

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 10 OCTOBER 1939

Electronic reproduction of original hardcopy

TUESDAY, 10 OCTOBER, 1939.

Mr. SPEAKER (Hon. E. J. Hanson, Buranda) took the chair at 10.30 a.m.

ASSENT TO BILLS.

Assent to the following Bills reported by Mr. Speaker:—

Income (State Development) Tax Act Amendment Bill.
Mining Acts Amendment Bill.
Mines Regulation Acts Amendment Bill.
Patriotic Funds Administration Acts Amendment Bill.
Mackay Scandinavian Lutheran Church Land Sale Bill.

QUESTIONS.**COST OF MACKAY HARBOUR WORKS.**

Mr. YEATES (East Toowoomba) asked the Treasurer—

“1. What was the total cost of new harbour works at Mackay to 30 June last—
(a) loan money; (b) subsidy?”

“2. What is the estimated additional amount necessary to complete these works.”

The SECRETARY FOR PUBLIC LANDS (Hon. P. Pease, Herbert), for **The TREASURER** (Hon. F. A. Cooper, Bremer), replied—

“1. The construction work was commenced in August, 1934, and expenditure over a period of approximately five years to June 30, 1939, amounted to £1,016,026, which has been provided in the following manner:—

On Loan Fund Account—	£
Treasury loan	278,037
Prudential Assurance Company, Limited, debenture loan	200,000
Queensland National Bank, Limited—	
Overdraft	210,881
	<hr/>
	688,918
Treasury subsidy	254,108
Advanced from Harbour Board's revenue account ..	73,000
	<hr/>
	£1,016,026

“2. This information is being obtained.”

BOUNTY ON COTTON.

Mr. T. L. WILLIAMS (Port Curtis) asked the Secretary for Agriculture and Stock—

“With reference to the proposed new cotton bounty, will he supply information as to whether—(a) the proposals which are being submitted by the cotton delegation to the Minister for Customs at Canberra will stabilise the cotton industry, if approved by the Federal Government; and (b) the case being advanced by the cotton delegation in question meets with the approval of the State Government?”

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

“The proposals which were recently submitted to the Minister for Customs by the cotton delegation were framed in consultation with the Department of Agriculture, and were subsequently endorsed by the Government. This information was conveyed by the Premier to the Prime Minister. The proposals represent the minimum bounty necessary for the continuance and stabilisation of the cotton industry. The proposals will, in the near future, be considered by the Federal Government.”

COST OF BRISBANE-TOOWOOMBA ROAD.

Mr. NIMMO (Oxley) asked The Secretary for Public Works—

“1. What is the total cost to date to the Main Roads Commission of the Brisbane-Toowoomba road—(a) construction, (b) maintenance?

“2. What is the average cost per mile, including construction and maintenance?”

The SECRETARY FOR PUBLIC WORKS (Hon. A. Bruce, The Tableland) replied—

“1.—	£
(a) Cost of construction, including 2,020 lineal feet of bridges	490,091
(b) Reconditioning old roads and bridges prior to construction	64,578
(c) Maintenance	109,490
Total	£664,159
“2—	£
(a) Average cost per mile of construction, including bridges	6,968
(b) Average annual cost of ordinary maintenance per mile	112”

PAPER.

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

Report of the Department of Public Works for the year 1938-1939.

PERSONAL EXPLANATION.

Mr. MACDONALD (Stanley) (10.36 a.m.), by leave: On page 650 of “Hansard” of 3 October, the Premier, speaking on Supply, is reported to have said—

“Where there is no fuel the fire dieth out. Mr. Macdonald said that the Leader of the Opposition lacked fire.”

The Premier was referring to Mr. J. J. McDonald (spelt “McDonald”), but in the report in question the name is spelt like my own, “Macdonald.” I make this explanation, as I desire the necessary correction to be recorded in “Hansard.”

As the Premier is aware, I have never made any such statement as the one he mentioned.

ADDITIONAL SITTING DAY.

The SECRETARY FOR PUBLIC LANDS (Hon. P. Pease, Herbert): I move—

“That for the remainder of this session, unless otherwise ordered, the House will meet for the despatch of business at 10 o'clock a.m. on Friday in each week, in addition to the days already provided by Sessional Order, and that Government business do take precedence on that day. All provisions of Sessional Orders of 9 August and 4 October last shall, mutatis mutandis, continue to apply.”

Mr. MOORE (Aubigny) (10.41 a.m.): We have already passed a motion for double-day sittings. I trust that the House will not sit on Friday unless it is absolutely necessary. Hon. members, particularly country members, often have weekend engagements, and it is very difficult to fulfil those engagements if we sit on Friday. It seems to me that there is not very much on the business sheet—certainly nothing to necessitate a sitting on Friday. I realise that at the end of the session, when it is necessary to clear up all business, it may be necessary to sit the four days shortly after the double-day sittings have been completed; but it is not always necessary to have Friday sittings as well as the double-day sittings in a particular week. We have not had the double-day sittings yet, but after that period is over I recognise that it may be necessary to have the Friday sittings. Now we are to have them both together. Whether the Government have a great deal more legislation to place on the business sheet that will make it necessary to sit the four days, I have no knowledge; but, judging from the amount of business on the sheet, and in regard to which notice has been given, it seems to be unfortunate that Friday sittings should begin at once.

The hon. gentleman has not made any statement on the matter. I thought that in moving the motion he would give us some reason as to the necessity for sitting four days a week as well as double days. If I understood that important legislation was coming forward, and that in order to give ample time to its consideration it was necessary to have an extra sitting, it would be a different matter; but no explanation was given. I should like information as to whether there is a real necessity for the extra day or whether it is merely a desire to get through the session as quickly as possible by the exhaustion of hon. members.

The SECRETARY FOR PUBLIC LANDS (Hon. P. Pease, Herbert) (10.44 a.m.): The Premier pointed out when he gave notice of this motion that it was not intended to use the power arbitrarily. This motion is the usual motion passed about this time of the year. There is a fair amount of legislation still to come, and, of course, the debate on the Estimates must run its usual time. The Premier authorised me to say this morning that it was not intended to use this motion arbitrarily; but, naturally, the Government must keep command of the business of the House.

The leader of the United Australia Party has given the impression, both inside and outside the House, that there is no need for debate, and I was therefore rather surprised that party had said that this motion has not been treated as formal. There is no desire on the part of the Government to prolong the session unduly.

Mr. Moore interjected.

The SECRETARY FOR PUBLIC LANDS: I was given to understand that the opinion of the leader of the United Australia Party was Parliament should be in recess. That is the impression the leader of that party endeavoured to create in the public mind. Important business has still to be brought down and, in view of the legislation coming before the Commonwealth Government in connection with the prosecution of the war, it may be necessary for this House also to pass some similar measures. The Premier had a discussion with the Leader of the Opposition on Thursday last and informed him that it was the usual motion brought forward about this time.

Motion (Mr. Pease) agreed to.

SUPPLY.

COMMITTEE—FINANCIAL STATEMENT— RESUMPTION OF DEBATE.

(Mr. O'Keefe, Cairns, in the chair.)

Debate resumed from 5 October (see p. 740) on Mr. Cooper's motion—

“That there be granted to His Majesty, for the service of the year 1939-1940, a sum not exceeding £300 to defray the salary of the Aide-de-Camp to His Excellency the Governor.”

Mr. MACDONALD (Stanley) (10.47 a.m.): Mr. O'Keefe, this is a debate on the Budget, one that should be of the utmost importance to the State and to every hon. member who is seized of a sense of the responsibility of his position and has regard to the welfare of this State, whether it is his native country or the land of his adoption.

Listening to the way in which hon. members of the Government approached this debate and dealt with the records, I was forced to think of a verse that goes—

“The time has come,” the Walrus said,
“To talk of many things;
Of shoes—and ships—and sealing wax—
Of cabbages—and kings—
And why the sea is boiling hot—
And whether pigs have wings.”

This debate was opened in a very sane manner by my leader who, having at heart the welfare of our citizens, constructively criticised the financial policy of the Government and cautioned them as to what the future might hold if the Government persisted in their present policy. In his zeal he might have gone so far as to make use of that thread-worn but truth-pregnant phrase of the Premier, “Some day, somewhere, somehow, someone must pay.” Time is the essence of the contract and it alone will show whether his wise counsel has had effect.

As I have said, this is a debate on the Budget, and I should like to quote much from the Premier's speech. The first extract I have is—

“The Budget under discussion is a fair statement of the position. Every fund and every activity of the Government that can, with relevance, be placed in a Budget is set out clearly and without ambiguity. It is there for the benefit of all who desire to know the facts.”

Well, Mr. O'Keefe, all that is just so much verbal surplusage or so much packing. No-one gainsays that it is a true statement of the position. No-one is accusing the Government of falsifying their books, but what a confession of financial ineptitude is this statement!

As you are aware, Mr. O'Keefe, I listen attentively to all debates in this Chamber, and especially do I try to arrange my departmental work so that I can be present when the Premier of Queensland is speaking, as I have always regarded him as being head and shoulders above his fellows. In fact, one might call him the bell wether of the flock. I listened carefully to the Premier, therefore, and at the end of his speech I was reminded of another verse of poetry from Omar Khayyam that—

“Myself when young did eagerly frequent
Doctor and Saint, and heard great
argument
About it and about: but evermore
Came out by the same door as in I
went.”

I pondered over the Premier's speech and tried to assess the value of his contribution, to see how it would aid in the shaping of the destinies of this State. Lest my memory and impressions tricked me I checked up in “Hansard” the report of his speech. No, my memory had not played me false. There, in all its crudity, in its gross insolence, and in its blatant egotism, on record for all time, was his speech.

Let us examine candidly and dispassionately that speech. To begin with, I have always thought that the value of a speech lay not in its extent but in its content. What do we find in the Premier's speech? Judged by that speech, he lives in a timeless Heaven of insignificant tautologies. He asks for advice but seeks approbation.

As the Leader of the Opposition has pointed out, the key-note of the Government's policy is extravagance. They, like the majority of bankrupts, when the crash comes, have as the sole excuse for their pitiable financial condition the fact that they had an insufficiency of funds. Let a man lose his money, let him lose all his worldly wealth, and he may rise again, but the greatest bankrupt is he who has lost hope and enthusiasm. He who has lost hope and enthusiasm is bankrupt for all eternity, and the policy of the Government, I consider, tends towards this.

Let us take another quotation from the Premier's speech. He said—

“We will be true to the people from whom we have descended.”

Quite nice and proper—in fact, very sententious—but in the land that cradled his and my own race, thrift was an outstanding quality; his Government are now rooting out that quality with all the ruthlessness of a dentist rooting out a tooth. The accounts, and the Financial Statement of the Government, show that they have had accumulated deficits of upwards of £4,500,000 during their tenure of office, and these they have had to liquidate by borrowing, but they are like many people in private life who are content to go on daily squandering and spending their money until they reach the limit of their credit. What happens then?

“Some day—somewhere, somehow, someone must pay.”

Let me read a little more from the Premier's speech. If ever there was a case of adding insult to injury, it is this.

“... it justifies me in again charging the Opposition that they would rather see the people of this country living in penury and want.”

Not only is that untrue, but the Premier knows it is not true. I strongly resent that vile insult. I strongly resent the fact that he should accuse me of having no thought for the welfare of my fellow man, and I charge the Premier to prove that assertion of his, to substantiate it. There is no hon. member of this Assembly who is more conscious than I of the poverty wages, hard working conditions, and poor surroundings that were endured in the long ago.

I, in company with my mates, suffered them all long before the Premier graced Queensland with his presence. Nowadays, there is no employer of labour who is more zealous than I in giving his employees good conditions and wages to the utmost of his pocket's ability. I expect it would be too much to look to the Premier to make reparation for the gratuitous insult. We will let the tail go with the head.

As the Deputy Leader of the Opposition, the hon. member for Aubigny, has thoroughly castigated the Government for their Financial Statement with the tongue of truth and wisdom, there is nothing I can add than to say that the mere fact of reiterating a statement time and time again does not make for truth, although it might convince and delude the author.

Mr. WALKER (Cooroora) (10.56 a.m.): The time is rather inopportune for us to expect any reduction in taxation. We all recognise the difficult and strenuous times we are passing through. In every English-speaking country to-day and in the British Dominions Budgets are being framed on similar lines to our own. I recognise that very little can be done in the way of reducing taxation; most countries are budgeting for a deficit. We should, therefore, be careful in the criticism we level at the Government.

The thing that has struck me most forcibly about public affairs during the last four or five years is that Government hon. members have been speaking as if loan money was plentiful, and one had only to wave a wand to get any

amount of it. To a certain extent they have credited themselves with this waving of the wand by the action of the Premier in going to the Premiers' Conference and being able to obtain supplies of loan money. The Government they support have been receiving about £4,000,000 a year of loan money ever since they have been in power. Now is the time to wave the wand in an endeavour to give the Brisbane City Council enough loan money to put back into employment the 1,000 men who have had to go, and to discontinue discharging their own men on road maintenance and building and other improvement works, particularly in the country districts.

The Premier claims to have been some sort of a financial magician, but in the period of depression the same movements occurred in all States—in fact, throughout the world—that occurred here. He went to Sydney after his election seven years ago to attend a conference of Premiers. There he found that his predecessor in office and others who were members of the Loan Council had made arrangements for the borrowing of money for developmental work. The reason why it was not previously made available was that depression afflicted the whole country.

Mr. Mann: What caused the depression?

Mr. WALKER: Why, children know what caused the depression; everybody knows what caused it. We have listened to hon. members opposite claiming that it was the altered policy of their Government that ended the depression.

Mr. Mann: What was the cause of it?

Mr. WALKER: The aftermath of the war. Not Queensland nor Australia alone, but every country in the world suffered during the depression. Our £100 bonds were worth only £65. We have only to recall what happened in America when that country locked up all the gold it made out of the war to realise that nobody here was to blame.

The depression was the aftermath of the Great War—the heavy fall in the price of our primary products. I have answered the interjection by the hon. member in detail.

We know that the Premiers of Australia, including the then Prime Minister, Mr. Scullin, who was a Labour man, realised that the country was in difficulties and they sought the advice of the best financial expert in the world to help them out. I want to emphasise the fact that the policy of financial recovery that was initiated at the Premiers' Conference attended by the hon. member for Aubigny, who was then the Premier of the State, has not been altered and that it is that very policy that has been carried out by the present Government in this State.

Hon. members opposite should not forget that at that memorable Premiers' Conference arrangements had been made to provide £600,000 for development work in Queensland. Of course, as time went on and conditions improved, more loan money was made available to the present Government in common with the Governments of all the other States. Under the Moore regime consolidated revenue fell by £3,742,000 per annum. Does that

figure not indicate the extreme difficulties confronting the then Government and suggest that drastic action was necessary to remedy them? The present Government have had the help of nearly £6,000,000 more from consolidated revenue in one year, in addition to large sums of loan money, which conclusively proves that the Moore Government did all that they possibly could to lay the foundation for future prosperity. It hurts me to hear hon. members opposite continually harping on the alleged misdeeds of one of the whitest men who ever entered Parliament—Arthur Moore. They almost make it a personal matter and suggest that he created the blot and that he was responsible for the world-wide depression, whereas they well know that it was the aftermath of the war. The Moore Government faced the difficulty and faced it manfully.

The hon. member for Warrego knows that the Secretary for Labour and Industry in the Labour Government of 1926-29, now the Secretary for Mines, said in answer to a question by the hon. member for Wide Bay that there were 42,000 men unemployed in 1927. Does that not prove that the Moore Government were left a big baby to carry? Do hon. members opposite dispute the accuracy of that figure; do they question the honesty and integrity of one of their Ministers of the day? At that time Mr. Scullin was Prime Minister of Australia, but hon. members opposite accuse the Moore Government of bad administration and excuse Mr. Scullin simply because he was a Labour man. I hope that hon. members opposite will be honest enough to admit that while we were in power we did all that we could to keep things going in a proper way. The Premier himself has admitted that the wages cuts in the public service of this State were lower than those of any other State in the Commonwealth. But that admission should have been made on the hustings, too, so that the position would have been clearly explained to the people. It is unfair to take a mean political advantage, such as some hon. members opposite do. In 1931-32, when the Moore Government were in power, the receipts of consolidated revenue amounted to £12,994,000. Last year they had increased to £19,330,000—an enormous benefit for the present Government.

Mr. Bedford: And more work to do with it.

Mr. WALKER: The Government have received that £19,000,000 but they have not carried out any more progressive work. The present Government have had the advantage of that enormous increase in public revenue and a welcome increase in commodity prices, whereas during the Moore Government's term revenue was difficult to get and commodity prices fell alarmingly.

Will any hon. member tell me that commodity prices did not fall sharply in the time of the Moore Government? They know that those prices fell to zero. They know, also, that £100 State bonds dropped to £65. That was because the value of our production went right down. The hon. member for Warrego knows, too, that wool prices in that period

were also very low. In addition, the industry suffered from a five or six years' drought.

Comparisons between values to-day and then are simply astounding. The following table sharply reflects the difference in the values of our exported primary commodities in 1932, as compared with 1939:—

	1932.	1939.
	£	£
Wool (greasy)	6,163,000	7,579,000
Meat	2,252,000	4,848,000
Butter	3,536,000	7,150,000
Sugar	2,498,000	4,005,000
Totals (all exports)	16,222,000	28,019,000

Those figures speak for themselves. They show conclusively that seasons and world parities were responsible for the great decline in the value of our primary products in 1932. It is no use hon. members opposite saying that the Government did this and that to bring about the results in 1938, for they did not bring the rain. The Government could not produce rain in 1935, when they were compelled to introduce a fodder relief scheme to help the dairying industry. I remember that in the great drought, in 1903, the Philp Government were compelled to introduce a universal income tax of 10s. a head, which was commonly called the poll tax, to keep the country going. Shortly afterwards, the Morgan-Kidston Government came into power. The drought broke, and good seasons followed for about 10 years.

The Government speak with pride of having achieved a surplus during the last financial year. We realise how beneficial it is to the State to have that surplus, no matter how small it may be. We must not forget when speaking of surpluses that the late Hon. W. H. Barnes, as Treasurer, and his party produced surpluses for 10 consecutive years. Undoubtedly, some of those surpluses were only a few pounds, but they were a definite indication that the Government of the day pursued a sound financial policy. It must be remembered, too, that those surpluses were produced without the aid of transfers from special or Loan Funds in order to bolster up consolidated revenue, and without the aid of grants from the Federal Government.

At no time throughout the 1932 election campaign did the Premier admit the facts of the case. He referred to the Moore Government's administration as a poverty competition. Remarks like that are unfair; they do not get the Government anywhere, particularly with thinking people. Such words should never have been uttered by a Premier, nor should he have used the words he uttered in this Assembly the other day so effectively referred to by the hon. member for Stanley. The Premier said in 1932 that things would have been better had Labour been in power during the depression. Labour is in power to-day. If he desires to obtain more loan money than is made available by the Loan Council, then it is his duty to show this Committee how that can be done, not only to enable him to carry out the Government's loan policy but especially to help the Brisbane City Council and other local authorities that

have been forced to dispense with their staffs owing to the lack of loan money. The truth is that the Premier knows that it is not merely a question of asking for loan money. The Premier, in speaking on the State Development and Public Works Organisation Bills, said—

“All things are paid from the same source; intelligent effort applied to natural resources is the source of all wealth, and everything that is paid for in the community is a charge against that production.”

That is perfectly true. Therefore, it is time he made amends to the Deputy Leader of the Opposition, the hon. member for Aubigny, for many of the mis-statements that have been made concerning him. Many of those statements must have been very hurtful to him, and hon. members who made them were not altogether fair.

Like hon. members opposite, the Lord Mayor has on various occasions endeavoured to make out that the Premier was a heaven-sent financier—a genius, a wizard of finance. Hon. members came to that conclusion after the Government had been in office five or six years with any amount of borrowed money to spend and an increasing revenue amounting up to £7,000,000 more than the Moore Government had in any one year. In addition to that, the Premier had the use of extra funds provided by increased taxation running into millions a year. Anyone could show an improvement under such favourable conditions. A comparison of the money available to the Moore Government indicates what a hard time that Government had when in power.

In his 1935 policy speech, the Premier, referring to an amendment that he moved at a Premiers' Conference in July, 1932, said—

“This was a turning point in Australia's progress. It was a brilliant epoch in the history of Queensland, for the changed policy from that date marked the starting point of recovery, not only for Queensland but for the whole of Australia.”

One would imagine that the Premier was responsible for altering the whole condition of affairs throughout Australia. Everyone knows that the increased prosperity in the other States was due to the same cause as the increased prosperity in Queensland—better prices for primary products and more loan money. Yet the Premier endeavours to make out that he did it all alone.

As a matter of fact, when the hon. member for Aubigny was Premier, he fully appreciated the position of affairs and at the last Premiers' Conference that he attended he was successful in obtaining approximately £600,000 from the Loan Council, but, of course, that was not enough to eliminate unemployment. The Government have been able to improve the unemployment position because they have had ample amounts of loan money available. The improvement has not been brought about by the creation of secondary industries or greater production, but merely by greater Government expendi-

ture. But this policy of borrowing and spending must cease at some time or other. No-one can convince me that the money has been expended on works of a reproductive nature, particularly the American loans, to which I shall refer later on, on which we have to pay high interest. That is unfortunate.

It is evident that the affairs of the Brisbane City Council are in a deplorable state. Here we have the spectacle of sewerage work—work of a reproductive character—stopped owing to the lack of funds. Hon. members opposite seek to throw the responsibility for the lack of money on the Commonwealth Government.

Mr. Bedford: Whom else?

Mr. WALKER: Everyone knows that the Commonwealth Government have to impose extra taxation. What for? To keep Australia up to a standard of efficiency for defence purposes. Hon. members must realise that they must do so in order that we may play our part in the war efficiently.

Hon. members opposite continually complain that the Commonwealth Government should spend more defence money in Queensland. We are only laymen and we are not competent to decide where the defence expenditure can be best employed. I notice, too, that the people who are the first to express an opinion have never been to a war. Nobody is better fitted to decide where money should be spent for defence purposes than the War Council, which is composed of Australians and on which Queensland has representation. It is the most competent body in this country, because it has more information than any other body.

Mr. Jones: Messrs. Corser and Fadden criticised the Commonwealth Government for not spending more defence money in Queensland.

Mr. WALKER: That does not prove that my opinion is wrong. Moreover, what do they know about war? They have never been to war. It is immaterial to me whether these gentlemen belong to my party or not. This is an altogether bigger question than party. The War Council of the Commonwealth Government should not be interfered with. If at all possible, all having the one object in view—the successful conclusion of this war—we should give them a helping hand.

Last year the Government transferred to consolidated revenue £521,000 of the receipts from the unemployment relief and State development taxation, and this year it is budgeting for a further transfer of £321,000. Considering the war, it may be wise for this additional money to be used for the training of soldiers and the purchase of aeroplanes, ships, and guns. Remember that the money has to come out of the pockets of the man who always pays—the man with the greatest number of youngsters.

Mr. Jones: Do you not think the Commonwealth Government should provide sufficient money to keep the people in employment? Is not that just as important as the war?

Mr. WALKER: We may keep them on rations, but it must not be forgotten that if we lose this war we lose everything. Although there is much in what the hon. member suggests—that it is wise to look after those who are here and to give them conditions as good as we can—there can be nothing greater than the winning of this war. The trouble the Premier has to face is that the policy the Lord Mayor of Brisbane has been carrying out is exactly the same as his own, the only difference being that the Brisbane City Council is a much smaller organisation than the State Government, and consequently the policy pursued by the Lord Mayor has come to an end sooner. He is now right up against it. If the Government pursue a similar policy for Queensland they will eventually be in exactly the same position. It is all very well for hon. members opposite to suggest that such a policy can be continued for ever. It cannot. Certainly, I admit that if population was doubled the burden would be eased by 50 per cent., nevertheless in 8 or 10 years the State would be in exactly the same position as regards the public debt per head of population if the present Government were in power. Some of the shire councils have incurred such a tremendous liability for main roads that most of their rates are absorbed in paying interest and redemption.

Mr. Walsh: What shire is that?

Mr. WALKER: There are any number of them.

Mr. Walsh: You are wrong.

Mr. WALKER: I will not specify a shire at present. It would not be wise for me to do so; nevertheless, it is an illustration of the very serious position that Queensland will be in.

Speeches of Government members take credit for the record production in 1938-39. The Premier said that this was proof of "the beneficent results of his Government's legislation and general administration policy." Queensland is a primary-producing State. Primary production provides 72 per cent. of the wealth of the State and taking into account factories, such as butter and cheese factories, cotton ginneries, and sugar mills processing our primary products, the percentage is increased to 82. As the greatest part of our income is derived from primary production, it is essential that this be increased and I strongly urge the Government to see whether something cannot be done in this direction. Provision for adequate water supplies should be made in those areas that are at the present time dependent on rainfall. Of course, I am not referring to areas where evaporation is very high but to good land subject to occasional dry seasons.

Mr. Jesson: Why did you not do something like that when you were Secretary for Agriculture and Stock?

