because they were good citizens. No political ticket was run,

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but to-day the Labour Party has a local government political platform for the whole of Queensland. It broadcast a considerable amount of political literature during the last local elections throughout the State. I hold in my hand a pamphlet issued by the Labour Party in one of the Northern electorates of the State. It says—

“Vote for this candidate and we will guarantee good wages to council employees. Hence good prices and more money spent in your district.”

Who were to pay the good wages? That burden was to be borne by the ratepayers, and a debt was to be loaded on to their property for the future. The pamphlet further states—

“Remember, a council without Labour representation will mean that the A.L.P. influence with the Labour Government will be lost.”

Is that not lovely?

“Vote Labour. Money is scarce. See that you have a council to secure some to build up your district. Without this representation you penalise your district and the local unemployed.”

What a terrible state of affairs in political life. That circular was issued by the Mareeba Branch of the Australian Labour Party over the signature of “P. Killoran, secretary.” It was printed by the “Worker” Newspaper Proprietary Limited, Elizabeth Street, Brisbane. The branch could not afford to circulate the money in its own district but had to send it to Brisbane where the pamphlet was printed.

Mr. SPEAKER: Order! I ask the hon. member to connect his remarks with the Bill.

Mr. NIMMO: I connect my remarks with the Bill in this manner: The men who issued this circular were appealing for the suffrages of the electors under the Local Authorities Acts, and if this Bill becomes law we can take it that similar propaganda will be used. The local government platform of hon. members opposite, for example, provides for the erection of free homes for the unemployed. They will be built at the expense of the ratepayers! That is an additional expense ratepayers can look forward to if the citizens of Brisbane return a Labour council.

In this Bill provision is still withheld for the holding of a poll to authorise the city council to borrow money for a special works policy.

Mr. WATERS: Your party had the opportunity of granting that.

Mr. NIMMO: The Moore Government inserted that provision in one of the Acts, but I prefer that effect be given to the principle in all Acts governing local authorities. It will be possible under this Bill for aldermen to be elected notwithstanding that they do not own a single stick of property in Brisbane. That principle is absolutely wrong. There is no justice in it. These men would be returned for the specific purpose of expending money contributed by the property owners. I personally favour giving only the property owner and occupier a vote in local government elections because these only contribute to the payment of rates. To give votes to irresponsible men, men sleeping in parks, and persons resident only five or six weeks

in the city, and thus enable them to determine who shall be elected to the Brisbane City Council is absolutely wrong. The holding of local government elections on a popular franchise gives no guarantee that the most competent men will be elected. The most eloquent soapbox orator has the best chance. He may have very little brains, but because he is a good speaker he can put the issues before the electors in a way which camouflages them. Under the popular system of election we have heard candidates pandering for support by making great promises, including easy times for the council employees. Mr. Lang, the ex-Premier of New South Wales, when considering proposals before the Loan Council, said that a number of elections had shortly to be fought, and that the policy of the Loan Council would deprive some candidates of their most powerful weapon, because the man who could tell the best tale had the biggest chance. We are all agreed that this is what took place at the last State election. The promise made by the Government to borrow £2,500,000 “worked the oracle.” That promise was made without any intention of its being carried out. Under a system of popular voting most of the local government elections will be fought on those lines.

It would have been better had this Bill provided for nineteen and not for twenty aldermen. There are nineteen representatives of the metropolitan area in the State Parliament. If the State electorates were adopted as the electorates for the Brisbane City Council elections the expense of having separate rolls would be obviated. Even at this late hour the Minister should give some consideration to this suggestion, on the score of economy.

The HOME SECRETARY: That was the basis of electing aldermen to the city council until your Government altered it.

Mr. NIMMO: I do not say that the Government which I supported never did anything wrong, but the hon. gentleman cannot claim that his Government have done everything that is right. That does not detract from the soundness of my suggestion.