Mr. WALKER: Have I not just explained to the hon. member that we had no loan money, but that after our term we left £600,000 odd for the Labour Government. I might point out, too, for the information of the hon. member, that we spent the whole

of the three years in correcting the evils that had been created by the previous Labour Governments. This State is to a great extent dependent upon primary production for its welfare, and I should like to see such schemes as I have mentioned put into effect with a view to encouraging an influx of people, which in turn would mean increased wealth production.

I propose now to make a comparison of the figures for 1936-37 with those of 1938-39 to show just how hollow is the Government's claim with respect to their high production figures for the year just closed. Let us take our four main exports. The figures are—

	1936-37.	1938-39.
	Tons.	Tons.
Butter	24,000	57,000
Meat	100,000	122,000
Sugar	404,000	441,000
	Bales.	Bales.
Wool	407,000	508,000

All those increases give us some idea of the benefits derived from a magnificent season. No-one can get away from the fact that these increases were due to the bountiful season, and no-one can give the Government any credit for that. We have no fault to find with the administration; it went along smoothly as it always does, because we have an efficient public service. We have no right to credit the Government with these increases. Two years ago our wheat production was approximately 4,000,000 bushels. Last year it had risen to 8,000,000 bushels, but, unfortunately, the price was lower than it was previously. If the Government are to be given credit for the increased production, then they should be debited with the lower price.

What did the present Government do between 1936-37 and 1938-39 to bring about the increased production to which I have referred? All they did was to increase railway freights and fares and to gain greater revenue for the railways out of the increased wheat production.

The other day I asked for some information about the American loans. The information I received was not quite as clear as I should have liked it to be, but it did point out that the two American loans that were obtained by the Theodore Government were extremely expensive, and they will be more expensive before they fall due. The arrangements made on the flotation of those loans were extremely bad for Queensland. The first loan was for 12,000,000 dollars for 20 years at 7 per cent.

Mr. Bedford interjected.

Mr. WALKER: I know the hon. member was in America somewhere about that time, but he would not know anything about this.

The second loan was for 10,000,000 dollars for 25 years at 6 per cent. When these loans were raised it was claimed that the high interest rates were offset by the profit made on the conversion of dollars into pounds sterling.

The first loan netted £2,739,085 a profit of £523,713 being made on the conversion of

dollars to sterling. In 1938-39, 8,971,000 dollars remained in the hands of the bondholders. Including the original rate of profit, this was equal to £2,047,809. The interest payment in 1938-39, including exchange, amounted to £164,198. The answer given to my question the other day was all right, and the interest works out as equal to 8 per cent. per annum. That is far too dear, and something should be done to see if the evil cannot be remedied. It would be far better to clean the whole matter up than allow conditions like that to continue. In 1939-40 the interest cost is likely to be much higher. The par value of the dollar is 4.866 to the £1 sterling. As the number of dollars to £1 sterling falls below par, so the cost of interest payments rises. The average number of dollars to the £1 sterling in 1938-39 was 4.738, but the latest quote shows it is down to 4.03, which means that we now get only 3.2 dollars to each £1 Australian instead of 4.866, the highest cost of dollars since 1932-33. The cost of exchange on dollars includes, of course, the cost of exchange between the £1 sterling and the £1 Australian.

There is a great difference between exchange paid to get British currency and exchange to get American currency. Every hon. member realises that without explanation. We have a favourable balance with the United Kingdom and therefore the cost of exchange is offset by the increased prices obtained by our exporting industries as compared with the increased prices of imported commodities. On the other hand, we have an unfavourable trade balance with the United States of America, and the increased prices of commodities imported from that country are greater than the exchange gained on exports.

Moreover, upon maturity, we can be certain of converting loans domiciled in Britain. We cannot be sure in the case of the United States of America; we may be called upon to pay off a loan at a very high rate of exchange. In 1937-38 trade with the United Kingdom was favourable to Australia to the extent of £26,714,000; trade with the United States of America was unfavourable, an adverse balance of £14,376,000 being shown. One can see at a glance that trading with Great Britain is more profitable to us than trading with America. If we had to pay off 8,971,000 dollars now—the balance of the first loan in 1938-39 now owing—it would cost us £2,803,000 as against £1,843,000 at par value. That is, there would be a loss on that transaction alone of £960,000 as against the profit of £523,713 in 1921.

Those figures will furnish some idea of the results of borrowing money from America. I remember quite well that the question of relations with foreign countries was discussed when Mr. Badger was brought out to manage the Brisbane Tramways Company. There was a howl of indignation from the Labour Party that a foreigner should be brought to this State to manage the tramways, but did not the Labour Government go to a foreign country for financial help when they were in difficulties? I should not be a bit surprised to see the present Government go to America again for another loan, but I hope to good-

ness that it is not to cost 7 per cent, or 8 per cent., as our American loans are costing us now.

We all believe in sound economy but is it being practised in the Department of Labour and Industry? Even on the Government's own figures the way things are going on is simply shocking. In 1931-32, when unemployment amounted to 22.2 per cent., the cost of rations was £166,000 and although unemployment had fallen to 4.3 per cent. at 30 June this year the amount required for rations in 1938-39 was £509,000.

Mr. Power: Because more people are coming under the scheme.

Mr. WALKER: Where are these unemployed people if it is true that unemployment has fallen to 4.3 per cent.?

Let me approach the matter in another way by giving the numbers of the staffs of the Department of Labour and Industry paid from consolidated revenue and trust funds in 1931-32, when the Moore Government were in power, and the estimated number required for 1939-40—

	1931-32.	1939-40. (Estimated.)
Chief Office	7	62
Industrial Court	7	8
Commissioner of Prices	3	4
Sub-Department of Labour, including labour, factories, workers' accommodation, unemployment insurance, unemployment relief, and State development	136	199
Outdoor relief (rations, &c.) ..	11	36
Total staff	164	309

In 1931-32, when unemployment was 22.2 per cent., the staff required was 164, and in 1939-40 it is estimated that 309 will be required to cope with unemployment that has fallen to 4.3 per cent. Do the figures not suggest that a drastic alteration is required in this department?

Mr. Bedford interjected.

Mr. WALKER: I advise the hon. member to pay some attention to these figures, which are taken from public records. These figures show the details of some of the branches of this department—

	1931-32.	1939-40.
Under Secretary	1	1
Chief Clerk	1	1
Accountant	1	1
Private Secretary	1	1
Clerical staff	2	40
Typists	1	10
Messengers	1	3
Inspection and Investigation Officers	..	5
	7	62

I suppose the inspection and investigation officers are the men who "pinch" the bakers for getting their bread out before 8 o'clock in the morning. We had no such officers under our regime but to-day there are five. What

an enormous increase in staff although unemployment has fallen to 4.3 per cent.! Of course, I should like to see unemployment further reduced, not only amongst the registered unionists but also amongst those who are unable to become registered unionists.

These figures show the number employed in the Relief Applications Branch—

	1931-32.	1939-40.
Officer in Charge	1	1
Clerical Staff	8	29
Messenger	1	2
Typist	1	4
	11	36

The full-time employment scheme, with unemployment at 4.3 per cent., should entail much less work than the intermittent relief scheme with unemployment at 22.2 per cent., yet the staff now is almost double that of 1931-32.

I come now to a consideration of the important problem of youth employment. Of course, the scheme was initiated by the bad Tory Federal Government. The Commonwealth Government had no power under their Constitution to spend money on a scheme like this and so it is allotted to the States and spent by the State Governments so that they may be able to implement the scheme. Of course, in the eyes of hon. members opposite nothing that the present Federal Government may do will be of benefit to the people, but this scheme was actually initiated by the Federal Government for the purpose of providing facilities for youths and young men of 19 to 25 years of age to learn and become employed in skilled trades. I am sure the hon. member for Mirani will admit that large sums of money have been provided by the Commonwealth Government year after year for this purpose.

The scheme was initiated for the purpose of teaching trades to youths who had no opportunity of learning trades during the depression and so swelled the ranks of unskilled labourers. It is a well-known fact that neither the Government nor private employers gave any inducement to youths to learn trades while the depression was on.

Mr. Walsh: Why?

Mr. WALKER: Governments could not obtain money on the loan market, nor could private employers obtain advances from financial institutions to embark on enterprises or increase the volume of their business.

In order to assist unskilled youths to learn trades the Commonwealth Government in 1937-38 and 1938-39 advanced £200,000 per annum to the various States. The allocations were—

	£
New South Wales	79,000
Victoria	55,000
Queensland	25,000
South Australia	19,000
Western Australia	14,000
Tasmania	8,000

The expenditure in New South Wales and Queensland, together with the allocation provided by the Commonwealth, was—

	Expenditure to date.	Provided by C'wealth.
	£	£
New South Wales	298,484	158,000
Queensland	50,041	50,000

The main difference, however, is the way in which this scheme has been handled. The Queensland scheme, among other things, comprised a course of about 12 months at the Agricultural High School at Gatton. I have not much objection to that, although I would sooner see these youths getting an opportunity of learning practical farming under a practical farmer. The chances are that many of these youths were not sufficiently educated to grasp the technical methods imparted at the Agricultural High School.

A short course of about six weeks to two months in mining and prospecting was also provided. That was carried out well in Queensland. I was in touch with it and I know. Most of this instruction was carried out in the Charters Towers district. There I had the pleasure of seeing 20 or 30 young fellows learning not only technical mining, but, more particularly, practical prospecting, the identification of strata, the equipment required, and the sharpening of tools. I will give the Government credit for doing that side of youth training well.

Another phase of the youth-employment scheme in this State was a course of about 12 months in commercial subjects at technical colleges at Brisbane, Toowoomba, Rockhampton, and Townsville. That was the worst phase of the whole scheme, because most of our Government and commercial offices were over-staffed during the war and the depression period, and their energies could have been diverted to other channels. The latest figures in regard to the youth employment scheme, as obtained in answer to a question in this Assembly on 12th September, are—

	Received a course of training.	Placed in employment.	Still undergoing training.
Farming	167	60	64
Mining	125	75	21
Commercial	383	179	158

Commercial training was principally for the purpose of placing youths in commercial houses in Brisbane. It was simply a waste of public money and for the most part there is nothing to show for it. It is our duty to teach the youths of Queensland a trade, and once that training is completed they can unquestionably be found work.

The scheme in New South Wales enabled approved youths of 19 to 25 years to be employed in skilled trades as indentured or trainee apprentices, the usual term being four years. I have a great deal of information in this connection, but I content myself with

quoting the following figures showing the principal trades preferred by applicants:—Carpentering, 565; motor mechanics, 539; plumbing, 275; fitting and turning, 243; bricklaying, 237; electrical mechanics, 212; painting, 160; baking, 128; electrical fitting, 109; sheet metal working, 106; metal polishing and plating, 68; engineering, 60; plastering, 58; fitting and mechanical, 56; fibrous plaster fixing, 53; boilermaking, 53; other trades, 1,155; total applications, 4,077. Can any hon. member say that that policy is not putting youths into useful work, and providing tradesmen in those callings where there is a possible shortage, and is not one that should have been adopted in Queensland?

The hon. member for Mirani the other day challenged some figures that I had given relating to Commonwealth grants, but after checking those figures I find they are absolutely correct. The hon. member for Mirani omitted many figures from his list, but I do not say that he did so deliberately. I quote figures giving a comparison between the assistance given by the Commonwealth Government to the Moore Government in 1932 and the assistance given to this Government last year—

DIRECT PAYMENTS TO GOVERNMENT.

	1931-32.	1938-39.
	£	£
Interest contribution	1,096,235	1,096,235
Sinking fund contribution	154,649	195,454
Federal aid roads	340,682	814,912
Local public works .. ..	..	14,450

ASSISTANCE OF PRIMARY PRODUCERS.

	1931-32.	1938-39.
	£	£
Cotton bounty .. ..	..	115,012
Bounties	65,217	..
Assistance to fruitgrowers .. ..	..	929
Tobacco investigation .. ..	..	2,500
Cattle tick control .. ..	..	34,725
Artificial manure subsidy .. ..	..	18,020
Farmer's debt adjustment .. ..	..	300,000

The hon. member for Mirani made a comparison of State with State. He pointed out that Victoria had received an enormous amount for the purchase of fertiliser whereas Queensland had received very little, although it is a bigger State. As a matter of fact, most of the fertiliser used in Victoria is for wheatgrowing, whereas in Queensland fertiliser is virtually only used for the growing of sugar-cane. Comparatively speaking, we are a small wheatgrowing State, and the Downs country, where most of our wheat is grown, does not require fertiliser.

Although the Moore Government received no aid for mining, this Government have received grants for four consecutive years. What was that money expended upon? Last year they carried out an aerial survey in conjunction with the Commonwealth Government. It was a joy ride all over Queensland looking for auriferous country in an area that had been traversed by prospectors years and years ago.

It was a waste of public funds, money that could have been applied to something more useful.

Last year the Government received £25,000 for youth employment; the Moore Government obtained nothing. The Moore Government received nothing for medical research, whereas the present Government obtained £7,500. This Government last year received £2,695,000, as against £1,721,000 given to the Moore Government, a difference of £974,000, conclusive proof that the Commonwealth Government have gone out of their way to treat the Queensland Government generously and are endeavouring to help every deserving case.

The hon. member for Mirani made other comparisons that were unfair and did not give a true reflex of the actual position. In comparing the wheat industry in Queensland with that in Victoria, the hon. member did not quote the number of bushels produced. These are—

	bushels.
Victoria	47,000,000
Queensland	3,740,000

In 1938-39 Queensland received from the Commonwealth Government £70,000 for wheat fertiliser—further conclusive proof that comparisons are odious.

Now let me compare the unemployment figures of to-day with those when the Moore Government came into power. The Secretary for Mines is sitting on the Government benches and cannot deny that in an official reply to a question he gave 42,000 as the number of those unemployed and 68,000 as the number of those partially unemployed at that time. If the hon. gentleman made a mistake why did he not say so when first reminded of it? We know he did not make a mistake. He is a truthful man and would not mislead the House.

Why should Government members continue to make such statements as those I have criticised when they were not true? In my criticism I endeavoured to be fair. Members of the Opposition have said nothing that the Government did not deserve.

Mr. Jones: You cannot argue that we have not always been fair in our criticism of the Moore Government.

Mr. WALKER: Time does not permit me to proceed further on that subject, as I now wish to place before the House a very serious matter affecting the Workers' Compensation Act, which proves either that the Act requires amendment or there has been some bad administration of it. I am inclined to think the first is the correct conclusion.

Many years ago when workers' compensation was first brought into force a sum of £600 was paid to a certain person, on the grounds of equity. The Act had been just passed and the person concerned had not filled in an application form. The matter was brought under the notice of the House by a Minister of the Crown, Mr. J. Fihelly, and the money was paid over to the applicant.

Sitting in opposition we endorsed that action, as we thought there was a certain amount of justice in it. I have now a similar case to bring before hon. members. I will read to the Committee a letter showing that injustice has been done to a certain fisherman in Tewantin. This man paid his compensation premiums for two years. He then inquired of a policeman if the rumour that they were not under the Act and had not to pay premiums was true. The officer wrote to the department. Perhaps I had better not read the letter; hon. members can take my word that what I am saying is the truth. A reply was received that it was not necessary to pay the premium—as I have stated, this man had paid for two years—and shortly afterwards an accident occurred.

This is the letter—

“Superintendent, State Insurance,
“Brisbane.

“Dear Sir,—Mr. G. C. Burgess, a fisherman residing at Tewantin, has requested me to ask you if it is necessary for him to insure men who work on a contract basis for him, using his nets and boats and getting no wages from him, but merely so much per case on the fish which they catch.

“Yours faithfully,
“W. H. KENNY.”

That is exactly the same as a share farmer. He received the following reply:—

“Re Burgess (fisherman)—

“I have to advise in reply to your letter of 4th inst., that in the case quoted by you there will be no liability under the Workers’ Compensation Acts as far as Mr. Burgess is concerned.”

That shows conclusively that the man was misled. One of his employees was hurt, and he was prosecuted under common law. He was a returned soldier and an invalid. He never drank in his life, and he had to go to money-lenders for the money to pay this £180. He was then advised to take out a policy for six months. He did so. Another man was hurt, and, strange to say, the department paid compensation without any fuss.

Surely, when such things happen, we should have more than an explanation! If an amendment of the Act is needed, then let us have it. When I interviewed Mr. Watson, he told me he could not help me because the man was not covered, but he should have been covered under common law. I ask hon. members, how many of them know anything about the common law so far as workers’ compensation is concerned?

Mr. Walsh: He would still have common law rights, irrespective of workers’ compensation.

Mr. WALKER: Did the hon. member know that he could take out a policy in con-

nection with compensation under the common law?

Mr. Walsh: Yes.

Mr. WALKER: Then he is the only hon. member who did know anything about it. Would it not have been far better, when the department wrote denying responsibility in the first instance, to have said to this man, “But you should get cover for your liability under common law.” It will take this man the whole of his life to pay for a mistake that was made by the department. If the policeman had not written to make inquiries, he would not have known that he could have taken out a policy under common law.

I am sure that the Minister will take a note of this matter and have it investigated. I should like hon. members on the Government side to realise that if it was a matter of equity when that £600 was given to that man at the time the Bill was introduced, this is equally a matter of equity. Let us play the game by this man. The Act should be amended to give those in charge of its administration some elasticity in the exercise of their power. I urge the Government to do something for this man.

(Time expired.)

Mr. RIORDAN (Bowen) (11.59 a.m.): I desire to join with other hon. members on this side of the Chamber in congratulating the Treasurer upon having brought down the Financial Statement we are now discussing.

I listened carefully to the criticism of hon. members opposite, but I find that although they pose as financial geniuses and wizards, not one of them seems to have been capable of reading the Budget correctly. On the other hand, hon. members on this side of the Chamber have been able to do so.

I do not propose to set myself up as a financial genius, because all through my life I have not been fortunate enough to have to deal with financial problems. It is my intention to give my own opinion as well as what I believe to be the opinion of the man in the street, who, after all, produces the wealth of this country and should be considered at all times.

Mr. Menzies, the Prime Minister, on the declaration of war, used the slogan “Business as usual.” That is a very fine slogan if he is sincere. I have some hesitation in believing Mr. Menzies and those behind him—I refer to the financial institutions in this country. I say that they are bringing about a financial blockade of the States.

Mr. Brand: A financial blockade?

Mr. RIORDAN: A financial blockade of the States. One has only to look at the recent actions of certain financial institutions, including the Commonwealth Bank, to find proof of it. That bank has closed down on councils and various borrowing authorities

and made it impossible for them to get money. The most significant thing about it is that these authorities have been borrowing money for the purpose of carrying on developmental work in this State. Most of the borrowed money has been spent in the employment of semi-skilled and unskilled labour.

The Brisbane City Council was given authority to borrow £1,000,000 but, through circumstances over which it had no control, it was found impossible to get the money. Opponents of Labour, both in and outside the Council, have continually carried on a warfare against the Council, irrespective of what people were going to be injured in the process. When the deed is done and thousands of men are being sacked, those same people hold up their hands in holy horror and cry out: "Why are these sackings taking place?" That financial genius and wizard, Alderman Tait, said that all through the piece we had been squandering money. When the crash comes he asks: "Why sack these men?" The answer is obvious. They have been sacked because Alderman Tait and his friends round the city have at all times carried on a warfare against anything that could be called Labour—whether they were local authorities or the Government of the State. By means of insidious propaganda he and his friends have been able to stop the Brisbane City Council from obtaining money. He now comes forward with the suggestion that if the Queensland Government would allow a loan to be floated free of income-tax he would see that the council got the money. He says this after having said that the affairs of the council were in such a muddle that nobody had enough confidence in the council to lend it money. As soon as his money-lending instincts allow him to see that there would be a "rake-off" for him and his money-lending friends, he says: "If the Labour Government will agree to a loan free of income-tax I will see that the money is got."

These gentlemen are concerned at all times only about profit for themselves.

Mr. Nimmo: How do you know that he was concerned?

Mr. RIORDAN: I know that the hon. member was concerned, too, and that is something more. I am going to say that owing to the influence of Archie Tait and certain other persons in this city they have made it almost impossible for the Brisbane City Council to get money. I am not in a position to give the name of my informant who tells me that there are hon. members on the opposite side of this Chamber who have written to the Commonwealth authorities telling them that it would be a crying shame if more money was advanced to the Brisbane City Council.

Mr. Brand: It is untrue.

Mr. RIORDAN: It is true. And what is more, they are not concerned about the sufferings of the 1,500 men who have been sacked

and their wives and children. The plight of the workers is not their concern.

Mr. Dart: Alderman Moon and Alderman Decker have always fought in the interests of the working man.

Mr. RIORDAN: They have always fought for their own party and after all is said and done I suppose that is not a bad principle, but they cannot get away from the fact that owing to the insidious propaganda carried on by both the opposition in the Brisbane City Council and some hon. members in this Chamber, the Brisbane City Council is not in a position to get money and about 1,500 men have been dismissed as a result.

Mr. Dart: We regret it.

Mr. Riordan: The hon. member regrets it, but the other day he criticised the actions of the Brisbane City Council. However, it is still in the happy position that it is employing 1,000 more than were employed by it under the old Tory regime.

Mr. Dart: That is not true.

Mr. RIORDAN: It is true.

Mr. Dart: You do not know.

Mr. RIORDAN: I do know. Even the Lord Mayor, Alderman A. J. Jones, challenged anyone to prove that, even at the present time, more men are not employed by the Brisbane City Council than prior to the Jones regime.

Mr. Dart: We had more under the Jolly administration, but the work was on contract.

Mr. RIORDAN: Yes, and the Jolly administration made a terrible mess of things. Even the Press has been carrying on continuous propaganda against the Brisbane City Council, but the Press, being a free Press, should give the people all the facts. There is no need to carry on an insidious campaign against the Brisbane City Council just because it does not like Alderman Jones or some other alderman. They should give more consideration to the people who will be affected by the present financial difficulties—the women and children.

Mr. Muller: The Press publishes only the truth.

Mr. RIORDAN: And the Press often tells lies, too. It is not a 100 per cent. George Washington. The loan raisings of the Brisbane City Council may be curtailed as result of this propaganda against it from various sources.

During the last war the development of this country proceeded as usual, despite the fact that about 360,000 men left our shores for military service overseas. Up to the present time we have not reached a similar unhappy position in this war, but we as a Government, and the Opposition, too, should at all times resist any attempt to curtail the supply of loan money, and thus hamper the development of this country.

Mr. Brand: We do.

Mr. RIORDAN: Yet every speaker from the other side of the Chamber has emphatically said that the Budget provides for extravagant expenditure.

Mr. Brand: We have not said anything about that.

Mr. RIORDAN: The Budget does not provide for extravagant expenditure. The Budget only provides for normal developmental works.

The hon. member for Fassifern said that he did not altogether believe in cutting out loan expenditure, but believed that it should be curtailed somewhat. He further said that there must come a day of reckoning—a day when we should be called upon to repay those loans. If we turn to the records of Parliament, we shall see how the population of Queensland is increasing in every 10-year period. Perhaps that increase is not so rapid nowadays as it was earlier in its history, when there was a vigorous policy of immigration. In comparing population statistics I find that there are 2,000,000 more people in Australia to-day than in 1914, at the outbreak of the Great War, and that the population of Queensland is 500,000 greater. The figures for Queensland are:—

1914	681,799
1938	1,004,150

In 1914 Queensland did not export any sugar or wheat. To-day we have exportable surpluses of both products. We also have an exportable surplus to-day in our sugar industry. We shall be very fortunate, indeed, if we dispose of all our surplus sugar in the present season. Some doubt prevails about whether that can be achieved. It must not be forgotten, too, that at the outbreak of the war, in 1914, the sheep population of this State was 23,000,000, while in 1916, because of drought, the number dropped to 16,000,000. That is a falling-off of approximately 25 per cent.

Despite all these factors, the loan borrowings during the war were as follows:—

Queensland.		£
1914-15—		
4 per cent.	1,813,399	
4½ per cent.	99,883	
Total	£1,913,282	
1915-16—		
4 per cent.	322,000	
4½ per cent.	200,414	
5½ per cent.	1,200,000	
Total	£1,722,414	
1916-17—		
4 per cent.	241,800	
4½ per cent.	1,016,000	
5½ per cent.	1,783,654	
Total	£3,041,554	

1917-18—		
4½ per cent.	275,650	
5½ per cent.	1,170,112	
Total	£1,355,762	
1918-19—		
4 per cent.	254,036	
4½ per cent.	339,400	
5 per cent.	61,400	
5½ per cent.	1,913,488	
Total	£2,568,324	

No argument by either of the Opposition or anyone else can show that loan raisings in this country to-day are not sounder than they were then. Take our exports alone. We are in the happy position of having exportable surpluses in many of our primary industries, a position that did not exist in 1914. We are also in the happy position of being able to dispose of the whole of our wool clip. The price of that product may not be all that one would like, but at least the market is to be stabilised. The Government should carefully watch the position, and see that no exploitation takes place in the sale of wool, butter, sugar, and wheat, which are sold here at fixed stabilised prices.

Take the position of the wool industry. Japan is a neutral nation, and she is clamouring for wool. It is possible that the wool that is sold to interests in Great Britain at 1s. 1½d. per lb. may be resold to Japanese buyers when it goes overseas at exorbitant prices, the benefit of which will not be shared by the producers here. The same thing may occur in regard to butter and sugar, or any other commodity sold by this country.

An Opposition Member interjected.

Mr. RIORDAN: It happened during the last war, and there is the possibility that it will happen during this war; therefore it behoves this Government, and the Commonwealth Government, to do everything possible to prevent exploitation of the producer.

Mr. Moore: They have to get it overseas, and they have first to face the risk of getting it there.

Mr. RIORDAN: We must see that we do not suffer as a result of an increase in freights by the shipping companies. We had an experience in that respect in relation to sugar. There is a flock of vultures who have taken advantage of every opportunity to increase prices. The hon. member for Isis will remember that when there was a slight rise in sugar two or three years ago the shipping companies immediately increased the freight on sugar sent overseas by 20 per cent., but owing to the activities of the Premier, in conjunction with the Federal Government, a reduction in that freight was made.

The Premier: The first proposed increase was 80 per cent.

Mr. RIORDAN: The increase in the cost of insurance and war risks is 10 per cent., yet freights have gone up from 33 to 50 per

cent. The other day we had the spectacle of men walking off a ship that was berthed in the Brisbane River in an endeavour to compel the ship-owners to accede to their demands for a £50 bonus for the increased danger to their lives. These men had no alternative, because they had no Industrial Court to go to. Various people in high positions expressed indignation at the "cheek" of these men; yet they are silent while these ventures—these hungry individuals—are demanding from the producers of this and other countries an increase in freights ranging from 33 to 50 per cent. The greatest profiteers during the last war were the shipping combines, and the same body will achieve that distinction in this war if they are allowed to do so. They are connected with every big financial institution in this country. Burns, Philp, and Company, the A.U.S.N. Company, Howard Smith Limited, are all connected with big capital, and have an influence in every big financial institution in the Commonwealth.

There has been a demand for a 20 per cent. increase in interstate shipping freights, but I am very happy that the Prime Minister of Australia has whittled the increase down to 10 per cent., and intends to make further inquiry. As a matter of fact, the statement made by the hon. member for Brisbane in the Commonwealth Parliament was that the increase in costs was about 5 per cent., whereas the shipping companies increased their freights by 20 per cent. Fortunately, on this one occasion, the Commonwealth Government have seen fit to stop the exploitation of the producers of Queensland.

The worst feature of the overseas freights is that the seamen, working 66 hours a week, receive a monthly wage as follows:—

	£	s.	d.
Ordinary seamen	7	10	0
A.B. seamen	9	0	0

Other than the captain and his mates, the highest-paid man on an overseas steamer is in receipt of £12 10s. a month. These men live in foulsmelling holes under the most rotten conditions, receiving the worst of rotten tucker. Notwithstanding these conditions, certain persons contend that such men were not justified in walking off their boats when a demand for £50 as a bonus or an insurance on their lives was not met. As a matter of fact, according to their papers, their pay ceases the moment their ship is torpedoed. Under the circumstances, why should they not walk off their ship?

As the result of trouble that occurred on the water-front at one time, the Transport Workers' Act was introduced, known as the "Dog Collar Act." The waterside workers were taking direct action, and this was done to keep these workers in their place. But what action has been taken by any Government up to the present against the companies that are increasing freight rates? I do not speak with any bias against shipping companies, as I have the greatest respect for them, but they are always held up as the acme of virtue and as consisting of people who should on no occasion be condemned. These people condemn direct

action by the workers on their ships or the waterside, but immediately it suits their own ends to exploit the position they raise shipping freights. Not one word is said against this action by the flag-flapping patriotic people of this country.

In any discussion of the Budget it must not be forgotten that there is the likelihood that a financial blockade will be imposed upon the States: that everything will be done to prevent the States from obtaining money to carry on normal development. That should not be. As I have already stated, the country is in a better position to stand loan borrowing than it was in 1914-1919. This is also shown by the figures of the manufacturing industries, of which so much is said.

	1914.	1937-38.
Employed in manufacturing industries—		
Males	34,965	42,336
Females	7,554	9,812
	42,519	52,148
Value of Production ..	£9,134,000	£17,934,000

It will be seen that the number of employees has increased by approximately 10,000, and the value of production has been almost doubled; owing to the use of labour-saving devices there has not been the same ratio of increase in the number of people employed as in output. The use of labour-saving devices, and not the factors that have been frequently blamed by hon. members opposite, are the cause of any hampering of manufacturing industries there may be in Queensland.

Wealth production has almost doubled since 1914. All these things show that Queensland is in a better position than she was to continue her policy of borrowing for the purposes of development.

Some suggestion has been made that the cotton bounty is likely to be removed. As a result of expressions of opinion by Queensland representatives in the Federal Parliament, the Federal Government, realising that such an action would be unpopular, and that they might be defeated in the House on it, have decided to postpone the proposed change.

I think that Queensland is the only State in Australia that is producing cotton at present. Last year we produced 16,000 bales. In peace time there is an available market of 35,000 bales a year. It has been stated by Mr. Colin Clark that within the next two or three years there will be an available market of 50,000 bales, and that if the war lasts for three years there will be an available market of 100,000 bales. Assuming that there are 3,000 cotton farmers at present producing 16,000 bales, it is reasonable to conclude that with an available market of 50,000 bales another 9,000 men will engage in cotton-growing in this State.

I know that the Co-ordinator-General of Public Works, acting with the Department of Agriculture and Stock, has made an extensive

investigation with a view to ascertaining the most suitable cotton-growing areas in the State. There are many fine areas in Queensland in which cotton can be grown if irrigation is installed. It is essential, if we are to have an assured and successful crop, that irrigation be used. I do not propose to become parochial and say that there are fine areas in my own electorate; I say that the experts, after their survey of the country, will say where cotton can be grown to the greatest advantage. The Government, however, when making an area available to a farmer for cotton-growing should take care to see that that area is big enough to allow him to produce his cotton without having to exploit his wife and children.

Mr. Maher: That is not exploitation. Picking cotton is a hobby.

Mr. RIORDAN: We should aim at something higher than thinking that it is not exploitation. I do not say that it is done at present; I am urging that a man be given a big enough area to make a living without having to put his wife and children into the field.

Mr. Muller: What are your Government doing to bring that about?

Mr. RIORDAN: I will tell the hon. member what I should do. I suggest that after the areas have been made available for cotton-growing the system of community farming be adopted whereby latest appliances can be used for the harvesting of the cotton and their cost charged against the whole of the community.

Mr. Dart: Do you believe in State farms?

Mr. RIORDAN: I believe in State control of all production.

Mr. Maher: Community farming is not successful.

Mr. RIORDAN: It has been successful. A Government nominee can be appointed as a referee to say who shall have first use of the appliances. By adopting my suggestion we could make cotton-growing profitable, as well as give employment to thousands of men, provided it is not hampered by the Federal Government's removal of the bounty. Sometimes I think that the Commonwealth Government do not want to see Queensland progress.

Mr. Maher: There is too much selfishness in human nature to make a success of communal farming.

Mr. RIORDAN: Selfishness can be overcome. Communal farming has been carried on in other countries, where strong disciplinary measures had to be introduced for the purpose. Thousands of men could be put on the land successfully if they got sympathetic treatment from State and Federal Governments. This State Government have done as much for the cotton-growers of Queensland as the Federal Government—in fact, considerably more. Look at what the Federal Government did to the tobacco-growers and the peanut-growers. There are two striking instances of lack

of sympathy for the farming population of this State.

The Premier: This Government have done more for the farmers than any other Government.

Mr. RIORDAN: They are the only Government who have done anything for the farmers, and that is the reason why there are more hon. members representing country constituencies on this side of the Chamber than on the opposite side.

The Premier has made the announcement that he is going to cause a survey to be made of the coal resources of this State with the view of having petrol extracted from coal. I read an interesting book—the hon. member for Oxley has read it, too—written by a man named Jones, the secretary of the Coalminers' Federation of Great Britain, who gives some very striking figures which are set out in that book. In Great Britain, a factory is established at Bellingham for the extraction of petrol from coal. All petrol so extracted is sold to the British Government, and eventually finds its way to the Air Force of that country. This petrol is of such high power and value that it is used only for aviation purposes. If we in this country could produce from coal enough oil to meet its requirements, we should give employment to 40,000 or 50,000 coalminers. We import no less than 500,000,000 gallons of petrol each year into the Commonwealth, and we produce in the whole of the Commonwealth only 6,000,000 gallons.

Mr. Maher: On our costs you would have to pay 5s. or 6s. a gallon for the petrol.

The Premier: No. At Bellingham it costs 10d. a gallon.

Mr. RIORDAN: In this State the cost would probably work out at about 1s. 3d. or 1s. 4d. a gallon.

Mr. Maher: The matter is worth investigation.

Mr. RIORDAN: Of course it is. Especially is it worthy of investigation when the hon. member for Aubigny says that there is no certainty of our getting rid of our products overseas because of shipping difficulties. There is no certainty of our being able to import petrol into this country in the future. In the event of Japan's going to war with this country, there would be danger in shipping petrol here, and a shortage would be experienced. Prior to the outbreak of war we were told that we had oil supplies for three months. We are producing 6,000,000 gallons of petrol a year, which will be augmented by another 10,000,000 gallons from Newnes shales. What is wrong with exploiting the possibilities of power alcohol in this country? The extraction of power alcohol would give employment to as many men as are at present employed in the sugar industry. Can we not have an Australian outlook?

At 12.30 p.m.,

Mr. DUNSTAN (Gympie), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. RIORDAN: Can we not develop a real Australian outlook by exploiting these possibilities to the fullest, at least in the interests of the unemployed, so that we may have enough petrol for the essential services of this country should our trade routes be threatened? What is wrong with our coping with this problem on a practical basis? I advocate that, at least, power-alcohol units similar to that at Sarina be established at Bundaberg, the Lower Burdekin, Innisfail, and Cairns. What is wrong with our producing another 5,000,000 or 6,000,000 gallons of power alcohol per annum? What did the patriots of this country do in 1933, when the present Premier introduced the Motor Spirit Vendors Bill, which called upon the big oil companies to blend a certain percentage of power alcohol with imported motor spirit? They found all the excuses and invented all the devices they could think of to defeat the proposal, and even moved the High Court of Australia to test the validity of the Act under section 92 of the Commonwealth Constitution. This State was more or less in the grip of the huge oil combine and even yet we are unable to get out of its clutches.

The Premier: We won the second case that was taken to the High Court.

Mr. RIORDAN: Yes. These big interests, which are really American interests, endeavour to excuse their attitude by saying that it is British oil. But it is financed with American capital.

The Premier: Hon. members of the Opposition supported the oil companies against the Government.

Mr. RIORDAN: Only recently the accusation was made that one of the organisers of the United Australia Party was more or less getting some of his salary from the big motor interests.

Mr. Russell: That is absolutely untrue.

Mr. RIORDAN: We know very well that the people who most flagrantly parade their patriotism are the ones who refuse to help this country by using the power alcohol produced at Sarina. The Sarina unit produces 1,000,000 gallons of power alcohol every year, and could produce 1,250,000 gallons at its full capacity.

Mr. Muller: Nobody is stopping them from selling it.

Mr. RIORDAN: Most of it is sold for use on Government jobs, and the hon. member, as a representative of a farming constituency, should bear in mind that the farmers are the most reluctant of all to use power alcohol as a blended spirit.

Mr. Clayton: I use nothing else.

Mr. RIORDAN: The hon. member says that he uses nothing else. Perhaps he wants

to indicate that he is a little bit loyal to the industry, but I am sure that the hon. member for Isis, if he told the truth, would admit that the farmers refuse to use power alcohol as blended spirit unless they can get it cheaper than imported petrol.

Mr. Nimmo: I always use it in my car, because it is the best.

Mr. RIORDAN: The hon. member uses it in his car because it is the cheapest, but I do not blame him. It is the best and the cheapest. However, unlike most other things that are cheap, it is not cheap and nasty. It is the finest motor spirit on the market. Unfortunately, there is a tendency amongst Australian people to prefer an oversea product to one produced in their own country. They should be patriotic enough to encourage production here.

Let us review what is being done in Germany, France, and other oversea countries to encourage the use of locally-produced power alcohol. In France, for instance, 81,000,000 gallons of power alcohol is produced every year, and in Germany they take all necessary measures to see that the power alcohol produced in that country is blended with imported petrol in the proportion of 25 per cent. of the total. France provides for a 20 per cent. blend, and in this way uses 57,000,000 to 58,000,000 gallons. In Australia the Queensland Government have pioneered the use of a blended spirit and as a consequence of the decision of the High Court we have been able to use 1,500,000 to 2,000,000 gallons of spirit in a 15 per cent. blend. The loss of excise, amounting to 7½d. a gallon, that would result from increasing the proportion of power alcohol to imported petrol would, if this opportunity was exploited to the full, be offset by the great additional number of employees, estimated at about 30,000, who would be absorbed in this industry.

Mr. Maher: The Country Party always stood for the expansion of the power alcohol industry.

Mr. RIORDAN: I have it on the word of the Premier that the Country Party voted against the Motor Spirit Vendors Bill when it was put through this House.

Mr. Maher: That is quite wrong.

Mr. RIORDAN: Look up "Hansard" and you will find it is true.

The Premier: You opposed it.

Mr. RIORDAN: I have placed this matter before the Committee as one reason why we should embark on loan raisings in order to exploit the natural advantages of the State. Australia is one of the richest countries in the world. We have no Federal Government up to date who have had a real Australian outlook. There are thousands of things we can exploit in Australia in order to create profitable employment for thousands of men, yet we receive no encouragement from the Federal Government to do so.

Mr. Nimmo: That is hardly correct.

Mr. RIORDAN: It is a fact. With a bit of honest-to-God common-sense treatment by the Federal Government thousands of workers could be absorbed in the tobacco, peanut, power alcohol, and cotton industries.

During this debate, the hon. member for Hamilton deplored the attitude of certain speakers on the Government benches in attacking the Federal Government because they did not believe that this State was being adequately defended. I want to draw the attention of hon. members opposite to the fact that recently the Federal War Cabinet decided that the best way to defend this country was by placing so many thousands of men into militia training camps. Married men as well as single men volunteered with a desire, I suppose, in their opinion to do the right thing. Now that they are in a military camp—a more or less compulsory camp—they find that the allowance for their wives is 2s. 6d. a week, plus 9d. a week for each child. That is the case of a young married man with a wife and three children living a few doors away from me. What a magnificent sum for the Federal Government to hand out to those men who are prepared to defend this country! Hon. members opposite frequently criticise the ration allowance of this Government to married men and their children, yet we find them making excuses for the Federal Government, who hand out a paltry 2s. 6d. for the wife of a soldier and 9d. for his child. When the occasion demands that they should be critics of the Federal Government not a word of protest comes from them. Only one member of the Opposition Party, Mr. Fadden, has protested.

A Government Member: He does not belong to the party now.

Mr. RIORDAN: I am reminded that he does not now belong to the Country Party. He thought it was time he got out, knowing that if he did not he would be thrown out. It is difficult to understand why hon. members opposite, when criticising the State Governments' ration-relief scale, do not say a word about the wives and children of those whom they expect to defend this country.

I do not propose to enter into a debate as to the inadequacy of the measures taken to defend this State. I have said on a previous occasion that Queensland has not been adequately protected and I believe that the people, particularly in North Queensland, whole-heartedly agree with me.

We need only take the precautionary measures to find proof of my statement. Various local authorities throughout the State are paying for the guarding of their water supplies, and power houses, and so on. That is purely a Federal matter, and the Commonwealth Government should be paying for the protection of these essential services. The cost of guarding these services is breaking every country council; they cannot continue to bear the financial strain. It cost the Brisbane City Council £1,000 a week for this purpose, and small country councils have an expenditure of from £20 to £50 a week each.

Mr. Moore: Who is paying for the protection service down here?

Mr. RIORDAN: If they are not in receipt of the basic wage, the State makes up the difference, and if they are receiving over the basic wage they are doing it for the love of their country.

Hon. members must realise that unless the Federal authorities step in and undertake this liability, every country council will drift into a bankrupt position and have to sack its permanent staff. The Bowen council is paying £30 a week for the guarding of essential services. Wherever there is a bowser you will find soldiers standing round guarding it. That is quite right; it is an essential commodity. Water supply and electric light are of more consequence to the people as a whole than the interests of oil companies. Let us face the position and make representations to the Commonwealth Government for the purpose of obtaining some relief for the country councils, which cannot possibly meet such a heavy burden of expenditure. These councils have only a limited amount of money to carry on essential services, and unless they obtain relief they will be driven to sack some of their permanent staff.

The Budget is a very optimistic one. I hope we shall be able to get the money we have budgeted for—and more if it is necessary—for the development of the State.

I hope that when the war is successfully concluded for us, the people who have fought and made all the sacrifices—I refer to the working class in the Commonwealth and the other countries engaged in the war—will enjoy more of the good things of life.

Mr. BRAND (Isis) (12.44 p.m.): First of all I wish to correct one or two mis-statements by the hon. member who has just resumed his seat. The hon. member said a financial blockade was being instituted and that hon. members of the Opposition had written away to stop loan money from coming to the Loan Council.

Mr. Riordan: It is true, too.

Mr. BRAND: Both statements are untrue, and it is regrettable that they should have been made. It is evident from the Financial Statement that there has been no financial blockade of loan money coming to this State for the current year. As a matter of fact, over £400,000 is available to this State this year more than last year. The hon. member for Bowen said that somebody in the street, who had got it from somebody else, had told him, that hon. members of the Opposition had been guilty of writing away somewhere to stop loan money from coming to the Brisbane City Council. That statement is obviously untrue; it should never have been made in this Chamber. The statement is founded on hearsay, and has no authority.

Furthermore, the statement has been made by the Premier that hon. members on this side opposed the power alcohol industry.

The Premier: Quite a number of you did. You voted for two amendments limiting the scope of the Bill.

Mr. BRAND: The motion dealing with power alcohol was first moved in this Chamber on private members' day by Mr. E. B. Swayne, then representing the Mirani electorate, on 26 September, 1929, and it was seconded by the hon. member for Wide Bay. It was urged that a commission be appointed to inquire into the uses of power alcohol and other by-products of sugar cane.

Furthermore, when the Motor Spirit Vendors Bill was brought down on 11 October, 1933, it was supported by hon. members on this side.

The Premier: Not in its entirety. You had two divisions in Committee against it.

Mr. BRAND: Not on the second reading of the Motor Spirit Vendors Bill. It is just as well to clear up such points. The Opposition commend any proposal to give the greatest possible assistance to this industry. Nevertheless, we to-day find the hon. member for Bowen, supported by the Premier, endeavouring to make it appear that hon. members on this side are joining in with the oil companies to oppose this Queensland industry. That is not in conformity with the truth. Why should it be so? The policy as to power alcohol on which we went before the electors indicated quite clearly we believe that the production of power alcohol is of national importance. We were prepared to co-operate financially with the Commonwealth Government and the sugar organisations in the erection of suitable plant as an adjunct to sugar mills for the carrying out of experiments on commercial lines. The greatest aid that could be given by the Queensland Parliament for the development of this important industry is aid in the manufacture of motor spirit, a product of great value in peace times, but of vast national importance in times of war.

Mr. Clayton: Such a question should not be one of political party.

Mr. BRAND: I admit that. It is no use blaming the Premier or any other hon. member on that or this side of the Committee for inaction in this respect. We advocate certain principles and stand up to them.

A passage in the Financial Statement reads—

“The past year has been marked by continued advancement and progress throughout the State. This fact, in conjunction with the assistance and co-operation I have received from my colleagues in the control of expenditure, has contributed to the pleasing conclusion of the year's operation.”

We are delighted that there is a pleasing conclusion to the year's operations, but, as the Treasurer says that this is due to the co-operation of his Ministers, we should like to know whether he has not had that co-operation in years gone by when deficits have been shown. In their first year of office the Government had a deficit of £1,554,000, and they continued to show deficits long after

the depression had lifted, until 1938-39, when they have a small surplus. Last year the Government expended from consolidated revenue, Trust and Loan Funds, £32,436,915. I should like to know what the Government's position will be if revenue does not reach that level. Are we to expect that the deficit will be even greater than estimated, or are we to look forward to another depression? The peculiar thing is that the Treasurer has estimated that the receipts to consolidated revenue for the year will be £20,310,735, or almost £1,000,000 greater than the amount received last year. He expects an increase in loan expenditure from £3,892,641 last year to £3,841,000 this year. That is an increase of approximately £1,500,000 in the amount available for expenditure, yet the Treasurer estimates a deficit of £64,702! I hope that the conclusion of the State's accounts will be more satisfactory than that, and another small surplus will be shown.

In this State the Government have many excellent opportunities for the expenditure of money along channels that will make for the progress of Queensland and the betterment of the State's finances. We are told that it is expected that £2,000,000 will be raised by way of State development tax. We hope that that sum will be expended on true development—the expansion of our primary and secondary industries, and the finding of work and wages for our unemployed, with consequent contentment amongst our people.

We have heard from hon. members opposite—the hon. member for Bowen is one of them—that at present, provided funds are available, we have a better opportunity for developing the country than we had during the period of the Great War. Be that as it may, we must expect that Governments will not have an easy row to hoe.

I believe that the establishment of air raids precaution committees by the Secretary for Health and Home Affairs is a very fine move. Thanks to the activities undertaken by that hon. gentleman, we have an air raids precaution committee in almost every town on the coastline of Queensland. This is a very large organisation carried on under voluntary conditions. I believe that the organisation will be of great help, not only to the people, but to the Government, should it, unfortunately, happen that we have to face air raids by an enemy. Of course, we hope that they will not occur, but the organisation is helpful to Queensland, and will be of great protection to the people if they should.

We have also to remember, when discussing the Budget, that the Government should give all possible help and co-operation to the Commonwealth Government and the War Council in the prosecution of the war.

Mr. Jesson: Have we not being doing that?

Mr. BRAND: I am not saying we are not. I said that we have to remember that such co-operation is due to the Commonwealth Government. I believe that the Parliament of Queensland will be as ready as any other

State Parliament to give all necessary assistance in prosecuting the war to a successful conclusion, not only with man-power, but in products, and in every other way in which we can help. Whatever may be the result of the administration of Queensland in the next few months, I hope we shall not forget that the Commonwealth Government have a very difficult road to travel. I hope that the Government of the State will render the assistance necessary for the development of our primary industries, so that those engaged in industry will be able to get their produce away to market. That is one of the biggest problems the Government will have to face in the coming months—how to get away from this country the produce we are exporting annually. The Leader of the Opposition has given an undertaking that the Opposition will give all possible assistance to the Government during the period of the war in carrying out any national service. We have pledged ourselves to help in every respect. Notwithstanding the comments made by hon. members opposite, it is wise to recognise the fact that Queenslanders will be loyal to the Empire, and loyal to the Government in their undertaking to help. That is of the greatest importance at the present time. We cannot afford to be disunited in times such as the present.

At 2.15 p.m.,

The CHAIRMAN resumed the chair.

Mr. BRAND: During this debate hon. members have referred to the cotton industry and to the proposal by the Federal Government to accept the recommendations of the Tariff Board made earlier in the year. The Tariff Board recommended a reduction in the bounty of 1d. a lb. on the existing basis of 4½d. determined by the Liverpool price of 6d. a lb. for cotton lint. Hon. members opposite have endeavoured to gain a party political advantage from this situation, but I should like to remind them that when the recommendation of the Tariff Board became known, the Leader of the Opposition in this Parliament took the matter up with the Federal members of the Country Party, including Messrs. Cameron, Fadden, and Corser, and urged them to protest at all costs against the Government's acceptance of the recommendation, with the result that the Government postponed consideration of the matter, and the Federal Country Party are now in consultation with the Minister in charge of the department with a view to maintaining the existing bounty. Indeed, the Prime Minister has already indicated that he will come to the assistance of the primary industries in this country, realising as he does that it is important at the present time that existing conditions should be retained so that our primary industries may reach maximum production. At all events, we can say that the cotton industry is a very important one for Australia at the moment. It has been successfully developed in this State, and it should be helped so that this country may become self-supporting in this commodity during the present war. All Governments in this State, both Labour and Country-National, have

recognised the need to help the cotton industry. We have the soil to grow all the cotton requirements of Australia.

The Premier: The whole difficulty is the uncertainty of the rainfall.

Mr. BRAND: Our difficulty is that we, as a white people enjoying comfortable living standards, have been asked to grow cotton for Liverpool in competition with cheap black-labour countries, and it is the duty of Governments to give the industry all the help they can. I attended the sittings of the Tariff Board when it visited Queensland to inquire into the cotton bounty, but the board inspected only the lower part of the cotton belt. They saw only the fringe of the development that has taken place in the last decade. One of the greatest developments in the industry, which alone warrants the payment of the bounty by the Commonwealth Government, is this State's success in propagating varieties that are suitable to this country. In the earlier stages of the industry, one of our greatest difficulties was that of getting varieties that would produce the maximum possible quantity of lint in the boll. Recently, considerable progress has been made in the scientific research work undertaken by the Department of Agriculture and Stock, so that to-day we have sufficient cotton seed of suitable varieties to maintain a large industry in Australia. It would be a great pity if, after the long years of work entailed to bring about this happy position in the cotton industry, any administrative action of the Commonwealth Government should affect its life. In the last few years, notwithstanding the difficulty associated with the drought conditions, considerable quantities of cotton have been grown in this State. Even the cotton-growing States of the United States of America, whose labour costs are similar to ours, have not been able to produce more cotton than we have done. That fact is a notable achievement for Queensland producers.