A great mistake is being made in providing that the mayor shall be elected on a popular vote. The directors of a company elect as their chairman a man in whom they can place the utmost confidence—a man who will carry out the functions of the executive of the company in such a way that when the result of the year's operations is placed before the shareholders, the latter will renew their confidence in the directorate in view of the good business that has been done. Under this Bill, however, we may have a mayor returned by the popular vote although his views are entirely dissimilar from those of the aldermen of the council. He may be a spendthrift, whereas the aldermen may favour businesslike methods in administering the affairs of the city. It may even be possible under the system of electing the mayor on a popular vote, to have an avowed Nationalist mayor presiding over a council composed of Labour aldermen. How could the council function efficiently if that were the case? The mayor would be pulling in one direction, the aldermen in the other. As has been stressed by other hon. members who have spoken, even the Labour Party approve of the principle of electing the

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Premier after hon. members have been returned to this Parliament.

Let us view the result of the change from the adult to the owner-occupier franchise, and the election of the mayor by the aldermen from among themselves at the last municipal election. Unquestionably the majority of the elected aldermen have made strenuous efforts to straighten out the financial tangle which they found on their accession to office. They have reduced the indebtedness of the city, which, in view of the exchange problem, is no mean achievement. These men were actuated with the desire to preserve the interests of property-owners in the city.

Mr. W. T. KING: Don't forget they had relief labour operating.

Mr. NIMMO: Instead of interjecting in that way, the hon. member for Maree—and his Government—should be grateful to the city council for having assisted the Government in a period of great difficulty, because otherwise the Government would have had to expend considerable sums in the provision of material, tools, etc., for the huge army of unemployed who were absorbed in municipal work. The council that I have referred to effected numerous economies and succeeded in reducing the rates of the city. That is a decided improvement on what was done by a council elected on the popular franchise.

I think the Labour Government should be discredited for all time for having embraced such a large area in the original City of Brisbane Act. The area is too large for any council to handle. In my own electorate the Greater Brisbane boundary extends 9 or 10 miles into bush country. When the Greater Brisbane area was created the loan debt of the Sherwood Shire Council was £18,206, equal to £5 6s 10d. per ratepayer, and the indebtedness of the city of Brisbane proper was £1,056,257, or £126 per ratepayer; but after the period of office of the first Greater Brisbane council, which was elected on the popular franchise, the combined loan debt was £18,500,000, equal to £176 per ratepayer. I stress the injustice which was done to such councils as the Sherwood and Yeerongpilly shire councils in being absorbed in the Greater Brisbane area.

Mr. SPEAKER: Order! The hon. member is not in order in continuing on those lines.

Mr. NIMMO: We know also what happened when the Metropolitan Water Supply and Sewerage Board was elected on the popular franchise. The cost to the people of Brisbane of the sewerage scheme is about £8,500,000, although the estimated cost was only £1,600,000. That fact demonstrates to any reasonable person that adult franchise in municipal elections is absolutely wrong. I take the opportunity of saying, in passing, that the land tax should be in the hands of the city council, and that the Government should vacate this field of taxation as early as possible.

Under this Bill the Home Secretary is cutting out the executive system and reverting to the old committee system. I see the hon. member for Merthyr smiling. He is happy to get the old committee system back, as it was when he used to sit on the council and pat the other fellow on the back and

say, "You vote for my scheme and I will vote for yours." The expense was enormous. Aldermen simply scratched each other's backs and got what they wanted for each section, and they did not care how much the ratepayers had to pay to foot the bill. The executive system has saved Brisbane during the recent crisis. Had it not been in operation Brisbane would have been a defaulter. The committee system is cumbersome in the extreme. It takes months to get anything through a committee. The hon. member for Maree knows that in some cases it took two months before a committee could take any reasonable action in reply to requests put before the council; with the executive system a ratepayer could get an answer the next afternoon. The committee had no power to go ahead and do the work.

I have found from my experience that Labour aldermen elected to the council under adult franchise have but one intention—that is, to popularise themselves. They do not care how the rates are spent. They know that by borrowing and spending there is a big section of the community which can be swung round to support them. We hear that a halfpenny in the £1 extra on the rates will do wonderful work, but very often when the work is done it is found that twopence in the £1 is necessary before the work is finished. In districts where aldermen have been returned to borrow and squander money, the majority of the residents are generally people who are paying rent and not property-owners. So rates must go up.