It is possible to have great development in the cotton-growing industry in this State. That would be of great assistance to the Government. I would say to Governments that any assistance they can give in helping the price of cotton will be very valuable to Australia, to this State in particular, and the Commonwealth in general, particularly if that help is in the direction of maintaining a price that will make for a satisfactory living for the grower. Records show that great development has arisen from assistance given in the past. Notwithstanding the absence of irrigation, we can, under normal conditions, if reasonable assistance is given, guarantee to the Commonwealth a very satisfactory annual production of lint. It may be said by some people that the industry is not entitled to the amount of assistance that has been given to it from time to time, but we have to consider that we have been endeavouring to develop this country under the standards of life appropriate to a white race, and if a crop so grown must compete with crops grown under very different conditions elsewhere, it is the duty of the people as a whole to assure it sufficient protection

to cover the cost of production. That assistance is always forthcoming for secondary industries.

There are many in the industry to-day who contend that the bounty is not a satisfactory one. I agree with this contention. Even so, it has been of great service to the development of this State, and of great value to Australia as a whole. The present small measure of help should not be curtailed; in fact, it should be extended in order to build up the industry, which must be of great importance to Australia, in this difficult period especially. It was very unfortunate that such a recommendation should come from the Tariff Board at this time, and that it should be known to the people engaged in the industry. We need greater and not less production in all those products that are essential to the economic life of Australia.

If the war continues, the difficulty of obtaining lint will be increased, and if sufficient is not produced in Australia to satisfy the requirements of the spinners in this country the blame will lie, not with the cotton producers but with the Tariff Board.

I take this opportunity of congratulating the Premier, Sir Philip Goldfinch, members of the Sugar Board, and the Prime Minister upon the success of their efforts to bring about a satisfactory agreement for the sale of surplus Australian sugar to the British Government. I believe that agreement is the forerunner of greater improvement in Empire marketing.

We all recall the International Sugar Conference that took place in London in 1937, when claims from this country and other dominions for a share of the British markets were heard. As a result, we obtained a greater proportion of the market, comparatively, than other countries. The agreement entered into a few weeks ago for the sale of 290,000 tons of sugar from Australia at 7s. 6d. a cwt. plus all costs, may—

The Premier: Not plus all costs; 7s. 6d., plus tariff preference, plus 2½d., plus increased freight and increased insurance.

Mr. BRAND: Yes. It may help us to make a better agreement in Britain than we did in 1937. I believe that our efforts in regard to the agreement entered into a few weeks ago will have a material effect on the future sales of our sugar overseas.

The following statement appeared in the "Telegraph" of Saturday last:—

"London, 6 October.—Negotiations are proceeding satisfactorily for agreements whereby the whole of the sugar imports to the United Kingdom for the 12 months ending September, 1940, will be procured from the Empire. If arrangements are completed it is thought this will be the first time in the history of sugar exports to Britain that this has happened. The result will be to stabilise prices, obviating the fluctuations which have had such serious consequences in the industry during the past few years.

"Arrangements are being made to acquire sugar for the United Kingdom from South Africa and the West Indies at 7s. 6d. a cwt. plus preference, which was the price paid for the balance of this season's Australian sugar, amounting to approximately 300,000 long tons."

That indicates that the British Government are endeavouring to make the Empire self-supporting.

Possibly that has some connection with the statement made in the Imperial Parliament as far back as 1935, when the marketing of sugar from overseas was giving concern to the British Government, which led to the International Conference of 1937.

The statement made in the Imperial Parliament to which I refer is as follows:—

"It has been necessary for the British Government to consider very carefully the international situation as part of the general review of sugar policy upon which they have been recently engaged. With the world price of sugar at its present level it is safe to assume that no country in the world can produce sugar at a profit. The Government believes that the sugar producing countries can only hope to set the industry upon an economic basis by means of an international agreement for the adjustment of supplies to the requirements of the world market, accompanied by the acceptance of the principle that State assistance, in whatever form, should everywhere be diminished as market conditions improve."

That indicates that the British Parliament was deeply concerned at the fall in prices on the world's market. This has also troubled the Commonwealth and Queensland Governments in the past few years. It was realised that it is very difficult to maintain the standard of living that Australia requires for those in the sugar industry, and, at the same time, to meet the fall in prices. When one realises that Great Britain, an importer rather than a producer of sugar, gave consideration to the fall in prices as far back as 1935 one can visualise the reason for the international conference of 1937, and also the reason why that conference had in view the lifting of the price on the world's market to a level to enable producers to make a profit. It is clear, therefore, that we should look upon the agreement made recently as of great importance to the future of Australia.

As hon. members know, about the time of the completion of that agreement, the price of sugar on the world's market was approximately 7s. 6d. a cwt. In fact, I understand that some sugar was sold at a price slightly above that figure. The agreement was founded on the existing prices. Keeping in mind that the Dominions should not exploit Great Britain in essential commodities in this period of war, and recognising that Australia had no desire to exploit the Mother Country, we must feel that the action taken will prove of advantage to the industry of Queensland. This point has been gained—should Great Britain pay a higher price for sugar during the currency of this agreement

that price will be paid to the Australian producers. That is very important. There will be a difficulty in obtaining enough vessels to transport our sugar overseas and that has been also provided for in the agreement. The British Board of Trade is to give every possible assistance to obtain tonnage.

The Premier: There has been a good deal of difficulty.

Mr. BRAND: I understand that it may well be so. The Sugar Board will find much difficulty in getting ships to carry such a large quantity of sugar from Queensland. A larger amount of shipping space is being made available on vessels that are usually not sugar-carrying boats, and for this reason some persons in the industry question the wisdom of providing greater storage at mills.

I agree with the Premier that that is a responsibility that they should accept, especially when we consider that the agreement might, in view of the opinion expressed in London on Friday last, be permanent. It must be understood by those engaged in the industry that the 2½d. a cwt. that they obtain under this agreement would not have been received by them if storage for the sugar had to be found in Great Britain.

The Premier: That is a very good point.

Mr. Brand: That 2½d. should be ample to compensate them for whatever storage they have to provide. The directors of the Isis sugar mill have decided to increase their storage capacity, and I believe that it is not impossible for the other mills in the State to do the same thing.

The Premier: A good many of them have started.

Mr. BRAND: I believe they have, but there are a few that seem to think that they can avoid providing it. I believe that this storage should be provided as quickly as possible.

The sugar industry is of great importance to Queensland, and plays no mean part in the finances of government. Its success helps to bring the Government's operations to the pleasing conclusion referred to by the Treasurer. We know that prior to this war the known market for Queensland, both here and overseas, was 730,000 tons of 94 net titre sugar. We have been able to obtain a market for another 46,000 tons, and, as a result of the Premier's last effort, another 50,000 tons, which should ensure within reasonable bounds a market for the whole of the crop in Australia, which is estimated at approximately 860,000 tons.

Revolving round this question of export and home-consumption prices, we have the problem of peaks. Mill peaks have already been decided upon by the Government. During the year, they altered what is known as the 1929 peak-year scheme. We have now a realignment of peaks that means an aggregate production of 730,000 tons. The hon. member for Cooroora says that that should not have happened. I have taken the stand that the position was well-known to the indus-

try when the 1929 peak-year scheme was instituted, and great care should be exercised before any steps are taken to modify it.

At the beginning of this year, the Government appointed a royal commission to inquire into mill peaks. That commission recommended an increase in aggregate production to 730,000 tons. The majority report contained some very definite statements, as, in fact, did the reports of the other commissioners.

I find from the majority report that certain areas in Queensland have carried production to a point that endangers wages, working conditions, and solvency generally. That report goes on to say that the peak-year scheme of 1929 was instituted solely to maintain an economic price for sugar by controlling its production. Further on it is said it is recognised that all costs incurred in sugar production are rising, while the industry's returns are largely limited by the fixed price received for home-consumption sugar. If sugar prices were reduced either at home or abroad bankruptcies would result and present production could not be maintained permanently. Surrounding the whole question is the fact, as the Premier has stated in many discussions on the sugar industry, that there must be a point to which we can go without endangering the conditions of people who are not growers of cane.

Mr. Walsh: It is difficult to get the industry to see that.

Mr. BRAND: Yes, it is very difficult. It is wise to have a peak-year scheme and give each individual area its allotment.

The Premier: There must be a datum point somewhere.

Mr. BRAND: I am afraid that with the conditions prevailing and the completion of the agreement—which, I say again, will have far-reaching significance in the industry—some might attempt to exploit the position and ultimately destroy the livelihood of others. I notice that a Bill is to be brought before this Chamber dealing with the industry, and I trust that the measure will maintain the solvency not only of the industry itself but of those engaged in it, including those who are not cane-growers, and that it will give to each district the knowledge that it is entitled to a certain quantity within the aggregate peak. I believe that production beyond that point should be permitted if the Government of the day require it for Empire needs. We have a say in the industry to-day, and appearances lead us to believe that the future is not so dark as was thought some three or four years ago. We have an established market price for sugar in Australia which makes the aggregate price for the sugar manufactured in this State within No. 1 pool, payable to all concerned.

Mr. McLean: Due to the agency of this Government and the Premier.

Mr. BRAND: I was endeavouring to discuss the matter without dealing with any

particular party. I have already paid my tributes to those who deserve them. If the hon. member was not in the Chamber when I did so, that is not my fault. I believe that the industry should be protected along the lines known to be the safest. If there were defects and anomalies in past peak-year schemes and these have been removed there should be no occasion for some people to profit at the expense of the others in the industry. All I am endeavouring to do is to protect the small man in the industry and not the large man, who in some cases has obtained quite a large consideration in the arrangement of peaks. I hope that the Bill it is proposed to bring forward will obviate many of the anomalies that were irksome in the past.

I had intended to deal specially with the beef-cattle industry, but my time has almost expired. I was very pleased, Mr. O'Keefe, to hear references in this Chamber to the report of the Royal Commission on Public Works—of which you and I were members—on an inland railway link. During our tour through the State to hear evidence concerning the proposals submitted to us I had a splendid opportunity of seeing the country under very favourable conditions. Of course, I realise that rainfall plays a very important part in the development of primary industries, especially in the great western areas of the State. I believe that these industries can be helped considerably by the Government by carrying out the recommendations of the commission. For instance, the beef-cattle industry, which has been, and still is, a very important primary industry in that it produces an important product for home consumption and for export, does much to develop the country, and to provide employment. It has passed through very troublous times, and it has had to contend seriously with low prices for its product. The prices of meat on the home market are governed very largely by the prices realised for it in other parts of the world, and this industry, like the wool industry, has to compete on the markets of the world without any financial assistance from Governments or any measure of protection such as other industries have, which helps to increase the price of commodities to the producer. Therefore, the beef-cattle industry should be helped by Governments so that the growers may be able to get a payable price for their commodity and maintain the efficiency in the industry that is necessary to enable it to compete successfully on the markets of the world. We realise only too well that it is subject to keen competition from other countries and that it is necessary to produce only beef of prime quality; but, as you know, Mr. O'Keefe, prime meat can be produced only if fat cattle can be quickly and carefully marketed, and that if they have to be transported over great distances before being railed to market, the quality deteriorates. Therefore the industry can be helped very considerably by the construction of short railway links such as that recommended by the Royal Commission on Public Works.

Perhaps most hon. members do not realise that some of the railheads in the north-

western and far-western areas of the State which are important trucking centres are situated in hard, stony country that seriously militates against an attempt to get the cattle to market in prime condition.

Consequently, most of them receive stone bruises, which make it very difficult for them to travel in the railway trucks to the meat-works or the Cannon Hill saleyards. Assistance should be given by this Parliament to provide for comparatively small extensions from the railheads at Dajarra, Yaraka, and Quilpie through the hard, stony areas to the soft country. These extensions would be for 50 or 60 miles at most and could be cheaply constructed. They would make it possible for the great producers of beef cattle to place their fats on trucks in sound condition and enable them to reach our markets in prime order for home and overseas consumption. A great deal can be done to benefit this important industry. My suggestion is only one of many that can be made for its improvement, but, if adopted, will enable us to take our place on the markets of the world by putting beef of prime quality upon them.

The beef-cattle industry, which is worth £7,500,000 to this State to-day, can be greatly increased. We talk of industries being worth £10,000,000 annually to this State, and with an improvement of our transport facilities to enable our beef cattle to be marketed in their bloom I have little doubt that within a very short period this industry, too, will be worth £10,000,000 to this State. That would be a great help, not only to the producers, but to the Government also, as the administrators of our finances. I hope that the recommendation of the Royal Commission on Public Works for the construction of a rail link to connect Charleville on the southern line and Blackall on the central line will not be shelved, but that money will be found that will enable us to carry out this and other reforms in transport of great value to the industry, and, indirectly, to the State.

One factor that should not be overlooked is that we have 6,000,000 cattle in the State, two-thirds of them being in the tick area, and approximately one-third in the tick-free area. It is necessary, therefore, that transport facilities should be provided for the transport of cattle from the tick-free areas direct to the treatment works in the tick areas. Unfortunately, no adequate consideration has been given to the transport problems confronting the industry. By providing the facilities I have outlined, the Government would add to Queensland's wealth by a sum far in excess of that suggested by the commission. Its recommendation should receive the serious consideration of the Government. Money expended in the production of increased wealth is money well spent. It opens up avenues of employment, and enhances the value of industries to the State's economy.

The year just closed was a record for exportable primary products, the value of which were approximately £28,500,000. That wealth production, with a little assistance,

can be considerably increased. Any expenditure that will bring new wealth to Queensland will not only strengthen this State financially, but also enable the Treasurer to look forward to the day when he can obtain the whole of his commitments without burdensome taxation, with benefit to all concerned.

Mr. COPLEY (Kurilpa) (2.55 p.m.): At the outset, I desire to congratulate you, Mr. O'Keefe, on your election to the position of Chairman of Committees

I am sure hon. members on both sides of the Committee realise that during the time I have been an hon. member of this Parliament there has been no more careful hon. member, so far as observing the niceties of debate and doing the right thing are concerned, than myself. Whenever I had an opportunity to state the case for Labour, I did it as fearlessly and faithfully as I possibly could, without descending to gutter tactics.

Recently, the newly-elected representative of the sectarian party, the hon. member for Kelvin Grove, saw fit to make a very scurrilous and vicious attack on myself.

Mr. MORRIS: I rise to a point of order. That is definitely untrue; I never made a scurrilous attack on the hon. member's personal character at all.

Mr. COPLEY: I will accept the hon. member's assurance. In the next few moments I desire to deal very trenchantly and pungently with some of the observations the hon. member made in that speech. I intend to deal with the speech in its entirety. I shall deal with some of the statements the hon. member made here, and show to the Committee the real position in respect of the matters raised by him. The hon. member said—I will repeat it for the benefit not only of the Committee but of the hon. member who made it—dealing with a person by the name of Guymer—

“This girl came to me in the House here and again in the party's rooms, and she made certain statements to me.”

I have with me a copy of the depositions of the evidence given by this woman in the police court.

Mr. CHAIRMAN: Order! What is the hon. member quoting from?

Mr. COPLEY: I am only quoting from a statement made in the House. This statement was made on the debate on the Address in Reply, and is to be found at page 149 of “Hansard.” I am referring to notes I made from those speeches. The hon. member for Kelvin Grove referred to a Miss Guymer, who, he alleged, came to the party's rooms. On page 9 of the police court depositions, in answer to a question by Mr. Real, Miss Guymer said—

“I have not written to Mr. Morris. I did not interview him.”

It is very difficult for me to assess the truth of the statement made by Miss Guymer or

the statement made by the hon. member for Kelvin Grove. Both of these people have been before a magistrate in this city, and on each occasion the magistrate disbelieved the evidence they gave on oath. I am not going so far as to say that they committed perjury on those occasions; but the evidence they gave on oath was disbelieved. I do not know whether the statement made by the hon. member for Kelvin Grove is correct, or the statement made by Miss Guymer on oath that she never interviewed him or wrote to him. Further on in his speech, the hon. member said that this woman came to him and made certain serious allegations.

We have also the statement made by her on oath, vide page 10 of the depositions, “I did not make charges to Mr. Morris against Mr. Copley.” In order that it will remain on record, I give the exact words—

“I am not interested in Mr. Morris. I did not interview him. I did not make charges to Mr. Morris against Mr. Copley. I did not make a charge to Mr. Morris that I had an abortion and that Copley was responsible. I never made such an allegation or suggestion to Mr. Morris, or anyone.”

On 9 March, when I was away from Brisbane with the Royal Commission on Public Works, the hon. member for Kelvin Grove called upon the Under Secretary to the Department of Justice, and made the allegation that Miss Guymer made the allegation that she had been criminally aborted, had paid £15 for this, and the amount had been refunded to her by me. First of all, she denies she ever made such a charge to him, and then on page 11 of the depositions states—

The CHAIRMAN: Order! I cannot see that the hon. member is in order in discussing this matter.

Mr. COPLEY: Mr. O'Keefe, under cover of Parliament an attack has been made upon me by an individual speaking in this Chamber, making certain allegations. I think that in the debate on the Financial Statement or the Address in Reply it is the privilege of hon. members to make statements regarding matters raised here or issues relevant to the State, and also to make statements generally. This man has made allegations and I desire to clear up some of these things.

The CHAIRMAN: Order! Certain matters that can be dealt with on the Address in Reply cannot be discussed in the debate on the Financial Statement.

Mr. COPLEY: I respectfully submit that an hon. member is capable of discussing all subjects before the Committee by way of allegations made by a private hon. member or any other person.

The CHAIRMAN: Order! I am afraid I cannot allow the hon. member to proceed on those lines.

Mr. COPLEY: I take it, Mr. O'Keefe, you are giving a definite ruling along those lines.

That is very interesting, and I will not say anything more than to say both this man and woman have been disbelieved.

I now desire to make some statements as to the general political atmosphere of Queensland. I think I am entitled to discuss the matter about to be raised. The hon. member for Kelvin Grove represents in this Parliament what is known as the sectarian party, which is nominally the Protestant Labour Party. This man having gulled the credulous among the people of Kelvin Grove into believing that he is a member of a Labour party, which he poses as, it is very significant to read his statement made after a certain incident in Maryborough, when he said his party was definitely anti-Labour, despite the fact its members are alleging that they are a Labour party. For the benefit of the public, it would be wise for the people of Kelvin Grove to look up the birth certificate of this man, their accredited representative in this Parliament. I thank him very much for a statement he made in this Chamber. He paid me a certain tribute, to which I was not entitled. I had nothing at all to do with the matters he raised. He gave me invaluable assistance by his publication in the Protestant "Clarion" of 3 August, 1939, when he said who his maternal and paternal grandfathers and parents were. Up to that date, it was a problem to ascertain the parents of every George Alfred Morris born in Sydney within a certain time. I think there is no question but that his birth-place is Sydney.

I want to say further that a very exhaustive search, following upon his publication in the "Clarion" of the fact that his mother's name was Finnie, disclosed that the only alliance within relevant dates between a Morris and a Finnie brought forth one George Alfred Morris. That George Alfred Morris, born on the 15 day of July, 1892, was baptised a Roman Catholic in St. Benedict's Church, George street, West Sydney, on the 31 July, 1892.

Mr. MORRIS: I rise to a point of order. That is just another insolent lie on the part of the hon. member for Kurilpa. It is an absolute concoction. It is definitely untrue, and I say it on the floor of this Committee. It is an absolute concoction on the part of the hon. member for Kurilpa, and I demand a withdrawal.

Mr. COPLEY: I ask for a withdrawal of the word "lie."

The CHAIRMAN: Order! I ask the hon. member for Kelvin Grove to withdraw the remark.

Mr. MORRIS: I withdraw the remark.

The CHAIRMAN: Order! I ask the hon. member for Kurilpa to accept the denial of the hon. member for Kelvin Grove.

Mr. COPLEY: Before I do that I want to say that I have documentary evidence to say that this man's godparents when he was baptised were Stephen Branigan and Alice Guilfoyle—

Mr. MORRIS: I rise to a point of order. That is a pure fabrication and a definite lie.

Mr. COPLEY: I ask again for the withdrawal of the word "lie."

The CHAIRMAN: I ask the hon. member for Kurilpa to accept the denial of the hon. member for Kelvin Grove.

Mr. COPLEY: If you order me to I must, but I must say that I have documentary evidence to say that the statements I have made are true.

The CHAIRMAN: Order! I am not going to allow this controversy to go on any further. I ask the hon. member for Kurilpa to confine his remarks to the question before the Committee.

Mr. COPLEY: There were quite a number of things that I wanted to say to-day, but I must bow to your ruling. I do want to say now, however, without going any further into the matter at this stage, that people who live in glass houses should not throw stones, whether on the Address in Reply, or anywhere else. I regret that the opportunity did not fall to me to make available some further information, but I intend to do this at a later date, and to give the information in this Chamber. I promised my electors that I would supply the information, both here and to them.

During the sittings of an elections tribunal certain statements were made about the distribution of a pamphlet, and, on the eve of the recent municipal by-election, certain pamphlets were distributed in Kurilpa. I want to say here and now that I have a copy of one of them. The hon. member for Kelvin Grove could not do the right thing at that time, and he even published in full a speech that he made in this House. I have an extract from it here, and certain parts of the speech that he made in this House were published in the pamphlet that was issued in that electorate. That is just another example of the type of political work that the hon. member is capable of doing. In view of the fact that I cannot pursue the other matter any further, and that I cannot reply as effectively as I should have liked to do, I desire to say now that, even if I have to wait until we are discussing the next Address in Reply, I shall deal with the matter, and I shall place some more facts, which I shall have by that time, before the public.

I congratulate the Treasurer upon the production of this Budget, and I do hope that the £64,000 that he estimates as his deficit will be the maximum that his actual deficit will be.

As one of the rank-and-file members of the Labour Party—as one who is entirely interested in the welfare of all the workers of this State—I appeal to the Treasurer and the Premier of the State—who, I know, has always been very interested in the welfare of the people—to see that as much as may be available after providing for the necessary defence of this country is used for the employment of those who are not able to go to the war or who are not able to enlist here and go into training. I feel certain that by his

endeavours he will see that certain money is made available for constructive work for the employment of our people rather than their destruction.

I regret the ruling you have given to-day whereby you will not allow this discussion under the Financial Statement, but you can rest assured, Mr. O'Keefe, that there is something in store for hon. members of this Assembly at the first available opportunity.

Mr. MORRIS (Kelvin Grove) (3.11 p.m.): At the outset, I should like to refute the statement made by the previous speaker—

The CHAIRMAN: Order!

Mr. MORRIS: I do not want to pursue the subject in any way, but I am not afraid of anything that has been said against my personal character in this Committee on this occasion or what may be said in the future. It seems rather a tragedy—

Mr. Copley: Have you paid those starting-price bettors you have wiped off?

Mr. MORRIS: The hon. member is interjecting and making statements as he did in the by-election. Every time he got on a platform he made scurrilous statements regarding the personal make-up of other men in the election campaign.

Mr. Copley: I will say what I said about you outside.

Mr. MORRIS: I am not concerned with what the hon. member is likely to say. I am not going to attack his character, but leave it to the general public to find out for themselves.

Unlike previous speakers who have been patting the Treasurer on the back and praising him to the sky for the Financial Statement he has presented, I sympathise with him. He finds himself in exactly the same position to-day as other Treasurers found themselves in during the dark days of 1929. He realises more than ever how subservient Queensland is to the Commonwealth Government, who in turn are subservient to the financial institutions that run Australia to their own liking. This state of affairs could only be brought about by having forces in the Commonwealth Government that will obey their dictates without protest.

Mr. Duggan: You advocated the abolition of State parliaments.

Mr. MORRIS: Under present circumstances, I say that too many parliaments exist in Australia. I was saying that representatives of the Commonwealth Government at the present time are obeying the dictates of the big financial institutions. Our own Treasurer, when delivering his Financial Statement, quoted the views of a big financial institution, the National Bank of Australasia Limited, as follows:—

“A certain nervousness at the outbreak of hostilities is not unnatural, and forebodings as to the course of economic events can be understood; but it behoves us to think calmly and to avoid action which will

in any way contribute to a decline of trade and consequent unemployment.”

Further on it says—

“The sale of our wool clip to the British Government for the duration of the war is assured. Great Britain has also placed with us standing orders for the purchase of our surplus production of butter, cheese, meat, eggs, canned fruits, and dried fruits The marketing of the greater portion of our primary export commodities is thus assured, and this, combined with the promise of abundant production this season, is one good reason for maintenance of business confidence in the near future.”

It is the cry of pie in the sky. Everything depends on the ability to provide shipping to lift our primary produce. This is exercising the minds of the people of the Commonwealth. When the Federal Government make arrangements for the shipping of our produce, it will probably be found that the hungry shipping combines will raise freights according to the risk to be taken. Already freights are up 20 per cent., and if shipping facilities are not available in the future, the Commonwealth Government may have to buy another line of steamers to lift our surplus production. The uncertainty as to the intentions of Italy and Japan places us in a different position to that of the last war. Whilst this delay is taking place serious unemployment exists and it will become accentuated while foodstuffs in abundance lie about on the wharves unconsumed. Poverty in the midst of plenty! This arises from the blind and stupid allegiance to the present financial system, which started to totter years ago, and has been so frequently patched that it looks very much like a patchwork quilt. Several hon. members in this Chamber have said that we have solved the problem of production, and I agree, but distribution remains in the hands of the big financial institutions.

We established a bank in this country, which we called the Commonwealth Bank, so that we could control the credit of this great nation, and during the war it did its job nobly until it passed into the hands of the private financial institutions. When Dr. Earle Page introduced a Bill to make the Commonwealth Bank a central bank (or so he said it was to be), it then passed out of the hands of the people into the hands of the Bruce-Page nominees, and the old Notes Board disappeared. Hon. members will remember that in 1924 the Senate altered the basis of the original board of seven members and specified that members of the board should represent specific branches of industrial life. That was section 11. That the Board must have representatives of agriculture, commerce, finance, and industry, and that it must not be dominated by anyone directly connected with private financial institutions or the interests of banking. It seems rather a joke that they should make those stipulations.

One wonders where the business of banking begins and where it ends. I happened to pick up a book called “Who Owns Australia?” to get a little idea of what was

actually taking place in this great continent of ours. There I read that a man by the name of Harold Darling, one of the members of the Baillieu group, of Melbourne, Victoria, draws something like £30,000 a year on account of his interests in Broken Hill Proprietary for the juggling of iron ore and white hot steel bars and then turns to the National Bank of Australasia and draws another fee of something like £300 a week. He is typical of the men who would be selected to represent industry on the Commonwealth Bank Board. It is virtually impossible to nominate a man on the Board in accordance with the Act who is not either directly or indirectly linked with private financial institutions. Naturally, they are going to safeguard their own interests without deference to the interests of the workers of Australia. There always will be a personal connection between the controllers of industry and the controllers of banks.

Again citing the inimitable Harold Darling, who is a member of the Baillieu group in Melbourne, I find that he, with Messrs. Mears, Mitchell, Hoskins, and McCann, hold £750,000 in shares in Broken Hill Proprietary, and Broken Hill Proprietary itself, in turn, as a company has controlling interests in Australian Iron and Steel, Broken Hill Proprietary By-products, Stewart and Lloyds, Australian Wire Ropes, Vickers Steel, Bullivants, Rylands Brothers, Structural Engineering Company of Western Australia, Lysaghts, Wellington Alluvials, Hamans North, Kalgoorlie and others, while the various big shareholders, like Harold, are shareholders of every private bank operating in Australia. Again I repeat that it would be virtually impossible to obtain a disinterested capable person to accept an appointment on the Commonwealth Bank Board in accordance with the terms of Sir Earle Page's amendment to the Commonwealth Bank Act.

Let me read what the "Times" had to say at the time in commenting on that Act—

"An Act converting the Commonwealth Bank to a central bank has been passed in Australia. Its object is to mobilise and maintain the banking reserves of the country. It is a bankers' bank, and its business is not only to protect the reservoir of credit from exhaustion, but also to keep the currency at a steady level by raising or lowering, as the case may be. A central bank must never refuse credit, it must be prepared at all times to provide credit at a price."

The tragedy of the New South Wales Government Savings Bank showed how the Commonwealth Bank did not live up to its name as a central bank. As a national bank it had sold the people of Australia. This bank was established as a bank of deposit, exchange, and reserve, and to enter into competition with private banks. Hon. members sitting on the Government benches will probably agree with me when I quote an expression of opinion by one of their Labour stalwarts of days gone by. Whether he is

so now or not does not matter. I refer to Edward Granville Theodore, who, at the time of expressing this opinion, had just entered Federal politics. This is what he had to say—

"The Bruce-Page Government is considering a proposal to convert the Commonwealth Bank into a central reserve bank without any trading functions. Such a proposal could emanate only from the private banks, who fear the competition of the Commonwealth Bank."

If the institution was a central bank, it would be a useful convenience for the private banks, and would cease to be a competitor. Indeed, the change would enormously strengthen the political advantage and strategic power of the associated banks, but it would lessen the independence of the Government in monetary matters. Billy Hughes also made a statement on how useful the Commonwealth Bank was before this amendment that I should like to quote.

A Government Member: Who is Billy Hughes?

Mr. MORRIS: The Right Hon. W. M. Hughes, who is in the Federal Parliament at the present time. He had everything to say that was of value, so far as the Commonwealth Bank is concerned. He told the story that the Commonwealth Bank had functioned in a manner which was only possible for a bank backed by the wealth of the nation, that was to provide all the credits for the prosecution of the Great War to the extent of £257,000,000 without injuring the credit of the Australian nation. I do not intend to go into the details of the subsequent actions of the Commonwealth Treasurer, but at this stage of the bank's history he did enunciate the truth of what was intended and what was done.

About the time I am talking of, the Bruce-Page Government brought Sir Ernest Harvey to Australia. He was an emissary from the Bank of England. He said—

"The Commonwealth Bank should give service and not worry about profits."

That is a great principle when all is said and done. The wealth of the people of Australia should continue to back the Commonwealth Bank, but, under present conditions, it serves the interests of the shareholders of the private banking institutions. That is an old English custom—that the resources of the country should do the behests of the big financial and business institutions.

I had to delve into history to find out the method of municipal ownership of tramways in Britain. In 1870, the House of Lords discussed tramway matters. These representatives of the vested interests told the people of England that the municipal authorities could foot the bill for the laying of the tram tracks, and for construction and maintenance of the system, but could not operate—the municipal authorities could lease them to private companies to enable those companies to make a profit. It will be seen

that the same underlying principle operated in those years as is now operating under the Commonwealth Bank Act. The people of Australia can back the Commonwealth Bank as much as they like, and the bank then turns round and subsidises private banking institutions.

After Sir Ernest Harvey, the Scullin Government brought Guggenheimer and Niemeyer to investigate Australia's financial status. These two men flayed Australia unmercifully, and, among our many faults, told us that our standard of living was too high. They told us that we eat too much, and that the workers wore clothes that were too good for their station in life. That was the occasion when the Federal Labour Party launched its great deflationary policy, and the banking institutions brought into existence a big army of unemployed. Although the position has improved since then, there is still a big army of unemployed in our midst. That position has arisen in consequence of the power that the Federal Government placed in the hands of the Commonwealth Bank.

There has been no attempt by any Government to alter the system at present governing the Commonwealth Bank. Under this system the Commonwealth Bank hold as its backing to its note issue gold or English sterling.

According to the statement published by the bank, the present holding of gold and sterling amounts to £16,029,603, against a note issue of £47,525,214—a ratio of about 30 per cent. Whatever standard Australia is on to-day, it is neither a gold nor a sterling standard; it is a managed currency, but managed in the interest of the private banks. The same balance-sheet shows a profit in the note issue department of about £700,000 a year on an issue of approximately £50,000,000 in notes.

The remedy has been stated by the economists. They say that if private banks were compelled to hold Commonwealth Bank notes, £1 for £1 for every deposit made, the profit accruing from this source alone would almost finance the State's public works programme debt- and interest-free. Our total visible assets are supposed to be somewhere about £5,000,000,000, and our total annual income about £700,000,000. We issue a miserable hand-to-hand currency of £47,000,000 odd, leaving the issuing of credit to the private banking institutions. The solution lies in the nations taking charge of the financial business of the nation, assuming all existing liabilities, and controlling all assets. The settlement with the private institutions would be arranged on an equitable basis without repudiation, confiscation, or compensation, on a basis of just return of the capital invested. The banking institution could then operate on behalf of the whole of the people of Australia instead of a privileged few. The shareholders of private banking institutions have had a good run for their money.

The financial supplement of the "Telegraph" for January, 1939, indicates how much

the Commonwealth Bank has fought on behalf of the private banking institutions. That publication contained the following:—

"The factors dominating the banking situation in 1938 were the continued fall in export prices—a movement which began after the first quarter of 1937—and a further marked increase in the flow of imports into this country. These movements were combined with the persistence of a strong demand for finance for business operations within Australia, and as the year progressed the banks found it increasingly difficult to supply the money needed to pay for imports, to finance the needs of manufacturers and others, and at the same time to grant liberal credits to pastoralists and farmers who were in urgent need of funds to fight drought. . . .

"Fortunately, the central banking authority, the Commonwealth Bank, acted opportunely, and in subscribing £6,000,000 to the Commonwealth cash and conversion loan gave, in effect, that expansion of credit which was needed to make up for the restrictive effect of the deterioration in the oversea trade position."

That is the situation on every occasion. When the private trading banks find it difficult to finance the development of the resources of this country, they always appeal to the nation's bank—the Commonwealth Bank—which always finds it expedient to expand credit to suit the private banking institutions, particularly at a time like the present. It will be found in the near future that it will be doing the same thing—expanding credit to satisfy the necessities of war; but when it comes to financing an economic crisis, it does not worry about it—it leaves that to the private banking institutions which demand their pound of flesh whenever they lend money.

I propose to read a few quotations illustrating what the financial institutions think of Australia. I said previously that the Treasurer had apparently adopted the ideas of the emissaries of the banking institutions when he quoted from the monthly publication of the National Bank of Australasia Limited. It is strange that a man who is supposed to have Labour ideals and who does not believe in the capitalist system in any way should quote from this journal. In 53 years this bank, on an investment of £200,000, distributed approximately £6,000,000 in dividends, and from the "Telegraph" I find that its paid-up capital at present is approximately £5,000,000.

The CHAIRMAN: Order! I ask the hon. member to confine his remarks to matters connected with the Budget.

Mr. MORRIS: I think I am speaking on the State Budget.

The CHAIRMAN: Order! The hon. member is speaking of a private bank.

Mr. MORRIS: The hon. member for Bowen spoke on financial institutions, and naturally I thought that on a Budget an hon. member could speak on the financial system operating in the State. Through the Budget we are told that it will be very hard

to finance the Government's programme of public works.

The CHAIRMAN: Order! I have allowed the hon. member to read extracts and quote authorities from financial supplements, but he is now getting away from the Financial Statement.

Mr. MORRIS: The Treasurer will have much difficulty in getting finance. It all depends on how we fare so far as loan money is concerned. Our primary produce has to be transported overseas, and it is only when it can be placed on the market that we shall receive payment for it, and thus be enabled to re-employ every man who is out of work at present.

I wish to voice my disapproval of the manner in which men have been forced out of employment by the Brisbane City Council. It has been asserted that this is due to the withholding of credit by the Commonwealth Bank or by private lenders. The possibilities are that there has been so much maladministration that it would be immaterial what bank it was they applied to for money; it would be refused. Even if we had the administration in our own hands and under our own control—of the Commonwealth Bank—the possibility is that we should shy at lending money to the present administration of the Brisbane City Council owing to the fact that we would not know that it would spend the money we advanced in the directions in which it should be spent. Will any hon. member in this Chamber endeavour to convince me that it is equity of treatment by the Brisbane City Council to put off 1,000 men and at the same time give security of tenure and rises in salary to the tall poppies? If that is equity, then I do not know what equity is.

Mr. Riordan: That is because of the war.

Mr. MORRIS: The present situation of the Brisbane City Council would have occurred if there had been no war, owing to the amount of maladministration. It creates jobs and appoints men at £650 a year, when there is no need for it, and when, as I know full well, it is on the verge of dismissing many thousands of men.

Mr. Riordan: You know it is not true.

Mr. MORRIS: It is true and has been borne out by facts. The council appointed a man named Dunn as liaison officer at £650 a year, when it knew full well it was having difficulty in obtaining loan funds and would have to put off 1,000 men. There is no denying that fact. Hon. members are aware of how a classification for Speedy was created in the Brisbane City Council. Aldermen raised his salary. And what is being done by Parliament at the present time? One reads in the paper or picks it out in the Estimates that the other day the classification of two men in Toowoomba had been raised.

Mr. Riordan: That is not the Brisbane City Council.

Mr. MORRIS: It is the same old story, whether it is Parliament or the Brisbane City

Council. I know hon. members opposite agree with me. I am not worrying as to the hon. member's opinion, as he is making only a specious utterance at present. He deplors the attitude of members of an administration that brings disrepute on the legislators of Queensland; so does everybody. I am not concerned about the behaviour of members of the Brisbane City Council so long as they administer affairs in the interests of the people who are working for the Council and in the interests of those who have to pay rates every year. At present those ratepayers are not getting service for their money. There is so much waste of money at the present time that it is pitiful to think we have such a system operating. I heard criticism in this Assembly because a commission was appointed in Sydney under the Bavin regime to administer the civic affairs of Sydney. It was said that that method of control was the start of Fascism. Here we have the city of Greater Brisbane suffering from a malady, and it needs a doctor. If the doctor is brought in in the shape of a commission and a cure is effected, then it can revert to the old system.

Mr. Riordan: What better doctor than the voice of the people do you want?

Mr. MORRIS: Exactly, if we get the right voice.

Mr. Power: They got the right voice in Kurilpa.

Mr. MORRIS: When one tries to talk reasonably with the hon. member for Baroona, he starts shooting "Kurilpa" across. I might as well throw at him, "What about Maryborough?"

The CHAIRMAN: Order! I ask the hon. member to keep to the point.

Mr. MORRIS: I will keep to the point. I have admired the speeches made by various hon. members in this Committee that dealt with the financial situation, and the hon. members on the Government side might, if they made a concerted effort to force their opinions upon the Commonwealth Government, be instrumental in bringing about an alteration of the present financial system. It is probable that if they did that, they would find that there would be a release of enough money to enable them to carry out their public works programme for this year. I often hear hon. members criticising the hon. member for Aubigny for what he did when he was Premier between 1929 and 1932. Then I hear the hon. member for Aubigny deploring the attitude of anybody who attacks the financial system that is now operating. The very system that is now operating was the cause of his being denied loan money when he was Premier, and of his occupying an Opposition bench now.

Mr. Riordan: He said he got the first loan and plenty of loan money.

Mr. MORRIS: I do not think he said that. At any rate, I am not concerned with that. My complaint is against the fact that the present financial system operates in the interests of the private trading banks, which

do not work on behalf of the people of Australia. Even if we were to apply the recommendations made by the Royal Commission on Banking, Queensland possibly would not be worrying about the future of the unemployed in the next 12 months.

Mr. Power: You know the Labour Party have asked the Federal Government to do that.

Mr. MORRIS: Does the hon. member for Baroona remember that when Mr. Scullin was in power he had the opportunity of abolishing the Commonwealth Bank Board, but instead of doing that he extended its term for another seven years? When he was accused of doing that, he said that we had a hostile Senate. I say that Mr. Scullin went into power on the crest of a wave of popularity of the people, and if he had been able to stand up for his own people and force a double dissolution there might have been a different tale to tell in Australia now. I say emphatically that he sold out to the banking institutions at that time. As a matter of fact, we all know that Mr. Scullin was sick before he went to England. When he came back from England he told the sad tale that he could not alter the system, that he would have to continue patching up the present one. Every hon. member knows that.

I am not going to speak at any length, because I was thrown off my balance by the scurrilous statements made by the hon. member for Kurilpa. In conclusion, I should like to say that whilst I am a hon. member of this Parliament I shall never attack the personal character of any hon. member, whether on the Address in Reply or anything else, and I am not afraid of any hon. member's attacking me. I know that during the recent by-election campaign statements were made that were pure fabrications and concoctions. To use the legal phraseology, these statements were simply a "frame up," designed only to create a certain amount of suspicion about me in particular. I am not worried one iota about that. It was tried by the hon. member and his legal friend, Mr. Webb, and between the two of them they endeavoured to do a lot of things to destroy me.

The CHAIRMAN: Order! I hope the hon. member will not revert to the subject.

Mr. MORRIS: I was going to quote a statement made by Canon Burch, but I will not do so now. All this stupid talk by the hon. member for Kurilpa is fabrication, and does not apply to me. I am not the only George Alfred Morris in Australia. The crimes of every George Alfred Morris have been attributed to this George Alfred Morris. The thing the hon. member did not know was where I was born. The hon. member for Baroona keeps harping on this subject—

The CHAIRMAN: Order! I ask the hon. member to let the matter drop.

Mr. MORRIS: I thank you very much, Mr. O'Keefe. I intend to let it drop, but will take it up somewhere else.

When any Government endeavours to ameliorate the position of the unemployed

by the adoption of a different financial system in the Commonwealth of Australia, they will have my backing. No hon. member of the Government will be subjected to criticism by me if he endeavours to bring about that reform. Most of the legislation brought before this Chamber has been for the benefit of the people of Queensland, but the carrying out of that legislation has been making the people of the State hostile to the Government. If the Government were to give a little more attention to detail of administration, they would find a different atmosphere permeating the minds of the people of the State.

Mr. NIMMO (Oxley) (3.43 p.m.): I should like to make a few observations on the Budget before the motion is agreed to. I have listened very carefully to all the discussion that has taken place so far, and I have found that hon. members of the Government Party have been loud in their praises of what the Treasurer has done. I, however, do not like the Budget a bit. I think if it were a balance-sheet brought before an annual meeting of shareholders, a committee of shareholders would be appointed to ascertain what was wrong.

There is no doubt that the Budget shows a surplus of £14,000, but how has that surplus been arrived at? It has been obtained by transferring huge sums to consolidated revenue, and using that money for purposes for which it was not collected. We have the spectacle in Queensland to-day of thousands of children virtually starving—children getting 3s. 9d. a week from the Government because their father is, unfortunately, out of work. If, by some mischance, the father were to die, leaving behind three or four children, the State Children Department would pay to each child the sum of 10s. a week; because the father is alive the children have to starve on 3s. 9d. a week. It is through efforts such as that that the Budget has been balanced. I make the definite statement that that is one of the real reasons why the Budget shows a surplus of £14,000.

Huge transfers have been made by the Treasurer to consolidated revenue.

He is rather like a man who borrows money on the condition that he will not spend it in certain directions, and immediately proceeds to do so. Why, the Government have paid salaries out of money raised for the relief of unemployment when they should have been paid out of consolidated revenue. Ever since they have been in power they have had large sums of loan money to spend, and have spent it in a way in which a child would spend money that was literally thrown at it. No consideration was given to the question whether the work on which it was spent would be reproductive. In fact, during certain years, the Government were anxious to spend money to create employment, regardless of whether the expenditure was wise or not. That reminds me of a scheme suggested by a madman that a huge ditch should be cut from the sea-coast to Too-woomba to bring the sea up the main range

and thereby give work to the people and circulate money. Of course, he was a madman, but his actions were in keeping with some of the actions of the Government to-day. Let me cite, as an illustration, the construction of the Bulimba State School. The Government rushed into the job and built the foundations before any plans or specifications had been prepared, merely for effect during the election.

That is the way in which loan money has been spent by the present Government, but, in a burst of oratory, which rose to a height never before reached in this Chamber, according to hon. members opposite, the Premier attempted to justify the expenditure of these huge sums by saying: "Look what I have done." However, many of the statements he made on that occasion were very misleading. For instance, he said that the benefits to be derived from the building of roads could not be put in figures in a balance-sheet. He was attempting to reply to the criticism of the Leader of the Opposition, who had pointed out that, after an expenditure of £25,000,000 of loan money, the returns from loan works and services were £51,000 per annum less than they were before that sum was spent. In further justification of the Government's heavy expenditure, the Premier said that the Leader of the Opposition overlooked many things, and that one was that the benefits derived from road construction could not be shown in figures in a balance-sheet.

The Secretary for Health and Home Affairs: You cannot express services in terms of pounds, shillings, and pence.

Mr. NIMMO: We shall assume that that is correct. We find that, of a total loan expenditure to 30 June, 1939, of £132,800,639, only £4,272,644 was spent under the Main Roads Act and other Acts relating to the construction of roads and bridges. It will be found that the percentage of expenditure on road construction to the total loan expenditure is very small indeed.

The Premier: What do you say has been spent in main-roads construction?

Mr. NIMMO: The total amount spent in main-roads construction has been £4,247,644 of a total loan expenditure of £132,800,639.

The Premier: Where do you get that from?

Mr. NIMMO: From the tables relating to the Treasurer's Financial Statement, page 27, table E.2. That table sets out loan appropriations and expenditure to 30 June, 1929. It shows the total expenditure under the Main Roads Acts, 1920 to 1934, as £3,439,983, and £808,661 was spent on roads and bridges. My point is that the Premier is using that expenditure as an excuse for the loan policy of the Government, yet it is but a small percentage of the total expenditure of loan appropriations. I point out, too, that most of the main-roads expenditure is made from main-roads fees and grants from the Commonwealth from the collections from petrol tax. The Premier

1939—2B

is using this expenditure as an excuse, and is therefore only trying to mislead the people as to the productivity of loan expenditure.

Most of this money has been spent in getting votes in certain electorates. Take the Premier's own electorate. Millions of loan money has been expended in his electorate. Examine the other electorates, and you do not find expenditure of loan money in electorates that return representatives opposed to the Government. The majority of loan spendings has been in Labour electorates. That expenditure has been made for the definite purpose of winning votes. Look at the big spendings at Toowoomba to enable the hon. member for Toowoomba to make his seat secure. A main road is now being built to the electorate of the hon. member for Warwick. That will make three main roads to the Darling Downs. That expenditure has been made from loan appropriations. Is that economic?

Mr. Duggan: Who built the Heifer Creek road?

Mr. NIMMO: There may have been room for two roads, but certainly not three. I believe that one good main road to Toowoomba is sufficient. In order to pander to certain electorates, the Government are squandering loan money to win votes, and, on the other hand, have created a State Transport Commission to prevent motor competition with the railways. How contradictory is that policy!

I did not intend to refer to another matter, but in view of certain happenings I will do so. A little booklet was circulated in the Ithaca electorate, represented by the Secretary for Health and Home Affairs, showing how much Government money had been spent on new buildings in it. It is headed—

"Six years' progress in the Ithaca district."

The first illustration is of a new part of the State school, Rainworth. It is a brick building.

The Secretary for Health and Home Affairs: It is a very fine building.

Mr. NIMMO: The hon. gentleman will not find a similar building in the Oxley electorate or in an electorate represented by an hon. member opposed to the Government.

The Secretary for Health and Home Affairs: All new school buildings are constructed of brick.

Mr. NIMMO: All these buildings have been built from loan money. Loan money has been squandered in electorates represented by Labour. The second illustration is of a kindergarten for children of the Rosalie, Rainworth, and Milton districts in Elizabeth street, Rosalie. The third illustration is of the recently erected Ashgrove State school at the new tram terminus. It is a beautiful brick building. The fifth illustration is of a new brick State school at Milton, the sixth a new clinic for babies of the western suburbs at Herschell street, near the railway gates, and the seventh a new State school at Ithaca Creek, attended by children of the Upper Paddington, Red Hill, and Jubilee districts.

I am only referring to this booklet to give an example of how loan money is being expended. I unhesitatingly say it is expended to hold electorates represented by Government hon. members. That is how loan money has been squandered.

The Secretary for Health and Home Affairs: The Government are not going to build wooden buildings to please you.

Mr. NIMMO: I also find that in North Ipswich a palatial school—in fact, a magnificent school—good luck to them if the Government could afford it—has been constructed in the electorate of the Treasurer. Its construction would be all right if it was done out of revenue. The fact of the matter is that when repairs have to be done the cost has to come out of revenue; consequently the Government prefer to have the old building pulled down and a new one erected.

The Secretary for Mines: That is absolutely untrue. You know the building at North Ipswich was in such a condition that a new building was required; you had a business opposite the school. You should know, as you were known as “Tommy, go fetch it.”

Mr. NIMMO: The hon. member for Ipswich has made statements that he knows are not correct. The hon. gentleman knows that the school building that was there could easily have been repaired. The hon. gentleman knows that, because he used to crawl down the coalmines with his greasy billy-cans.

The CHAIRMAN: Order!

Mr. NIMMO: The hon. gentleman knows that what I am saying is correct.

The CHAIRMAN: Order! I ask the hon. member to endeavour to control himself.

Mr. NIMMO: Keep the hon. member for Ipswich in order, and I will keep in order.

The Secretary for Health and Home Affairs: Have you not advocated the spending of Government money on expensive workers' dwellings at Oxley costing from £1,500 to £2,000 rather than have a school built for the children?

Mr. NIMMO: No, I did nothing of the sort; that is another deliberate lie of the hon. gentleman.

The CHAIRMAN: Order!

Mr. NIMMO: This is a matter the Minister is bringing up and it may be as well for me to speak.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: I rise to a point of order. I object to the language used by the hon. member for Oxley. I object to his saying that a statement of mine was a deliberate lie. I know it is his usual language, but it should not pass here.

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

Mr. NIMMO: Very well; I will withdraw it and say “It is a deliberate untruth.”

The CHAIRMAN: Order! I ask hon. members on my right not to interject so much.

The Secretary for Health and Home Affairs: The hon. member for Oxley now says it was a deliberate untruth. I object to that statement also.

An Opposition Member: What is it?

The Secretary for Health and Home Affairs: It is the absolute truth. I object to any hon. member's referring to what I say as a deliberate untruth.