While the executive system has been in vogue in the council an effort has been made to collect overdue rates, but the council is faced with the same problem which has faced the Government after they imposed heavy taxation. The arrears of rates in Brisbane amount to £550,000, and that £120,000 of that amount is due on property which is worthless. I understand that thousands of acres in the Brisbane area are practically worthless—tea-tree swamps and barren lands—and that the previous owners have transferred the land into fictitious names in the rate book so that the council has no hope of collecting the money. This large sum of arrears proves that rates are now too high.

The object of the Government in bringing forward this Bill is to secure a Labour majority on the council to carry the burden of unemployment relief. Such a council will tax the people's property to such an extent that the funds for unemployment relief will be defrayed by the council instead of the Government having to take the money from the consolidated revenue.

The present system with regard to appeals has worked very satisfactorily. I admit that it seems strange to go to officials of the council for a review of valuations, but in every case when valuations were reviewed relief was given where possible, and I am satisfied that quite as good results were obtained under that system as would have been secured by a greater expenditure of money under the old system of appealing to a magistrate. At present a dissatisfied appellant to the Valuation Committee can appeal to the Land Court. The Government now delete that provision, the magistrate's decision being final. The Minister would be well advised to revert to the economic system in the present Act and allow the people the less expensive right of appeal.

[Mr. Nimmo.]



I again ask the Minister to consider the desirableness of reverting to the owner-occupier franchise. The other day I interjected that the women were being given votes out of sympathy. In every home in the city—at any rate, in my own electorate—it will be found that the wife votes in the same way as her husband, and it merely means duplication of votes. The owner-occupier franchise would be much the better for the city of Brisbane, and would tend to keep its finances solvent.

Mr. R. M. KING (*Logan*) [3.45 p.m.]: A great number of arguments have been put for and against the Bill, and it is rather difficult for me to break any new ground. It is not my intention, however, to enter into a controversy as to the success or non-success of previous administrations. In the affairs of the city council wise administration is always a great factor in success. At the same time I do not think the question of administration comes up for consideration on this Bill. The three great principles which have been debated are, first, adult franchise; second, the abolition of the executive system; and third, the election of mayor by the people. In connection with these important principles I am not able to bring forward any fresh arguments, but I do desire to emphasise some of the arguments that have been used previously.

It is a great pity that the question of adult franchise is made the football of party politics. To change the metaphor, it seems to be the shuttlecock of party politics. I regret very much that it is so; but it has been one of the planks of the Labour platform for years, and I suppose it is too late to hope for a change now. Practically from the inception of a Labour Government in Queensland efforts have been directed to altering the principle of the franchise in local government. At first hon. members opposite were rather nervous about doing it, by reason of the fact that there was an outcry against any alteration. We, therefore, carried on for many years on a restricted franchise; but the Labour Party eventually enlarged the franchise in direct opposition to the wishes of those people who had been engaged for many years in local government in cities, towns, and shires throughout Queensland. I say emphatically that the great majority—almost all the men engaged in local government affairs—were of the opinion that the alteration of the franchise was against the best interests of the local authorities and the State as a whole. However, the innovation was made. When speaking on this Bill, the Home Secretary said that no progress was made in the city of Brisbane until the introduction of adult suffrage in local government. That was a very ungenerous statement for him to make. I go further, and say that it was a ridiculous and stupid statement to make—one that I would not expect from a man with the ability and the capacity of the hon. gentleman. I was surprised to hear him make it, and I very much regret that he did so. It was a gratuitous insult to the very fine men who helped to build the city by their association with local government—men like John Petrie, John Sinclair, James Hipwood, and others—men whose names are still household words in Queensland, and whose names will remain in history long after the Home Secretary has passed out.

The HOME SECRETARY: It would be an insult to Julius Caesar to say that liberty commenced in the reign of King John.

Mr. R. M. KING: Do not talk nonsense! That is only another stupid statement by the hon. gentleman. The splendid men to whom I have referred carried on the work of local government in the city of Brisbane without remuneration or reward. Their only consolation was in the consciousness that they were giving a service to the people of a city which was worthy of all the energy bestowed upon it. This is a beautiful city in a beautiful setting.