Mr. NIMMO: Continuing with my argument on reproductive work, I say that any Government who have spent the sums stated by the Treasurer and cannot show some return for the expenditure are not worthy of the positions they occupy. Any man who is conducting a farm or a business or any other work should be able to show some return on the money expended. We find that after we have spent £25,000,000 of loan money, the return from loan works and services is £51,000 less than before. That shows that something is radically wrong.

The Premier: Yes, your figures are wrong.

Mr. NIMMO: My figures are not wrong.

The Premier: Of course they are.

Mr. NIMMO: The tables show the figures definitely. The Premier, when making apologies for various things the other day, made a statement about main roads—

The Premier: You are making a mistake of only £10,000,000.

Mr. NIMMO: We will deal with that. As a matter of fact, I know that the Premier means that £10,000,000 is repayment, and that the public debt is not increased by the £25,000,000. The fact remains that he spent £25,000,000 of loan money in his period of office, and the return from the loan services is £51,000 less than at the beginning of that period.

In the same speech the hon. gentleman also said that if £10,000,000 of the £25,000,000 borrowed had been spent by the local authorities, the revenue received by them should be added to the revenue as set out in the Budget. He also said that £10,000,000 represented repayments by local authorities and should not be included in the State loan expenditure. That is a rather peculiar contention, and is not one that would be used by a financier. The Treasury has received interest from the local authorities on that money.

The Secretary for Mines: And paid interest on it.

Mr. NIMMO: You keep out of this. (Laughter.)

If a pastoralist borrows £5,000 at 5 per cent. interest, does the institution expect to receive the profits made by the pastoralist on the investment of the money? When the amount is repaid to the bank, the bank lends

it again. Is not that the same money that was previously lent to the pastoralist? If the bank lends it again should it be included twice in the total of the bank's lending? In that case would not the bank be getting interest for nothing? The hon. gentleman's argument is very thin. It is wrong to say that local authorities should pay the Treasury not only the interest on the money borrowed but any profits made by them from electric light, sewerage, or other such undertakings. No doubt, most of the local authorities have earned very little on their investments, but the fact remains that the Premier claims whatever earnings they did make.

As I have already pointed out, the hon. gentleman also stated that repayments by local authorities should not be included in the loan expenditure. At one period local authorities borrowed from the Government, and naturally such borrowings should not be included in the public debt of Queensland. The Government having borrowed it and lent it to the local authorities, it would have been already included. Under the system in vogue at present local authorities or semi-governmental bodies are allowed to borrow money from outside the Government, the Government giving a guarantee. This means that the people of Queensland are responsible for that money, and for that reason the £10,000,000 borrowed by the local authorities or other institutions must be added to the public debt of Queensland. The money may be standing in the name of the Bureau of Industry, the Mackay Harbour Board, or some other authority, but the people of Queensland are responsible for it. That is a different position entirely from the money's being borrowed from the Government and the Government's including it in the public debt of Queensland. The statements made by the Premier are really misleading the people. They do not give the true facts. Naturally, the public would say: "The public debt of Queensland is only so much; these outside dealings have nothing to do with us." The point is that we must add these to the public debt of the State in order to arrive at the true figures.

The Premier: I think the building would fall if you told the truth by mistake.

Mr. NIMMO: I am telling the truth. I have been through the figures very carefully, and as far as I can see they are correct.

During the course of his speech the Premier quoted a table showing the consolidated revenue receipts and expenditure of the various States, and he tried to establish the fact that Queensland was drawing from the people less per head than any other State.

The Premier: I said the second lowest, I think.

Mr. NIMMO: That is so. Victoria is below us. There we have another misleading statement.

The Premier: It is not in any way misleading to people who are seeking the truth. It is only misleading to people who want to play round the truth.

Mr. NIMMO: Let me quote some facts, then the Premier might say, "I am sorry, but I did not intend to mislead." In some States certain items are included in consolidated revenue, whilst in others they are not. For instance, in New South Wales the receipts and expenditure in connection with tramways and buses is included in consolidated revenue.

The Premier: They are not. The Commissioner for Railways presents a different balance-sheet to Parliament.

Mr. NIMMO: The Premier knows very well that they are all included in consolidated revenue.

In Victoria the tramways, the State mines, and even the State insurance are included in the Budget. Does the Premier deny that? Even with the inclusion of these things, the amount derived from the people is less per head in Victoria than it is in Queensland. In Western Australia the goldfields and the metropolitan water supply are included in consolidated revenue. There they even include the Kalgoorlie abattoirs, the tramways, and the electricity supply.

The Premier: If you carry on like that, you will be saving half-pennies to get the price of a haircut.

Mr. NIMMO: One thing about the Premier is that although he says, "Show me where I am wrong," he never admits that he is wrong. As a matter of fact, he knows very well that he excluded these figures in order to show that the amount of consolidated revenue drawn from the people is lower per head in Queensland than in other States. I hope that when he rises to reply he will apologise for these things.

Much has been said in this Budget about the wonderful remissions that have been made by the Government. Has either the Premier or the Treasurer never heard of a business's giving remissions in order to attract business? Only recently various firms in the city gave 10 per cent. for that purpose. I know that T. C. Beirne and Company Proprietary Limited gave 10 per cent. discount off credit accounts in order to get extra business. That company did not take its balance-sheet before the shareholders and say: "Here you are, gentlemen, we have made a present to the public of so much." That is what the Government are doing. That is what they say in their Budget; they have done nothing of the sort.

Let us deal with the rebates and reductions on the freight of wool by the Railway Department. I do not know of any great reductions made in freights on wool. A rebate was made on the carriage of starving stock, but hon. members will remember that for that year the Railway Department showed its best return. From Longreach and Charleville and other places full trainloads of starving stock were brought to pastures at reduced rates. This carriage of stock returned a handsome profit to the department. Business was stimulated. The business would not have been there had it not been for the drought. As a matter of fact, I heard a high official in the department say: "I don't know how

our figures will go this year, because last year we brought huge trainloads of starving stock into the Darling Downs from the West and took them back again."

Mr. Power: You have been snooping around with heads of the department.

Mr. NIMMO: Yes, like the hon. member has. I am pointing out the weakness of the Budget. The Budget goes on to speak about rental reductions under the wool relief scheme. It was the Moore Government who started these reductions. The only reason for the reductions was to keep the pastoralist on the land. Mr. Payne said that if the wool people went out of existence in the far West, he did not know what would happen to Queensland, because the country would be no use for other purposes; the wool producers had to be kept on the land at any price.

Mr. Riordan: The Ipswich Woollen Mills would not sell blankets unless there was a winter.

Mr. NIMMO: That is very clever. In reply, let me tell you that the woollen company usually sells its blankets in the summer time for the winter time.

Mr. CHAIRMAN: Order! I should like the hon. member to address his remarks to the Chair.

Mr. NIMMO: I notice that there has been a reduction in the price of log timber. Did you, Mr. O'Keefe, ever hear of a more idiotic thing to put in a Budget? Why, even the Minister himself is laughing. He knows very well that a reduction in the price of log timber was instituted by the Moore Government, and it stimulated the whole of the activities of the Sub-Department of Forestry. I know for a positive fact that Mr. Duffy was appointed by the Moore Government and that the reductions made in the price of log timber at that time stimulated the trade of the department.

The Government claim credit for low railway freights on the output of Mount Isa. Had it not been for that reduction Mount Isa could not have carried on.

A Government Member: Is it not a good thing to keep men in employment?

Mr. NIMMO: Was any concession given at all? The charges made paid handsomely. Reductions are often made in order to get business.

I see by reference to the Financial Statement that the Government claim credit for reductions of interest on loans to borrowers from the State Advances Corporation and Agricultural Bank. Why claim any credit at all? There is no doubt that the Premiers' Plan, which made a 22½ per cent. reduction in loan rates all over Australia, applied to the Government. If the Government got those reductions, surely they were in duty bound to pass them on to the different borrowers.

Much has been said about the unemployment problem, but I am sorry to have to

say that I think that it is far from being solved. In 1932, the Premier promised the people of Queensland that, if he was returned to power, he would abolish unemployment. He asked the people to wipe out the baby-starvers and the wage-slashers, and said he would find every man employment. Seven years later the unemployment problem is still a tremendous one.

The Secretary for Health and Home Affairs: Is that what you call a deliberate untruth?

Mr. NIMMO: It is a tremendous problem and the hon. gentleman knows it. It is a far more difficult problem than the majority of people care to admit. However, I think that the international situation will help to save the position, and that the majority of those who are now unemployed will get work as the result of the unfortunate happenings of war. However, we can see just how things are drifting.

Mr. Bedford: Starve them into enlisting for services overseas.

Mr. NIMMO: I do not mean that.

Mr. Bedford: Oh, yes!

Mr. NIMMO: Much has been said in this Chamber about the dismissals by the Brisbane City Council, and the Commonwealth Bank has been "called for everything" by some hon. members opposite. Let us suppose that the Brisbane City Council had spent money more lavishly than it has, and that, instead of guaranteeing a tenure of office for a few officers on high salaries, it had decided to pay the rank and file of workers £6 6s. a week instead of the present basic wage for sewerage and other work, and had borrowed £2,000,000 a year for this purpose instead of £1,000,000, as it has done. It would have been a wonderful institution in the eyes of certain people, but that would only have hastened the end. As a matter of fact, everybody was tipping that this would happen when we realise that, of every pound paid in rates to the Brisbane City Council, only 1s. 7d. was left after loan services and administration expenses were paid.

The Premier: That is a deliberate untruth.

Mr. NIMMO: The latest figures show that, after the services on loans and administration expenses had been paid, only 1s. 7d. was left out of every pound. The whole place is in a turmoil, but I will admit that the whole of the tragic happening is not the responsibility of the Labour Party in the Brisbane City Council. The facts of the matter are that the Premier "passed the buck" to them. He saddled the ratepayers of Brisbane with the responsibility of finding work for the unemployed of Brisbane when it was his duty to see that they got work. He said to the Brisbane City Council: "You borrow the money on the security of the homes of the people of Brisbane, and you can do the employing."

The Secretary for Health and Home Affairs: You know very well that the

Government have given the Brisbane City Council £1,000,000 as a gift.

Mr. NIMMO: Even if the Government gave them £2,000,000, that would not recompense them for the work that has been done by the men who were previously out of work.

The Secretary for Health and Home Affairs: On top of that there was a yearly grant for the equipment of men on relief.

Mr. NIMMO: I know that this is not a very palatable subject for hon. members opposite, but we must face the issue. The unfortunate men who are out of work have been misled. No doubt their votes were obtained at the last election to return the present party to the Brisbane City Council, but to-day they have been left high and dry. No vindictiveness has been shown by institutions in refusing to make advances to the Brisbane City Council. Some of the acknowledgments contain a footnote in these terms—“Please do not take this refusal as being on account of the war.” The refusal was made on account of the maladministration of the council. As the hon. member for Kelvin Grove said, hon. members opposite are not satisfied with the “carryings on” in the Brisbane City Council. Let me give an illustration of this maladministration.

In my electorate a bridge on the main highway leading into the city is being reconstructed. The old bridge was demolished before the material for the new structure was on the ground. Then construction work ceased, the excuse being that timber could not be obtained. The manager of any business would sack a subordinate if he pulled down an old structure on a main artery before the material for the new structure was on the ground. The contractor for the timber delivered it on Saturday morning. No work was being done on the bridge that day. The timber contractor unloaded the timber on the Rocklea side of the bridge. When the foreman came on the job on Monday morning he said that the timber was required on the Sherwood side of the job. The timber had then to be carted 6 miles round to where he wanted it.

The Secretary for Health and Home Affairs: You cannot give sense to contractors any more than to members of the Opposition.

Mr. NIMMO: That is a brainy interjection. You ought to be Premier of Queensland.

Mr. Riordan: Do you know the engineer responsible has been sacked?

Mr. NIMMO: He should have been.

Mr. Riordan: You should not want to sack the whole council and say this is proof of maladministration. Why do you not tell the truth?

Mr. NIMMO: I have only the hon. member's word for that. I heard him make some statements this afternoon that I should like to have verified. This bridge, which is over a bit of a ditch, is costing £4,000. It is replacing an old structure.

The council has left 16 of the old piles in the ground, notwithstanding that they have been there for 48 years. They are splicing new tops on the piles above the water level, and building a new structure on them. I do not know of any private person who would carry out work of that character. I have discussed the job with members of the Cabinet. It is a matter that should be taken up very seriously with the council. One man has made the assertion that he could build the bridge in a fortnight, if he had a modern plant. This job has been going on for over two months and it will possibly go on for another two months. The dislocation in traffic will cause endless loss to the public.

A Government Member: What is the local alderman doing?

Mr. NIMMO: It is like it is here. He is of the same political colour as I am and is treated with scant courtesy. I have pointed out that big buildings are erected in some electorates and not in others.

The Secretary for Health and Home Affairs: If that is so, how is the bridge being built?

Mr. NIMMO: It had to be rebuilt otherwise it would have fallen down.

The Secretary for Health and Home Affairs: You cannot have it both ways.

Mr. NIMMO: The council was afraid that someone would go through the bridge. It has been in a bad state of repair for two or three years. I dealt with this matter because the Premier might well take it up in an investigation into the affairs of the council. He has certain facts in a report before him. The public are looking to the Premier for a big move in this matter. The people of Brisbane realise that as a result of the Brisbane City Council's undertaking a huge loan expenditure their homes have been mortgaged. It is the duty of the Government to step in and right the position. They are all looking for a lead. I do not wish to deal with certain recent happenings in connection with the council. The fact that large numbers of men are being dismissed from employment is sufficient ground for an inquiry.

I wish to refer to the matter of company taxation in Queensland, and the effect it has on investment.

Mr. Power: The same old swan song!

Mr. NIMMO: You cannot say a good thing too often. We must let the public know what the real position is. I wish to point out how essential it is to encourage the investment of capital in Queensland. The other day the Premier said that the savings bank returns in Queensland were the highest in the Commonwealth. That is correct. But why? Simply because people will not invest their money here, and they put it in the savings bank. I should much prefer to see the money invested in industry round the city. When one finds that thousands of people have at least £2,000 in the savings bank, one wonders why they do not invest it. When you find people going to the stock and share brokers

and asking for Victorian or New South Wales shares and not asking for Queensland shares, one wonders why. They say: "We do not want Queensland shares because of the taxation. We want shares in Southern companies, because taxation is lower there." That is the story told to the brokers.

Another serious thing is the investment on mortgages. At one time we could find people who were prepared to lease a Queen-street freehold or other property in the city, but to-day any of the men engaged in that business will tell you that satisfactory clients are very scarce. I will quote a theoretical case to show the reason for this state of affairs. Suppose a man is left a sum of money sufficient to earn him £2,000 a year from rents, if he invests it in this State, Federal and State income tax and State development tax absorbs £569 6s. 10d., leaving him a net income of approximately £1,430.

The Secretary for Mines: He still has his property.

Mr. NIMMO: Exactly. Approximately £600 out of the £2,000 is taken in taxation. If the same man invested £5,000 in a Brisbane City Council loan at 4½ per cent., he would receive a return from that investment of approximately £212 a year. That amount would also be subject to Federal and State income tax and State development tax. From the investment of the additional money he gets another £116 a year. If he is patriotic and invests his £5,000 in a 4½ per cent. municipal loan he gets back only £116. That illustrates how taxation is driving money from Queensland. If he had £2,000 income from rents, plus the investment of £5,000 in the shares of a company registered outside Queensland, he would receive dividends of 4½ per cent., and after deducting the Federal and State income and State development taxes amounting to £664, his net income would be £1,595. That illustrates that by investing his capital in shares of companies registered beyond the State he receives as income £100 more than he would had he invested the money in his own State.

I will not labour the question. The Premier is fully seized of it, but is afraid to forgo any taxation. The matter should be scientifically reviewed. We must induce our people to invest their money in their own State.

Mr. Mann: You decry the State and with your propaganda drive them out.

Mr. NIMMO: I do not. I am merely stating the truth. Hon. members would be astonished if they knew of the amount of money withdrawn from investments in this State because of the loss suffered on the shares of the City Electric Light Company. A large number of men working in banks and similar institutions who had saved £200 and £300 were told that the best investment they could make was in shares in the Brisbane City Electric Light Company. They had to pay 30s. for a £1 share in that company, but were told that it was an absolutely secure investment; the company paying 7½ per cent., which gave them a return of just under 5

per cent.; that the investment was sure and there was no danger that anything would happen to their money. These people bought these shares, but the Government took over that business and reduced the interest return to £5 17s. 6d.

The Secretary for Health and Home Affairs: Why are you in tears?

Mr. NIMMO: I am not in tears. I suffered no loss whatever.

The Premier: You do not own any of those shares?

Mr. NIMMO: I did, but you gave me the tip and I sold out. You accused me of holding shares in the City Electric Light Company. I did, but I got the money out and invested it in something else.

The Premier: What you said when speaking on the State Electricity Commission Bill helped to force down the price of the shares.

Mr. NIMMO: That is all my eye. However, the fact remains that the Premier has appreciated the reason why the public will not invest in shares in local companies. I will deal with that company a little further in passing. I do not think there will be any more reduction in electricity charges. There has been an interference, and an analysis of the position discloses the fact that the shareholders have been guaranteed £5 17s. 6d., but the company has to take the current out to country centres and is not to charge more than 10 per cent. above city prices.

The Premier: Quite a sensible thing.

Mr. NIMMO: The hon. gentleman knows very well that if the company cannot make a profit on the mains to outside centres it will have to increase the prices to the Brisbane people in order to give the return of £5 17s. 6d. There is no other way of doing that.

The Premier: Are you objecting to that scheme?

Mr. NIMMO: I am not objecting to the scheme, but showing how the confidence of investors has been shaken by an interference that will be no good to the people of the town.

The Premier: As a matter of fact, did you not voice your appreciation to the chairman of the company?

Mr. NIMMO: I did not. I will not enter into that phase of the question at all. All I can say is that the Premier is a very shrewd man. The nationality is fully justified in the man.

I should like to deal now with juvenile employment. In my opinion, a very grave wrong has been done to the young people of this State in the last seven years. I feel very keenly about this matter. The Commonwealth Government did everything they could to encourage the teaching of trades to boys and after side-stepping the issue for 12 months, the Queensland Government adopted the scheme. They taught the boys three trades—mining, agriculture, and clerical work. I predicted then what has

happened. To-day, in the Ipswich railway workshops wheels are being turned for the Defence Department, and they cannot get turners or fitters.

The Secretary for Mines: Who told you that? They have turners and fitters on the job ready.

Mr. NIMMO: But a great deal of expansion could go on if more turners could be obtained. They are not available.

Mr. Mann: Why do you not speak the truth?

Mr. NIMMO: I would sooner believe my informant than the hon. member who has interjected. I think every hon. member on the Government side agrees with me that our lads should be taught trades. If that was done, it would not have been necessary, as it is now, to go to the South in search of tradesmen before we can carry on any huge activities in connection with defence.

The Minister for Transport: You sacked scores and scores of apprentices when you were in power.

Mr. NIMMO: It must be remembered that we followed the most extravagant Minister for Transport that ever was. We had to economise in order to be able to carry on at all.

The Government have held out this juvenile employment scheme as a great stroke of policy. On looking over the position, I find that they have not found employment for one more boy. They may be using certain influences to find employment for a lad by displacing another who has found a job for himself, but they have found employment for not one extra boy. The fact is that every boy who has a job has to be registered with the Juvenile Employment Bureau. If a lad has a job, they furnish him with registration, and then claim credit for having found employment for him.

The point I was going to make is that the Secretary for Public Lands was going to do wonderful things for these boys. He was going to train them in forestry operations, so that they could become forest rangers later on. All this sounded very plausible and wonderful for the lads, but the fact is that they were taken in at 17 years of age, and as soon as they attained the age of 19 years they were sacked, and another batch of 17-year-old lads brought in. If those boys who were sacked had been left alone, the greater percentage of them would, in all probability, have learned trades. They were taken into the Sub-Department of Forestry at 17 years of age; now, when they are too old to learn a trade, they are sacked.

The Secretary for Public Lands: Not one boy has been paid off in the Sub-Department of Forestry.

Mr. NIMMO: I do not want to divulge the names of boys this afternoon, but I can give the names of at least half a dozen who, on arriving at the age of 19 years, were sent off.

The Secretary for Public Lands: I have plenty of stuff for you when I come to my Estimates.

Mr. NIMMO: I will supply the names of the boys to the Minister, so that the position may be investigated. If the Minister is found to be correct in his statement, I shall apologise. As a matter of fact, the boys assured me that they were put off and a batch of lads of 17 years of age brought on. If what I have said is correct, it is a dastardly thing to do.

The Secretary for Public Lands: It is untrue.

Mr. NIMMO: I do not think I could show the Budget in a worse light even if I went on for a long time. It is not sound from beginning to end.

A Government Member: Nor is your argument.

Mr. NIMMO: If a body of men was selected haphazardly from the streets and put in the position of the Cabinet and given lots of loan money to spend, they would be good fellows while it was being spent, and when the loan money was used up, they would be in the same position as the present Government are. They would be squealing against the financial institutions and the Commonwealth Bank. The Premier in 1932—I think it was round about that period—said that it was a good, sound policy to borrow freely in serious depression, and to spend that money; that in a time of great productivity when prosperity reigned throughout the land, the State should save and put by for the rainy day that was sure to come. There has never been greater prosperity so far as the primary producer is concerned in the history of the State than at present; and yet we are spending as freely as ever.

(Time expired.)

Mr. EDWARDS (Nanango) (4.44 p.m.): I have listened to the speeches from both sides of the Chamber on the Budget. It seems extraordinary that after a Labour Government have been in office from 1932 to the present date, hon. members behind the Ministry do not seem to be able to bring forward one argument of any value to the Ministry or to the State. Arguments advanced on the other side to-day are the same as those put forward when they took office after the Moore Government in 1932. It shows what public life is coming to, when the supposedly intelligent representatives of the State come here and after seven years the best argument they can find to justify the mistakes they are making is a reference to the faults of the Moore Government. The hon. member for Mirani spoke of the way the Commonwealth Government treated Queensland as compared with the other States as a tragedy. Referring to the wheat industry, he said that so many thousands of pounds had gone to New South Wales and the other States, whilst very little came to Queensland. The wheat bounty is paid on so much a bushel of wheat—

Mr. Walsh: We know that.

Mr. EDWARDS: Then why use the arguments the hon. member did? In an ordinary season Queensland produces from 3,000,000 to 5,000,000 bushels of wheat, New South Wales 40,000,000 bushels, and Victoria 35,000,000 bushels, yet the hon. member for Mirani said that so much more money went to New South Wales and Victoria than to Queensland to pay the bounty on wheat production.

The hon. member for Kennedy attempted to justify the condition of the railways in this State and to prove that they could never be conducted as well as the railways in Victoria because the Victorian railways had no need for sleeping carriages. What an extraordinary statement to make! We should try to see these things in their right perspective and no hon. member opposite should endeavour to justify the wrongs of the Government by making false statements. If the hon. member for Kennedy went to Spencer street railway station, Melbourne, at 5 or 6 o'clock in the afternoon, he would see trains with sleeper accommodation leaving for all parts of that State. He should not resort to petty things to exculpate the Government and extricate them from their unfortunate difficulties.

The speech by the hon. member for South Brisbane and the speech by the hon. member for Kelvin Grove to-day were one and the same on finance.

Mr. Gair: God forgive me! (Laughter.)

At 4.47 p.m.,

Mr. BRASSINGTON (Fortitude Valley), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. EDWARDS: They both wanted to wipe out the moneyed people or to compel them to supply millions of pounds in times of difficulties whether they were paid interest or not. That was the tenor of their argument, but that is the sort of thing that brings hon. members of Parliament into disrepute. I think the Premier will agree with me that finance is the test of government, but if we could get money in the free and easy way that those hon. members suggested, finance would not be a test of anything, because money would be turned out in the same way as tram tickets are printed. They attempted to insinuate in their speeches that because certain persons were on the directorates of large companies they were doing something detrimental to everybody else in Australia.

Mr. Riordan: So they are.

Mr. EDWARDS: And were there entirely in their own interests

Mr. Riordan: So they are.

Mr. EDWARDS: I should expect that from the hon. member. I should not expect anything else, but I should like to ask hon. members opposite whether they would prefer a man with no knowledge of finance to handle these large sums of money or a man who was capable of amassing this capital for himself? I should prefer the man who was able to earn the money.

I look at this matter from an entirely different viewpoint from that of those hon. members. I fully agree with the oft-repeated assertion of the Premier that what is needed in this country is work, steady work, because thereby we are creating wealth. We should not get into any serious difficulty if we followed closely the gospel of hard work. The whole trouble to-day seems to be that people want to get something for nothing.

Mr. Riordan interjected.

Mr. EDWARDS: I believe that the hon. member is one of them. He led a strike in Bowen.

Mr. Riordan: I am proud of it.

Mr. EDWARDS: He is the very man who would want to do that. He did not want work.

Mr. Riordan: I am proud of it.

Mr. EDWARDS: Of course the hon. member would be proud of it. He kept the men out of work.

The hon. member for Maree said his piece in reference to the Moore Government, and said it in the same way as he has said it over the past seven years. He did not vary his story by one word. I recollect him repeating it year after year. What is the truth about the Moore Government? Let us examine it for a while. Owing to the hardships and difficulties that were overcoming this State in 1929, the Labour Government, on their appeal to the electors, failed to secure a renewal of their confidence. That was very unfortunate for the Moore Government, as the financial difficulties that were overcoming Queensland were overcoming the Commonwealth and the whole world at that time. That is the reason why they went out of office.

Mr. Mann: Labour left you £5,000,000 in the Treasury.

Mr. EDWARDS: That was unfortunate, too. The return of the Moore Government was unfortunate for Queensland, because, had Labour been returned to office, the Moore Government would certainly have been returned in 1932, and remained in office thereafter. Let us try to look at the position from a common-sense point of view. No Government holding office during the 1929-32 period have been returned again to the Treasury benches. The Secretary for Agriculture in the present Country Party Government in Victoria was Premier in a Labour Government, who controlled Victoria at that time. New South Wales, Victoria, Tasmania, South Australia, and Western Australia all went through a very difficult and even tragic period. Had Labour been in charge of the Treasury benches in 1929-32, they would have remained out of office for years to come, for they could not have done any better than Mr. Scullin and other leaders of Governments of that time. In 1930, I travelled as far as Western Australia, and I say very definitely that Queensland was in the best condition of any State I visited. I do not say its condition was good by any

means, but other States were worse off. The worst State was South Australia; its position was tragic. Western Australia was not so bad, but New South Wales and Victoria were in a dreadful condition. The Moore regime should be commended for carrying on the affairs of the country during that tragic period, instead of being everlastingly criticised. Such criticism shows a smallness of mind, and does not exhibit statesmanship or honesty in politics.

The Government do not deserve very great commendation for what they have done. I have had a fair amount to do in financing my own little business. I am satisfied that had I, or any other person, carried on my business as Labour has carried on the business of this State that I should have been ruined. In addition to increasing taxation in every way, they have piled up an enormous public debt. Notwithstanding this, they come into this Chamber and say: "Look what we have done, and how we have financed this State in comparison with other States in Australia." Since Labour came into office in 1932, the public debt has increased from £111,000,000 to £127,000,000. That is an enormous sum of money to spend in addition to the revenue collected.

Mr. Walsh: It was the lowest increase for any State over the same period.

Mr. EDWARDS: It would not do for the hon. member to make the comparison. We must realise—I am sure you realise it, Mr. Brassington, because you come from the West—that we have got the best State, but it is not developed. The opportunity is there to do so. There is no occasion for the Government to engage in a huge spending policy. As I have said over and over again, what is required more than anything else is confidence. By creating confidence people will be induced to come to this State and invest their money here, thus creating employment and obviating the need to undertake public works to provide employment. We ought to be ashamed to think that we have even one able-bodied man who is willing to work without having a job for him to go to. The present state of affairs is attributable to wrong handling of finance, bad government, and the efforts of Labour members to create a cleavage between the "wage slave," as they call him, and other sections of the community.

Mr. Mann: How would you create work for him?

Mr. EDWARDS: There is any amount of work outside; the farmers cannot get men at the present time.

Mr. Riordan: At 10s. a week?

Mr. EDWARDS: It would be too much for you; I would not like to give you 5s. a week.

As I pointed out, when Labour came into office in 1915 the State public debt was £56,000,000-odd, and to-day it is £127,000,000-odd. That is an indication of what the Government have done for Queensland and what they are doing for the boys who are

growing up. They are piling up a burden of debt for future generations to carry. They must know we are reaching the stage when it will be impossible to continue the present system. The Brisbane City Council have got into a position in which it is not able to carry on; and has had to dispense with the services of a large number of men.

Mr. Walsh: You got a decent hospital at Kingaroy out of it.

Mr. EDWARDS: Why should they not get them in the country districts? If the money that has been spent on many public works about the city—works that will not be needed for the next 25 years—had been used for providing some of the amenities of city life for the people outside the city, the State would be in a better position.

Mr. Riordan: Do you believe in the Government's hospital policy?

Mr. EDWARDS: Let the hon. member give notice of the question. The Government are unfair in their criticism of the work carried out by the Moore Government. When the unemployment relief tax was first introduced the Labour Party bitterly opposed it.

The Secretary for Labour and Industry: We opposed the incidence of the tax.

Mr. EDWARDS: There is no use in trying to sidestep. They opposed the tax in every possible way. But what did the Government afterwards do? In the first financial year the Moore Government collected just under £1,000,000 from that tax, but the Labour Government increased it to such an extent as to collect £3,000,000.

The Secretary for Labour and Industry: We graduated it and made it more equitable.

Mr. EDWARDS: That tax was imposed for the very purpose for which the Government have introduced the State development tax—to carry out development works in the country, clearing land, dam sinking, fencing, suckering, and similar works. The Moore Government started such works but the Labour Government for years ignored the advice of practical men sitting on this side of the Chamber. They now suggest that men are to be employed on this class of work—the very work for which the tax was originally introduced.

The Secretary for Labour and Industry: We have been doing that since its inception.

Mr. EDWARDS: The Government have not been doing it to the extent of employing the greatest number of men available.

The Secretary for Labour and Industry: You are misrepresenting the position.

Mr. EDWARDS: I never misrepresent anything. My statements are absolutely correct.

Mr. Riordan: The only one you misrepresent is Jim Edwards.

Mr. EDWARDS: It would be very hard to misrepresent the hon. member.

Had the Government taken heed of the advice given by hon. members on this side and spent the money in the country districts, the financial position would not be as it is to-day, nor would the Brisbane City Council be in the position in which it finds itself. Population would have been decentralised and the council would not need to find work for such a large number of men as are to be found in the city. The Secretary for Labour and Industry has said that I am misrepresenting the position. At one period 14,000 men were chipping grass in the streets of Brisbane. Is that work of a developmental nature?

A Government Member: Under the policy of the Moore Government.

Mr. EDWARDS: No.

The Secretary for Labour and Industry: We have ever since kept the cotton-growers turned out by the Moore Government going.

Mr. EDWARDS: The help the Government gave was harmless. The Commonwealth Government helped them out and the hon. gentleman knows that. The land, the rainfall, and the conditions in this State are sufficiently good to enable a greater number of men to be kept in employment than we find at work to-day.

From the State development tax, which does not provide for the same allowances or concessions as the income tax, the Government will collect a larger amount than previously.

I do not think that the Government can ever develop this State properly while they continue to create such conditions. It would have been far better for them to have increased the ordinary income tax. Having decided to impose the State development tax, the least they can do is grant such concessions and allowances as are allowed under the Income Tax Assessment Act. By the imposition of this double tax, one of them extremely hard, people will be driven from the country into the large centres of population in search of rations and employment.

Mr. Walsh: You cannot prove that to be so now.

Mr. EDWARDS: It is so. Last year was an extremely good year. To-day, however, a condition of drought has set in, the cows have gone out of production, the Commissioner of Taxes is serving orders on the factories, and certain machinery that was ordered when times were good is now being supplied to the factories. If the drought continues for a few more months the dairymen will be down and out, yet in spite of this they will be asked to pay both income and State development taxes on last year's income. I ask hon. members how they can be expected to pay this taxation?

Mr. Walsh: You know that they do not pay the tax unless they have an income.

Mr. EDWARDS: I will repeat what I said, so that the hon. member may understand. Their assessment will be made on

conditions that obtained last financial year. This financial year they will be broke, yet they will be compelled to pay the tax on last year's income, which means a further burden on their shoulders. Such things as these drive people off the land or else make them so discontented that they will not give of their utmost for the development of the State.

Mr. Walsh: I suppose that is why production has increased so much?

Mr. EDWARDS: The hon. member may have his little bit of fun in certain places, but this is not fun to me. I have been working amongst these people too long to fail to realise the grave position with which they are confronted. I assure the hon. member that these people are proud. They have to be hard pressed before they will ask for help.

Mr. Mann: We appreciate that fact.

Mr. EDWARDS: I am glad to hear of it. It is true that we have been through a wonderful season, that we have had record production, and that we have collected more money for our exports than ever before in the history of the State. Despite all this, the Government's Budget discloses that they are going to be in a worse position than they were previously. I say emphatically that all this great work that must be done, the clearing of land, the repairing of fences, the cultivation of our country, and the grassing of our paddocks—in fact, everything that helps in the wealth production of the country and creates continuous employment—will be neglected as soon as we get back to ordinary seasons.

I am satisfied that the Government have bolstered up the Budget, that they have framed their Estimates on what we did last year. That, to my mind, is poor finance, because we have to look back and see what we went through over a long period of years to realise what we are likely to go through again.

Can the Premier or any of his Ministers occupying the front benches—who know Queensland fairly well—visualise what results would have been had £3,000,000 or £4,000,000 of this money been spent outside instead of in the city areas? No great amount of money has been spent in saving the stock of the West in which we have lost about as many sheep since 1922 as are running in Queensland to-day. The value of those sheep might be put down at £20,000,000. I say without hesitation that until we are prepared to realise that it is our job to save those assets and build them up, we are not going to get away from the hand-to-mouth method of business we have been running on for years. I am disgusted to think—

Mr. Riordan: You are always disgusted.

Mr. EDWARDS: I am disgusted with the hon. member.

The Premier: You should write a new book of lamentations.

Mr. EDWARDS: However, there is no doubt that this country should be handled on different lines to those being followed at present. While I do not for one moment suggest that the people in the large centres of population should be denied healthy conditions, good educational facilities, and that sort of thing, I say that greater encouragement and assistance should be given to those people who are working where the wealth is produced. No end of money could be spent in the provision of water in the outlying districts of this State. Great assistance could be given to people in the conservation of fodder to ensure continuous production over a number of years. Those are a few instances of how we could develop this State of ours. Other States of Australia, particularly Victoria and South Australia, have developed their lands 100 per cent.

Mr. Riordan: Why did you leave Victoria?

Mr. EDWARDS: I left Victoria because I was not frightened of work. I am convinced that, if the policy I suggest was carried out in this State, there would be no end of money coming from the other States. People pay up to £20, £30, and £40 an acre for land in the other States of the Commonwealth, but land of equal value could be bought in this State at from £4 to £5 and up to £10 an acre.

Mr. Riordan: What are you arguing about?

Mr. EDWARDS: People will not come here under present conditions. They should be coming here in droves.

I hope that the Government will consider my suggestions and realise that it is necessary to bring about decentralisation as much as possible so as to develop the outlying parts of the State. The outbreak of the present war discloses that much economic trouble will occur in the cities. At one time it was thought that it would be uneconomic to establish secondary industries away from the coast, but even financial men now realise that that idea is false. In Victoria, for instance, many big industries have been removed from Melbourne to Geelong, and in New South Wales meatworks have been established at Bourke in the West. In Queensland butter factories and bacon factories have been built in country districts, and in my own electorate peanut silos have been erected at a cost of over £100,000. What monuments to the efforts of the farmers! I sincerely hope that the Premier will give the utmost consideration to my suggestions, but I am just afraid that next session we shall be talking about the same subjects as we are discussing to-day and that hon. members opposite will be blaming the war for our financial difficulties.

The people should be encouraged to go and work in the country districts. The other day the Secretary for Mines said that 41 per cent. of the people offered work were unable to accept it for various reasons, but I say: "Lord help them." If able-bodied men refuse

to leave the city to work in the country they have no right to any help. We should stimulate the spirit that prevailed in bygone days when men were prepared to take an axe and go out into the country and carve out a home for themselves. Unless they are encouraged to help themselves, we shall not be able to make the progress that is required in this wonderful State.

Mr. MANN (Brisbane) (5.17 p.m.): I congratulate the Treasurer on his Budget and I express the opinion that the majority of the people of this State also will extend their congratulations to him. It is fortunate, indeed, that on the outbreak of war Queensland should be in such a sound financial position that the Treasurer is able to bring down a balanced Budget. It reveals that the policy of the Government has had a favourable effect upon the economic and industrial life of the State, and it also discloses that Queensland has made much progress since the present Government were returned to office in 1932, when they were faced with a deficit of £2,075,000. In the short space of seven years the Treasurer is able to show the wonderful achievement of a surplus of £14,046.

The Budget also reveals that it is the intention of the Government to continue their vigorous works policy and so further stimulate trade and industry, thereby raising the standard of living of the people. It proves conclusively that the problems of State have been handled in an efficient manner and in the best interests of the majority of the people.

In criticising the Budget, the Leader of the Opposition and other hon. members opposite charged the Government with reckless and extravagant expenditure, but they failed to recognise or disguise the fact that production has increased, revenue has improved, that, according to the Press, trading houses show bigger profits, and that savings-bank deposits have increased year by year. All these things indicate that financially and economically conditions have become more favourable. If a State has advanced, and is expanding in population, is it not merely logical to assume that the expenditure of the State also must expand?

Hon. members opposite, with the aid of their friends outside, have been carrying on a campaign against taxation. They have charged the Government with inflicting heavy taxation on companies. Let us ask: who are the people agitating along those lines? Let us examine them on the Opposition benches. The foremost agitators are the hon. member for West Moreton (the Leader of the Opposition), the hon. member for Hamilton, and, last, but not least, the hon. member for Oxley. All these hon. members are interested in wealthy companies. They are prosperous, doing good business, and paying handsome dividends under a policy initiated by this Government. They always deery Labour's policy, and at every opportunity take it upon themselves to depreciate their own State to its detriment. Is it any wonder that these hon. members are referred to as the reactionary Tory Party?

Hon. members opposite, together with their friends outside, seem always to oppose Labour's policy, and fight any reform that this Government may bring forward in the interests of the vast majority of the people. They are the advocates of long hours and low wages. They hate reform of any kind. That is why, as members of the Moore Government, they cut wages, sacked thousands of Government employees, reduced hospital and clinic services, and reduced the allowance of State children. To such an extent did they engage in this policy that business became almost stagnant, and the State was on the verge of bankruptcy. Yet, to-day they set themselves up as critics of the Government, and as masters of finance, although the very policy that they believed in, and put into effect, caused this State to get into the greatest difficulty it has experienced, and caused them to finish their term as a Government with the greatest deficit in the history of Queensland.

The hon. member for Hamilton argued that if company taxation was reduced, unemployment would be diminished. How ridiculous! Thousands of men and women were out of employment prior to the imposition of the high company tax they complain about. Does any hon. member opposite argue that the Government impose taxation just for the pleasure of doing so? It is a fact that, owing to the failure of private enterprise, prior to the imposition of the unemployment relief tax, now the State development tax, thousands of our people were out of employment. As soon as business slackens, private employers economise at the expense of the workers. They sack them. The unemployed workers then become a charge on the State. Therefore, the argument of the hon. member for Hamilton cuts no ice at all. He has not made out a case for reduced company taxation.

If the assertions of the hon. members for Hamilton and Oxley are correct, that if company taxation is reduced employment will be found for our people, why were so many people out of employment in 1929 to 1932? That is a question they have never answered; it is something that they do not understand. It is evident that hon. members opposite do not understand the basic cause of unemployment. I maintain that the monopoly of production and exchange in the hands of capital is the cause—the cause of all the evils that beset this State to-day.

I was pleased to notice in yesterday evening's "Telegraph" that Sir Frederick Stewart had made a statement that if the Federal Government could solve the unemployment problem Australia would be rid of most of the evils that beset this country to-day. I agree with him, and I hope he will continue to point that out to the Prime Minister in the hope that something will be done by the Federal Government about unemployment. During the few years I have been an hon. member of this Assembly I have charged the Commonwealth Government with disregarding their responsibility for the unemployed. I say it is not the function of the State Govern-

ments, but of the Federal Government, to find work for our unemployed.

Hon. members opposite criticise this Government for increasing taxation, yet we do not hear them utter a word of criticism of the increased taxation recently imposed by the Menzies Government.

Mr. Walker: That is for war purposes.

Mr. MANN: Hon. members opposite make excuses for the actions of the Federal Government because they are of the same political faith as themselves. Taxation is inevitable under our system of government; it is necessary to tax people in order to provide the social services that are essential to the well-being of a community.

Hon. members opposite appear to derive a good deal of pleasure in gibing at the Government regarding unemployment. Last week the hon. member for Wynnum charged the Government with not dealing properly with the unemployed. He said that 8s. 6d. a week for a man and an equal amount for his wife and 3s. 9d. a week for each child was not sufficient, yet he charged the Government with inflicting too much taxation on the taxpayers. I ask the hon. member for Wynnum and other hon. members opposite how they reconcile those two statements; how they expect increased benefits for the unemployed and reduced taxation at the same time. Quite recently the Government reduced the unemployment relief tax (now the State development tax) by 2d. in the £1, and the basic-wage earners were exempted altogether. This reduction meant that the Treasurer had £1,250,000 less money to spend on unemployment. I believe it is proper to exempt the basic-wage earner from this tax. I sincerely believe that the policy of making the poor pay for the poor is a wrong one.

Hon. members are aware of the benefit to them of the reduction of 2d. in the £1 on their incomes. If the hon. members for Wynnum is sincere in advocating greater benefits for the unemployed he should advocate a higher tax on all incomes of £500 a year and over. The Treasurer would then be in the position to enable greater benefits to be granted to the deserving unemployed. The hon. member apparently is of the opinion that private enterprise should employ people for profit, but immediately there is no profit it should dispense with the services of its employees, and make them a charge on the State. If that is so—and it is so—the hon. member and others opposite should make some contribution from the profits they have earned towards the maintenance of those who are unemployed because of the failure of private enterprise.

In their defence of the Commonwealth Government's increase in taxation hon. members opposite draw attention to the cost of defence. The Premier recently in Canberra made a suggestion to that Government for a defence road from the border to Charters Towers, of which his Government were prepared to meet half the cost. Moreover, he said, that the Queensland Government would

build a railway line from Dajarra to Camoo-weal if the Commonwealth Government would extend the line to Port Darwin. In the development of this State that road is a very important link, but the Commonwealth Government turned down the proposal. It is a necessary defence road. It is contended that experts and not laymen know the needs of defence, but it requires no stretch of the imagination to realise that a road through the interior of Queensland is in the best interests of the country and very necessary for defence purposes. The construction of that road should be proceeded with at once and should be financed by the Commonwealth Bank Board, free of interest.

It is not my suggestion that finance for such a defence road should be provided free of interest, as the report of the Royal Commission on Banking said that credit could be made available to the Commonwealth, through the Commonwealth Bank, interest-free. This was a commission appointed not by a Labour Government, but by the Lyons Tory Party in the Commonwealth Government, and that is one of the recommendations of the competent men on that commission—and rightly so.

The Commonwealth Bank, with no subscribed capital, opened its doors for business on 15 July, 1912. The Commonwealth Government granted a loan of £10,000, and within a few years the Great War began. During that war the Governor of the bank, Sir Denison Miller, made a statement that at the outbreak of war certain things were necessary and he could finance Australia to the amount of £350,000,000. He went even further and said that had the war continued he could have found another £350,000,000. If such things could be done in time of war—and during the present war they are already finding thousands of pounds—is it not logical to suggest that it can be done in times of peace to provide work for those who have neither work nor wages? Up to the present the Federal Government have neglected their responsibility for the unemployed of this nation. I can do no more than repeat the sentiment expressed by the Federal Minister who drew the Federal Government's attention to the problem.

Hon. members argue that everyone in the community has a duty to defend the community in time of war. When speaking to the Address in Reply, the hon. member for Fassifern asked me if I was not in favour of defence. Certainly I am in favour of defence, and I should defend this nation to-morrow if it became necessary, because it is the nation in which I live, and it is worth defending. However, the point is that if it is reasonable to suggest that every person in the community should defend the country in times of war, then it is but logical and reasonable to argue that in peace every man and woman should partake of the wealth that is produced in the nation.

Instead of criticising the Government for the Budget they have presented, hon. members opposite should look for the basic cause of the evils that beset this State and the

Commonwealth. If they did that they would be rendering greater service to the community.

Then, too, hon. members opposite talk about the public debt of this State. Let us examine it. During the last 26 years the national debt of Australia has increased by 300 per cent. To-day it is almost impossible to sell the goods that we produce. Restrictions are being placed on the production of our wheat, sugar, and several other commodities, and no consideration is given to the capacity of the nation to produce more.

I do not think any hon. member in this Chamber will argue that the national debt will ever be paid off. As a matter of fact, we find that every day, in order that industry may carry on and that employment may be continued, the national debt has to be increased. The method adopted to continue the employment of our people throughout the Commonwealth is to borrow more of the nation's wealth from the banks. This means another increase in the national debt, in the amount of interest that has to be paid, and, in the final analysis, the imposition of a further burden on industry and the giving of greater liens on the nation's assets to the bank.

I argue, as do Mr. N. T. Gaitskell, a lecturer in economics at the University College, London, and Mr. G. H. D. Cole, an Oxford economist, that if the banking system was amended to permit banks to charge only a reasonable rate of interest and to make a reasonable charge for administering the nation's credit, and if this credit was used to create enough purchasing power to enable wages to meet prices, it would go a long way in stopping the spectacle of poverty and the cry of over-production in a land of plenty. Hon. members opposite should pay attention to these things. They should look to the basic cause of the evils that beset us.

An hon. member walked into this Chamber the other day clad in military uniform and there were a good many "Hear, hears!" from hon. members opposite. We are engaged in a war as part of the British Commonwealth of Nations, against Nazism. The Communist Soviet Union has joined with the Nazis in the struggle against us. It is essential that we win this struggle. The war is the result of the misery and degradation existing in those countries. The poverty of the people due to the rotten banking system and the wretched way finances were handled have enabled Hitler to rise and become the dominating factor he is in Germany to-day. The same thing applies to Russia. It was due to the struggles of the poor in that country, who were ground down by the dominance of the money power that caused Soviet Russia to be in the position it is to-day. Instead of criticising the Government, I repeat, hon. members opposite should look to the basic causes of the evils that beset us to-day.

This Government, with limited resources at their command, have done wonderful work in this country. There are more men in employment to-day than ever before in the

history of the State. As the Premier has rightly pointed out on many occasions, our present state of affairs has not come about by chance; it has come about by sound and wise administration. I say that the Government are entitled to every credit we can pay them. Queensland is the only State in the Commonwealth that showed a surplus for the last financial year. It is desirable that the State continue with its policy of endeavouring to find work at award wages and conditions for the people. It is important that the Government should be able to raise enough money to meet the needs of the people and that that money be obtained with no increase in interest charges. The payment of low interest charges is one of the main objectives of the Labour Government. Hon. members opposite could do the State a service if they were to assist this Government in obtaining loan money with which to find avenues of employment for the people. I trust that the Government will continue with their present policy of endeavouring to place as many in employment as is possible.

In conclusion I say that the Treasurer deserves all the credit given to him for the wonderful Budget he has presented. It has been prepared in the best interests of the State. Taking into account the resources at their disposal and the needs of the people, I have no doubt that the Government are conducting the finances of this State in a proper manner.

Mr. JONES (Charters Towers) (5.44 p.m.): I congratulate the Treasurer on his Budget. I believe that the best indication of the success of his handling of the finances of this State is contained in the fact that the Press of Queensland has not attempted to attack it in any way. It is the usual thing, immediately a Budget is brought down, for the Press to indulge in a tirade of criticism of it; it is also usual for that criticism to be the basis of the case put forward by the Opposition. On this occasion the majority of those hon. members opposite who have spoken have picked on some little bit of the Budget and attempted to make capital out of it. Quite a number of hon. members opposite have attempted to justify the policy carried out by their party when in force.

I believe that one of the best barometers of the stability of the State can be found on page 21 of the Financial Tables under the heading of "Unemployment Insurance Fund." In 1929-30 the amount was £490,568, the following year £453,439, and there have been progressive increases every year until 1938-39 when the amount was £622,139. That is one of the best barometers of the financial position of the State, and shows a general progressive improvement in conditions.

The hon. member for Aubigny, the hon. member for Cooroora, the hon. member for Oxley, and other hon. members opposite have made a comparison between the conditions that prevailed in 1929-32, and the conditions under the present Government. Of course, they excuse their misdeeds by pointing out that 1929-32 were years of depression. I quite admit that, but my point is that it did not

come about over a week-end, nor was it something that developed overnight. Their very first executive act after they had been returned to power was to abolish the rural workers' award, which was an indication of the policy that they intended to carry out. They also abolished a number of other awards, and this in the face of a very definite pledge to the people that awards would remain inviolate.

When the hon. member for Aubigny was speaking the other day and was mentioning the action that he had to take when he was in power, I interjected that the other States did not abolish awards to the same extent as he had done, but he said that my statement was not true. I then challenged him to name the other States, and he mentioned Victoria, but I should like to point out to him now that while he was paying sewerage workers, railway workers, and others 11s. a day, men doing similar work in New South Wales and Victoria were paid the appropriate award rates, which were higher. It is important that he should remember that because his Government were elected on the definite pledge to safeguard industrial unionism, to enforce the decisions of the Industrial Court, and to help co-operative enterprise.

As I have said, I fairly admit that his Government were faced with a depression, but it was largely accentuated by their policy, and no statement by hon. members opposite in justification of their action can be substantiated by them. Almost immediately after they had abolished the rural workers' award and other awards, they removed the railway employees and other public servants from the protection of the Industrial Court. All the pastoral workers with the exception of the shearers were also removed from the protection of the court. In all, approximately 40 per cent. of the workers of the State were industrially outlawed. It may be said that this material is somewhat old, but you cannot repeat a good thing too often, and it is just as well that the people should not be allowed to forget these facts. I do not think they will. Some of us may forget them, but I do not think the people will.