The HOME SECRETARY: Most of the building was commenced by pulling it down.

Mr. R. M. KING: That is another stupid statement by the Home Secretary. There must always be a process of pulling down in a city that is going ahead. It is a sign of improvement, of development, and progress.

The HOME SECRETARY: Since the introduction of adult suffrage in local government.

Mr. R. M. KING: Maybe coincident with the introduction of adult suffrage. You must demolish in order to substitute something better. The hon. gentleman has made a ridiculous statement. It just happened that certain circumstances existed when the adult suffrage was introduced. The cities of Sydney, Melbourne, Perth, and Adelaide have gone ahead by leaps and bounds on restricted franchises. The development and progress of a city is not influenced by the franchise it obtains. Melbourne is probably one of the finest cities in Australia; it is a city constructed upon a restricted franchise. It is well laid out, but it had to be improved tremendously by artificial means. Very little natural beauty could be utilised in the city of Melbourne; yet a beautiful city was built up by representatives who were elected on a restricted franchise. If any blame is attachable to anybody or anything because there has not been greater progress in the city of Brisbane it certainly cannot be laid at the door of a restricted franchise. I am proud to say that I served on the Coorparoo Shire Council as a councillor for twenty-eight years. I consider that I did good work. I was able to secure recreation grounds for the people practically off my own bat, and the people enjoy those grounds to-day. My services were entirely gratuitous, but I was only too glad to do the work. I received the thanks of the community for what I did. I have the consolation of knowing that I rendered a service to the people and that is quite sufficient reward for anything I did. No party politics were introduced into that little shire council. Representatives with Nationalist and Labour political views sat side by side and worked in the best interests of the place that they represented. They were not actuated by political motives, or swayed by political thoughts. They simply worked together in the best interests of their community. It is the greatest pity in the world that party politics have been introduced into local government, but the action of the Government party in this sphere is only on a par with their actions and those of their supporters everywhere. They want to be the bosses of every movement, whether political or otherwise, but they are finding they cannot always get their own way.

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There is a well recognised rule in democracy that there should be no taxation without representation. That is quite a sound principle, but the corollary is that there shall be no representation without taxation. Hon. members opposite want to have representation without taxation. The person who pays the rates should be the one who should exercise the franchise. The Moore Administration provided a restricted franchise in local government elections. The Labour Party make the statement—which has no foundation in fact—that we on this side of the House enacted that no person should have a vote unless he owned land. That is a ridiculous statement. We have never contended for such a principle. We believe in the owner-occupier franchise. We say that every man and woman of any standing who is the owner or occupier of any land or building should have the right to vote at local government elections. It is right that I should emphasise that fact. It is extraordinary that the Government should wish to give the privilege of the franchise to persons who have not been sufficiently provident, or competent, to reach the position even of paying rent. I am not speaking of those unfortunate men and women who have no homes and are compelled to live in hessian or bark huts or under the protection of a few trees without any shelter from the elements. They are the exceptions. Most people have a roof over their heads. Some own homes and others pay rent as occupiers. The latter, however poor their circumstances, were entitled to a vote under the franchise enacted by the Moore Administration.

Mr. GAIR: What about boarders and people living in flats?

Mr. R. M. KING: The supporters of Labour claim that because a person lives in a flat that he is entitled to a vote. They say that rates are paid per medium of the rent, or in board and lodging. That is a far-fetched argument. The connection is too remote. Take a lodging house having thirty boarders, each paying 30s. a week. It does not matter whether there are thirty boarders or one boarder, there is no alteration in the tariff. Therefore, to say that one boarder pays the rates through his board is an absurdity. This Bill confers a vote on a person who has not been sufficiently provident, or competent to gain a position in which he will pay rent. Such a condition is tantamount to a declaration by the Government that such citizens are absolutely inept.

The occupier pays rent and is entitled to a vote, because he is either benefited or inconvenienced by the activities of the local authority. For example, the policy of the local authority in regard to roads, sanitation, water, and drainage services may either benefit or inconvenience him. These services directly affect him and he directly pays for them. Under these circumstances he is entitled to a vote in the appointment of representatives to administer the affairs of the local authority. The occupier, moreover, is primarily liable for the payment of rates. The owner may be called upon where the occupier defaults, but in that event the owner has recourse against the occupier. Not only do unpaid rates become a charge on the land, affecting the owner's interest,

but they also can be recovered against the occupier by civil action, by legal process culminating in execution against his goods and chattels. Again, the occupier may be served with a chairman's warrant of seizure of occupier's goods and chattels without action. These may be sold to defray outstanding rates. I mention these disabilities of the occupier to indicate some reason why the framers of the 1930 legislation considered that he was entitled to the local government franchise. With such obligations the limitation of the franchise to the occupier creates in him a sense of civic responsibility which cannot possibly inure to a person who is under no such obligation. It builds up a sense of citizenship entailing responsibility which, in turn, creates a civic sense and sound government.

On the other hand, the fallacious policy of Labour is to give the adult a vote without imposing upon him any responsibility or duty in return for that privilege. It is argued in support of that policy that such a person pays rates indirectly. Let us apply the analogy to another sphere. Will hon. members opposite say that an employer should have a voice in the affairs of the unions by reason of the fact that he pays the wages from which the employee pays his union dues? I certainly would not advance that contention, because it would be absurd. Nevertheless, that argument is consistent with the contention that every adult person who indirectly pays rates should have the privilege of the franchise.

The Home Secretary suggested by interjection that the adult franchise in local government was adopted because it obtained in the parliamentary sphere. That is another example of the inconsistency of hon. members opposite. If they believe that the parliamentary practice should be adopted in respect of the franchise in local government elections, why not apply the practice adopted in parliamentary affairs to the executive of the council and the election of the mayor? Why should not the latter be appointed by the aldermen? The same principle applies—there is no difference. If it is good enough for Parliament or a political party to have an executive to carry on affairs, the same principle should apply to local government. If it is good enough for Parliament or the Government Party to elect a Premier, why should the same principle not be applied to local government?

We have three forms of government in Queensland; first of all, the Commonwealth Government, exercising certain powers under the Federal Constitution; second, the State Government carrying on functions which have not been transferred to the Commonwealth; and, third, local government, under which are carried on certain functions delegated by the State Government. Adult franchise is a perfectly fair system of voting in Commonwealth and State elections. Through the tariff and through other forms of taxation, every adult contributes something, not to any particular fund but to the general consolidated revenue of the country, and is entitled to a vote at Commonwealth and State elections, but the revenue of the Brisbane City Council and other local authorities is derived mainly from the land—from taxation of a certain class. Yet it is claimed that there is an analogy between a taxpayer under the laws of the State and

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the Commonwealth and a taxpayer who pays rates to municipal councils or other local authorities. I would emphasise the point that a taxpayer to local authorities belongs to one class only—he is the person who owns or occupies the land which is liable for the payment of rates. The tax, of course, becomes a first charge on the land.

It seems to me extraordinary that a man who is not competent to rent a house should nevertheless be considered to be competent to manage the financial affairs of a large municipality. It ought to be the province of everyone to pay rates, but under this proposal we can visualise a council composed of men—it is quite improbable but it is a possibility—who did not pay a penny-worth of rates. Such a council would have unlimited powers of rating and be able to fix a rate which would really become a preferential or first mortgage on a person's property. There would be no responsibility, so far as such a council was concerned, in regard to repayment, but there would be a mighty big responsibility on the man whose land was rated. Such a position is unfair and should not be tolerated; yet that is the attitude taken up by the Government in this Bill.

The policy of the Labour Party is to increase rates. They believe in increased taxation and the giving of unlimited power in that direction. They are unfavourably disposed towards freehold tenure, and this Bill appears to me to be one of their means of giving effect to their policy for its abolition. That state of affairs could be brought about by taxation. We are rapidly reaching the stage when ownership will become impossible and the land will be passed in, to be let out subsequently under perpetual lease, which the Government favour. No doubt hon. members opposite are endeavouring to reach that goal.

I very much regret the proposed abolition of the executive system. The principle of government by executive has, to my mind, not yet had a fair trial, and for that reason it is not well understood. It would be in the best interests of the city council if it had a further trial. After all, the city council is like our Parliament. It is, in effect, a miniature Parliament. We find there certain forms of parliamentary procedure, and we also find control of certain activities and departments. In Parliament the work is best carried out by a cabinet. The same principle applies to local government. It is all very well to have recourse to the old system of committees, but they have no statutory power to do anything. If the executive system were extended for a further period, it would meet with approval and prove to be a workable and more satisfactory system than that which is now proposed. The members of the council, of course, should have a voice in all that concerns the council. It is not right that the executive should have power to do anything without consulting the council.

Coming to the election of the mayor by the people; the preponderance of argument is in favour of the election of that official by the council. In Parliament we have the election of the Premier by the members of the Government Party, and the same rule ought to apply in the city council. Otherwise we may have a man elected by the

people simply because he is popular, although he may have no ability whatsoever to discharge the duties of his office. Much confusion would be caused by having an incapable man in the office of mayor. The principle is also open to abuse.

There is provision in the Bill for redistribution of the wards by a board. That is quite right, but I urge the Minister to see that the board appointed is non-partisan. We want a redistribution that will be equitable, so that when the next election is over we shall be able to say that the party that was returned got in on its merits and represented a majority of the voters.

The provisions in the 1930 Act regarding the valuation board were far better than those now proposed in this Bill, which are that the appeal shall be to a police magistrate, whose decision is final. At present there is an appeal from the valuation committee to the Land Court, constituted by a Land Court judge, and thence to the Land Appeal Court, presided over by a Supreme Court judge. Each magistrate who hears appeals against land valuations generally adopts his own practice. He is not bound by any strict rule. I know that some of the magistrates do not pay much attention to the authorities that are quoted to them, because they desire to decide matters in their own way on the evidence adduced. This must lead to a confusion of ideas and a confusion of decisions. One magistrate will arrive at a decision upon certain grounds, whilst another magistrate will arrive at the same decision on totally different grounds. There is no uniformity. If the appeals were heard by the Land Court and the Land Appeal Court, the decisions would be more equitable and there would be greater uniformity.

I should like to see the Federal and State Governments evacuate the field of land taxation entirely in favour of local authorities. So many services are rendered by local authorities, and the land from which they derive their revenue is subject to so many charges that it would be in the best interests of all if land taxation were placed under their sole jurisdiction.

I have never favoured the control of a city by a commission. Probably I would be prepared to agree to this method of control if I were convinced that graft obtained in local government affairs. I have never had any reason to believe that such malpractices as graft and corruption prevailed in the Brisbane City Council; hence I see no reason for providing for the control of the city by a commission. Some arguments were advanced a little while ago for the setting up of a commission for the control of the city of Brisbane, but I see no reason for it.

The Bill is an important one. I am sorry that the franchise should become the football of party politics. We should come to an understanding as to what is a fair and equitable franchise for the people, taking into consideration the interests of all sections. Hon. members opposite favour an unrestricted franchise. They hold that all should be allowed to vote so long as they are enrolled. We say that something higher than that is required, on account of the many obligations and the many liabilities to which landowners and occupiers are subjected. Hon. members opposite have stated that we have argued that before a person is entitled to vote at a local authority election he should

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be possessed of land. We have never contended that. We do not say that it is necessary to own land to have a vote. We stand for the occupier franchise.

The PREMIER: You claim that it should be on a property basis.

Mr. R. M. KING: It is not on a property basis.

The PREMIER: It is.

Mr. R. M. KING: The occupier is not the property.

The PREMIER: He has the use of the property, and the vote is attached to the property.

Mr. R. M. KING: No. It is attached to occupancy and not to property.

Mr. SPEAKER: Order!

Mr. R. M. KING: I do hope that sooner or later we shall alter the system of the "ins" providing for one thing and the "outs" having to be content to wait their turn to reverse the position. The sooner we come to a proper understanding about the basis of suffrage the better it will be for all who are associated with local government throughout the State, and especially in the city of Brisbane. It is a pity that we should have the eternal process of one Government passing legislation, which is repealed to make way for another enactment immediately upon their defeat at the polls.

Mr. BRASSINGTON (*Fortitude Valley*): 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 4.25 p.m.