Looking over "Hansard" during the week-end I came across a question that I once asked the Premier of the day, the present Deputy Leader of the Opposition. This is not propaganda. It truly portrays the position that existed at the time, and goes to show the effect of the policy that was being put into effect by the Government of the day. "Hansard" for 1931, page 17, records this question:—

"Mr. A. Jones (Burke) asked the Premier—

'1. Is he aware that the following are the minimum rates of pay, together with keep, laid down for aboriginal workers on stations in Queensland—

Male cooks—£1 10s. to £2 per week;
 Head stockmen—£2 per week;
 Drover in charge—£2 per week;
 Other drovers—£1 10s. per week;
 Horse drivers—£1 10s. per week.

'2. Is he aware that the minimum rate which may be paid to aboriginal drovers in the Northern Territory is £3 per week and keep?

'3. In view of the fact that many white station hands in Queensland are working for £1 and £1 5s. per week, will he take steps to see that white station hands are given at least the same protection as that afforded to aboriginals?'

'The Premier (Hon. A. E. Moore, Aubigny) replied—

'1. The hon. member's figures are approximately correct.

'2. No.

'3. Inquiries are being made.'

The position at that time was that while aboriginals were protected to the extent of £1 10s. and £2 a week, white men were employed in western stations at as low as 15s. a week. That is indicative of the policy carried on by the Government of the day.

The June, 1931, issue of the "Queensland Industrial Gazette" printed the following statement made by an industrial inspector who was then travelling throughout the western districts:—

"But, alas, one met or overtook a dreadful number of swagmen who were in a very bad way, poor beggars!

"Lucky is the public servant who avoids the sad spectacle of drawn-faced, hungry, and, in some instances, almost desperate fellowmen, escorting 'Matilda,' a harridan, so to put it, from whom they vainly seek to be divorced. It is most distressing to know that in this beautiful State so many hapless travellers, honestly seeking employment, now are entering the dark cathedral of winter, penniless, footsore, half-fed, and half naked.'

That statement gives some indication of the conditions operating under the policy carried out by the previous Administration, which to-day, and at other times, hon. members opposite have made attempts to justify.

Quite a lot has been said during this debate about the Brisbane City Council. Hon. members opposite have attempted to place the blame of the position at the door of the council, refusing to take into consideration the effect of the present war. No hon. member, if he is honest, believes that the present position of the council is in any way due to a cause other than that created by the war. Listening to hon. members opposite, one would think that the council was the only semi-governmental body in Australia that was in such a position, but it is interesting to note that the Sydney Metropolitan Sewerage and Drainage Board, which obtains its finance under the direction of the New South Wales Government, has, in the last few weeks, dismissed 1,200 men, and, in the last 12 months, over 4,000. The happenings in Brisbane and Sydney are only in keeping with similar happenings in many other parts of

Australia. That is a position that we have to face in Brisbane.

It is obvious that the men who have been dismissed because of the war position and who are walking about the streets of Brisbane must become bitter. They must sooner or later ask themselves why it is possible to find millions to prosecute a war, yet impossible to find enough to enable them to keep body and soul together. If this condition of affairs is likely to develop it will present a challenge to democracy.

I heard a well-known radio commentator say over the air the other night: "I believe the allies will win the war—I hope to God they do—but while I believe we shall win the war we must see that we win the peace." I agree with him. No-one believes that when the war is over we shall be living under exactly the same system of society that we are living under to-day. It is no use our trying to delude ourselves. The people are not fools. For instance, I know that if any member of the Opposition had a wife and four or five children and he could not get enough to feed them—although they can find millions to prosecute a war—he would ask himself: "Why cannot I get the wherewithal to keep myself and family?"

The fact that huge amounts of money can be found for war purposes gives one food for serious thought. Great Britain alone expects to spend £1,933,000,000 for the current financial year. It is estimated the Great War cost Australia £914,000,000, £541,000,000 of which came from consolidated revenue, and £373,000,000 from war bonds; £250,000,000 of the loan money was raised in Australia. The last war directly and indirectly cost the nations involved £80,000,000,000. According to statisticians, this huge sum of money would build a £500 house and furnish it with £200 worth of furniture, each on 5 acres of land worth £20 an acre, for every family in England, Wales, Scotland, Ireland, Australia, Canada, Belgium, the United States, and Russia. Those figures of war expenditure are certainly alarming and give one much food for thought. In these days of education the average unemployed man wonders at the remarkable paradox that enables millions to be found for destruction, whereas the wherewithal to profitably employ and feed our unemployed is not to be had.

Mr. Colin Clark, in the "Economic News" for September this year, has some interesting comments to make on the cost of war. Under the heading "The Cost of War," he states—

"The war of 1914-18 cost far more, in lives and money, than all the wars of the previous 60 years put together."

Further on he writes—

"Loans to allied countries made up over one-third of the war expenditure of the United States of America and 22 per cent. of British expenditure. British total war expenditure amounted to nearly twice the entire national income of the year 1913. Or, putting it another way, the economic resources expended by Great Britain on the war would nearly have sufficed

to have given the entire working population a two-year holiday while maintaining their 1913 standard of consumption.

“Great Britain’s tremendous expenditure could not, of course, be entirely achieved out of the country’s current production, though it is surprising how much in fact was so met.”

At 7.15 p.m.,

The CHAIRMAN resumed the chair.

Mr. JONES: The article continues—

“We talk about ‘placing some of the burden on the future,’ but this is purely a financial rearrangement. Economically it is impossible to feed a soldier or fly a plane on futurities. Material goods are needed for this purpose, and they must be currently produced, except in so far as they are obtained on credit from allied or neutral countries.

“In the last war, borrowing from the United States of America and sales of overseas securities held by Great Britain yielded some £2,100 millions. Converted to present-day purchasing power, this becomes £2,150 millions, or 28 per cent. of Britain’s entire war outlay. It may be added that £1,740 millions of this was used for loans to Allies and Dominions, and, if Britain had not had to make these, she could have financed her war effort entirely from her own resources.”

He proceeds to point out that an economic depression can be much more damaging than even a war—

“It is important to remind ourselves, however, that a great economic depression may cause as much or more economic damage than a war. In addition, the anxiety and distress which it causes may be as great as that caused by war.”

The majority of hon. members will agree with that contention, but it is remarkable that in times such as those through which we are passing how a war psychology affects the majority of people. A few days since there appeared in the Press a statement by the president of the Country Party, Mr. Leahy, pointing out the necessity for woolgrowers to obtain a price of approximately 1s. 3d. a lb. for their wool. I agree with him. That is a fair price, but the point is that, whereas everybody accepted such a statement as quite reasonable, there were people who branded the action of seamen in refusing to go to sea unless certain conditions were granted by the shipowners as unpatriotic. These men had only their labour to offer and asked something like a fair return for it and some security for their families. It is remarkable that such a psychology prevails. Many of these men had to live under the most primitive of conditions. Those who have a knowledge of British merchant ships know that the conditions and wages are not good; but a number of people who spoke to me were of the opinion that these seamen were not patriotic merely because they had made a reasonable request, one that eventually was granted. On the

other hand, when a suggestion is made by a man such as Mr. Leahy, everyone accepts it as quite reasonable.

Referring to the defence matters that have been discussed in this Committee, the hon. member for Cooroora said this morning that he was of opinion that it would be better to leave them to experts. There may be something in what he says, but in the past we have found quite often that we have had sound advice from men who were not experts. I refer the Committee to the policy propounded by Mr. Curtin, the Leader of the Federal Opposition, at the last Federal election. He pointed out then the importance of aircraft and said that he thought that Australia should concentrate on building an air fleet. Immediately he made that statement he was assailed by almost every prominent man in the Federal Government. Typical of the political bias in the criticism of Mr. Curtin’s policy was the statement made by the Minister for Defence, Sir Archdale Parkhill, who said:—

“British sea power is our first line of defence.”

The then Prime Minister, Mr. Lyons, said:—

“The Government has reached the conclusion that the first line of insurance against invasion is naval defence.”

Mr. Curtin again emphasised the need for strengthening our air force 12 months later in his 13 points on defence. Again the Federal Government assailed that policy and not one member of the United Australia Party or Country Party dissociated himself from the Government’s criticism.

Sir Earle Page was also one of the men who criticised Mr. Curtin at that time. He said:—

“The Labour Party’s defence policy is an invitation to us to commit suicide.”

This is indicative of the attitude of Federal members and it goes to show that it is not always necessary to have the advice of an expert, that all that is needed is the application of common sense. It proves, too, that Mr. Curtin had enough foresight to see that Australia could be better defended by building up our air force.

Since that time we find that the “London Times” has this to say:—

“The Dominions, especially Australia and New Zealand, must make certain that they will not be attacked before they denude themselves of trained defenders.”

It goes on to deal with the fact that Australia intends to send a squadron of airmen over to help the Imperial forces. This all goes to prove that the policy put forward by Labour at the last Federal election was sound in more than one particular.

I should like to deal now with price-fixing, and the position of Mr. Lindsey, our Queensland Commissioner of Prices, in the control of prices by the Federal Government. I believe that it is a compliment to Queensland to find that it was the only State that had

the necessary legislation to take immediate control of the situation. Immediately it was decided that an attempt should be made to control prices the Queensland law was adopted as a pattern for the other States, and more or less acted upon by the Federal Government.

Before resuming my seat I desire to make reference to the inland defence road referred to in the Press and discussed by hon. members in this Committee. It has been suggested that this road should go from Brisbane up through Clermont and Charters Towers to Townsville.

The Premier: Not to Townsville. A railway goes from Charters Towers to Townsville.

Mr. JONES: A railway runs from Charters Towers to Townsville. About 12 months ago the Chamber of Commerce and Mines at Charters Towers, supported by the Townsville Chamber of Commerce and quite a number of other bodies, took the matter up with the Federal authorities through W. J. F. Riordan, M.P. for Kennedy. They stressed the need for a military road over the range to Charters Towers so that the civil population in the coastal area from Home Hill to a point beyond Ingham, which includes the towns of Ayr and Giru and the city of Townsville, could be evacuated to the hinterland should the necessity arise; and also to enable the military sections within that area to be made into mobile units, instead of, as at present, a number of detached units, isolated from one another by almost impassable roads. This would enable the military to have a headquarters staff and depots properly centralised within the area at some point on this road near to Townsville, and provide for a line of retirement should it become necessary. That case was put forward by the Northern members and they received some support from Messrs. Fadden and Corser, Country Party members. It was pointed out that should the occasion arise it would be necessary to evacuate people from Townsville and other coast towns, and the obvious place to send the people to would be Charters Towers. It was considered that some action should be taken to build a road over the range to Charters Towers. If the present railway between Charters Towers and Townsville was destroyed or anything happened to it to prevent rolling stock going over the line, it would be a slow process to evacuate people from the coast to Charters Towers. Quite recently, as is usual, the Secretary for Health and Home Affairs asked the town council at Charters Towers for certain particulars of the number of people who could be accommodated in that town if it was necessary to evacuate people to it. Since then the Town Council and the Chamber of Commerce and Mines have pointed out to me the difficulty that exists owing to the deplorable state of the road. I am not altogether blaming the Federal Government for that; the local authorities concerned are largely to blame. The shires through which the road passes could, in years gone by, have taken advantage of the liberal advances made from various

funds and so put down a good road. At present there is much dissatisfaction in Charters Towers about this road. I took the matter up with the Secretary for Public Works, and he assured me that he would have inquiries made. The road has now been gazetted a State highway. That indicates that the Government intend to do something.

Mr. Nimm: Would not that road attract traffic away from the railways?

Mr. JONES: I admit that the road would run parallel to the railway line but it would not have that effect. The time will come when a serviceable road will have to be constructed from Townsville to Hughenden and probably further west. I pointed out in my speech on the Address in Reply that I believe that reasonably good roads similar to those constructed by the Public Estate Improvement Branch of the Department of Public Lands, such as that from Hughenden to the Lynd, could be constructed in this type of country by a grader only. It is good holding country, and all that would be necessary would be to remove trees and level the road with a grader. A similar type of road would be suitable between Charters Towers and Clermont, and I believe that such a road could be built at a fairly low cost. In many cases the Public Estate Improvement Branch is building about a mile of road a day with 20 to 25 men in those areas. Of course, I am not suggesting that such a road could be built between Townsville and Charters Towers because I know that this country is rough and the work would be expensive in many places.

This is a time when we have a very important duty to perform, and we should at least consider what is the proper attitude to adopt towards the many problems that will be submitted for our consideration in the near future. Every man worthy of the name of an Australian will put his shoulder to the wheel and do all in his power to help the Government in this time of crisis.

The PREMIER (Hon. W. Forgan Smith, Mackay) (7.33 p.m.), in reply: I have listened very carefully to most of the speeches that have been delivered during this debate. Many of them have been informative and many projects for the development of the country have been put forward, but with the exception of two hon. members the Opposition made no real attempt to grapple with the financial problem of the State. The attitude that they took up was the one outlined by a one-time deputy leader of the Opposition, Colonel Rankin, who said that it was not the duty of the Opposition to criticise, that it was their duty to condemn. With the notable exceptions that I have mentioned, the present Opposition take that view.

In the course of my reply, I wish particularly to draw attention to the very careless manner in which hon. members opposite have used the figures submitted by the Treasurer. A very notable example of that, although it is only one of many, is the speech delivered this afternoon by the hon. member for Oxley. The hon. member was more vehement than

he usually is. Sometimes vehemence helps the speaker by stirring up the corpuscles within him, and he does better than he normally would do, but, in all kindness to the deputy leader of the "Affinity of Three," known as the United Australia Party, I suggest that vehemence is not his line. He is not at all effective when he becomes vehement, and often becomes merely ridiculous.

The hon. member, in his careless way of handling figures, said vehemently that the Main Roads Commission had spent only £3,439,983.

Mr. Maher: That was only from Loan Fund.

The PREMIER: He said the country was awaiting development, and this was all that had been spent in that way. I do not know whether hon. members of the Opposition are merely indolent or whether they are perverse. Indolence would be indicated in such as the hon. member, who dealt with only one figure and only one fund. As the Leader of the Opposition correctly indicated, that is a figure taken from Loan Funds. If the hon. member had looked at other funds, and had desired to give a picture of development by the construction of roads, he would have found that a great deal more money than that was spent for the purpose. The hon. member had evidently picked out his figures at random on the basis of the old game of making a cut with a knife and seeing what page turned up in the book. He did not even use the figures that were in the tables relating to the Treasurer's Financial Statement. Had he done so he would have seen in the same set of figures, "Loans to local bodies (and so on), £14,418,333." A good deal of the loan expenditure by the Main Roads Commission is contained in that figure. Under the Main Roads Act the Main Roads Commission either builds the roads itself or authorises the local authority to do so, financing the local authority, or it may provide the road and debit the local authority with its share of the cost. Since 1931-32, the expenditure by the Main Roads Commission has been £10,642,000 from trust funds on permanent works and the maintenance of main roads. Again, sums totalling £1,047,000 have been provided from the Unemployment Relief Fund and State development tax money. So that the Committee will see that, in taking a round figure of £4,000,000, the hon. member for Oxley was only £7,000,000 out. Is it any wonder, Mr. O'Keefe, that there are some earnest, thoughtful people in the community who are beginning to feel blase about Parliament and downhearted about the future of democracy? There is no excuse for the presentation of figures in that fashion, at least for one who has been a member of Parliament as long as the hon. member for Oxley.

The hon. member lashed himself into a fury and referred to the expenditure from the State development tax. He said that money is not being spent for the purpose for which it was being collected. The average yearly expenditure by the Moore Government from the Unemployment Relief Fund on works and

rations was £900,000, and the average yearly expenditure by the present Government on full-time works and other assistance has been £1,967,000, or at the rate of more than £1,000,000 a year for full-time employment.

Then, in a specious fashion the hon. member for Oxley tried to compare the figures that I used in relation to income and expenditure as they apply to the Eastern States. He tried to make it appear that New South Wales and Victoria took into account a number of amounts that we did not take into account. The hon. member cannot have it both ways. When it suits him he says that we take all our trust funds into revenue, and when he uses a figure comparative with those of other States, he says: "Those States include trust funds, which you do not." The hon. member cannot have it both ways. As a matter of fact, the figures I used are the figures prepared by the State Statistician on a complete comparative basis. Statisticians have a reputation to maintain as well as Premiers and cannot afford to use figures the falsity of which can easily be exposed. The figures I used as between Queensland and other States are all on a strictly comparable basis. If figures are not on a comparable basis, then they are of no value; they may even be entirely misleading.

I suggest to hon. members that, when speaking on the Financial Statement, it is essential, for their own sakes and in the interests of their reputation—if they want to be taken as serious critics in Parliament—to endeavour to study the various reports and tables that are issued from time to time. Do not take a page at random and select a figure without any regard to all of the figures that have a bearing on the same subject.

The hon. member also waxed furious about the Brisbane City Council. He alleges that the Government forced the Brisbane City Council to employ more men than such an authority could economically afford to carry. Now there is no truth whatsoever in that statement. I have not, nor has any other member of the Ministry, endeavoured to force that local authority to incur expenditure; but we have assisted Brisbane in many of its very necessary activities. Since 1 July, 1932, we have subsidised its works by no less a sum than £1,745,000. It is not good for either the country or the cities to make wild statements about any semi-governmental authority. They have a repercussive effect and can do no-one any good, but if credence is given to them are likely to do harm.

One of the many real difficulties of the Brisbane City Council, particularly the Greater Brisbane Council, is entirely due to the fact that the sewerage of the city was started 50 years too late. There can be no doubt about that. I can remember saying in this Parliament in 1915 that from the point of view of municipal amenities the council was 50 years behind the times. The statement created much annoyance to local authorities at the time, but it was nevertheless true. Had Brisbane begun its sewerage and

had forward planning for an adequate water supply 50 years ago, at a time when money was cheaper than it is to-day, these works could have been carried out at a much lower cost than at present. Having laid down the basis of a sound water supply and sewerage scheme, as the population increased a matter of a capital expenditure of £50,000 or even £20,000 a year would have kept pace with the growing needs of the city. But sewerage was not begun in Brisbane until after 1912 and it was carried on during the war period when costs were very high. The then Metropolitan Water Supply and Sewerage Board let contracts for the main sewer. All the contractors, with the exception of one, defaulted on account of the nature of the country through which the sewer had to go. The Brisbane authorities were carrying on that work during the peak period of costs with the result that to a very large extent the sewerage works have been over-capitalised. That is no fault of the present council, but is entirely because the early civic fathers or Governments of the day did not look ahead and lay down a basis for such an essential service.

We have helped the council by giving it subsidies on its sewerage since we have been in power. That has given employment and it has lowered the average capital cost of the sewerage scheme. We make no apology for giving that aid. The council was entitled to it just as any other local authority embarking on such a scheme is entitled to it, but basically, if we want to review the financial position of Brisbane and its environs, we have to go back to the beginning and look at the whole of the picture, not from the point of view of flogging Jolly, Greene, or the present Lord Mayor, but of seeing the actual position when they took control.

We know that other things have added to costs. We know that franchises were granted for the running of trams, and that these franchises, when they expired, were taken over at a pretty high figure, and that much of the plant was obsolete and had to be replaced. We know, too, that they had no authority over such a service as electricity, and that they did not obtain any expanding revenue from that source, as up-to-date cities in other countries have done.

The basic fact is—and this is true of a very large number of municipal centres in Queensland—that while this State has forged ahead rapidly in parliamentary government, it hung very far behind in local government. It is only within recent years that people have realised the advantages that accrue from facilities that local authorities can give.

It must be remembered always, however, that everything in life must be paid for. If bitumen roads, concrete water channels, good public sanitation, and other public-health measures are desired—and the people do desire these things—they must be paid for, and paid for by the people who get the service.

Only a few years ago the majority of men were content to wear ready-made clothing. I know that the first suit that I had made to

order in this country was on the occasion of my marriage. I can remember, too, that a judge of the Supreme Court sent me away to get a coat when I was a witness in a civil action. I borrowed a coat from a mate. It did not fit me, but it satisfied the conventional mind of the judge of the day. We did not wear coats in those days; we were content to be clean and tidy, and an outfit could be obtained for a comparatively small sum.

There is a close analogy between that state of affairs and what I am saying of local government. As when one desires suits and shirts and underwear made to measure, one must pay the additional price that is involved, so if the people want tailor-made streets, pavements, and water channels, as well as good public-health and other important amenities, they must pay for them.

The Brisbane City Council is not singular in not being able to obtain loan finance at the present time. Any number of local authorities are in that position. To use the term employed at the Loan Council, the amount of "semi-governmentals" provided this year for the various States is over £8,000,000. How much of that has been raised? Less than £2,000,000. In other words, it is obvious that financial institutions are holding off until they and we know the immediate requirements of the Commonwealth. In Melbourne to-day a conference of financial houses, acting in co-operation with the Commonwealth Government, is sitting with a view to discussing ways and means of financing Australia during the war. Until these things are finalised and put in proper order, then the local authorities will have to wait for additional loan funds.

We have no right, nor do we exercise any right, to control the policy of a local authority elected by the people of this country. It is only where a breach of the law takes place, or some serious maladministration takes place that the Government are called upon to exercise their powers. We are largely in the same position as the Governor of a State in his relation to Parliament. If Parliament misuses its powers and authority and breaks the Constitution then the Governor has certain rights, responsibilities, and powers. Those were exercised in New South Wales. Mr. Lang was not dismissed by the Governor of New South Wales because he believed in a certain financial policy, although the newspapers were clamouring for a long time for the Governor to take action. When they were clamouring they were only making the Governor's position more difficult, because, at that time, under the law the Governor had no power to act. Mr. Lang had a majority in Parliament; so long as he had a majority in Parliament and did not violate the Constitution nobody could interfere with him. What really brought about the Governor's intervention was the alleged instruction by the Premier to Crown employees not to assist Commonwealth officers in carrying out Commonwealth law. The Commonwealth law had been held by the High Court of Australia to be valid and

therefore to that extent it overrode the State law. In instructing Crown employees not to assist Commonwealth officers he was violating his oath of office; he was urging a breach of the law.

That, briefly stated, was the position there and it is understood by those who have taken the trouble to study the subject. Short-sighted people, and others, for purposes of their own, mainly political, kept up continual turmoil with the view of asking the Governor to do something that the Constitution did not empower him to do. If the Governor of New South Wales at that time had yielded to the clamour, then a Constitutional crisis of the first magnitude would have developed. It is just as well that hon. members should know these things, because they are very frequently discussed.

The Brisbane City Council, I repeat, suffers from the fact that many of its undertakings are over-capitalised because its public-service policy was begun about 50 years later than it should have been. Many mistakes have been made from time to time by local authorities. If I wished to criticise Lord Mayors I could criticise the first Lord Mayor of Brisbane, the present Federal hon. member for Lilley. When we established the Greater Brisbane City Council, he was the first Lord Mayor. He took over in a body the whole of the employees of the local authorities that had been absorbed under the City of Brisbane Act and no real attempt was made to lay down a sound basis for the administration of the Greater Brisbane area. I can say with truth that the administration of the area from the beginning was very largely like Topsy—it simply grew—and was not the result of a carefully considered co-ordinated forward-planning movement.

We must be just in these things, but a vindictive maliciousness has been injected into the public life of this country within recent months or years that does not augur well for the future of the country if it is allowed to expand. Little gain can be got through malevolence, spleen, and bitterness, and no good can result from rejoicing at any local government's difficulties. Every man of experience within the reach of my voice now realises that a malevolence, and a petty malevolence at that, is creeping into public life and that this is injuring democracy itself. I ask hon. members to take a broad, an Australian view of these questions. Where errors are committed, by all means let them be brought to light, but in exposing them let us at all times act without any unnecessary bitterness and, at the same time, be prepared to put forward a reasonable plan to right them.

The hon. member for Cooroora, the esteemed father of the House, is old enough not to be led astray with figures, but he got astray to-day in dealing with the American loan. He referred to it as a disaster, and he tackled the Government for not taking steps to liquidate it. If he had cared to look up the figures he would have found that 3,216,500 dollars of the original loan of

12,000,000 dollars had been repaid. The loan is redeemable in the dollar equivalent of sterling and already the loan has been reduced by £660,947.

Mr. Walker: In terms of the agreement.

The PREMIER: No, not in terms of the agreement. The agreement provides that the Government have the right to purchase the bonds when they fall below a given price, and, ever since I was Treasurer, we have watched the movement of exchange very carefully and have bought our own stock when it was profitable to do so, and thus we have reduced the loan by an amount greater than that provided for in the original contract. Under the Financial Agreement the National Debt Commission is obligated to do that, having charge of that phase of public activity. The sinking fund has also purchased bonds of the 6 per cent. loan to the extent of 747,000 dollars, or £153,498.

That shows very careful handling of the American position. It is a considerable advantage from this standpoint; that not only do you obtain advantage by paying off the principal but having regard to the high rate of interest on those loans the quicker you pay it off the less severe is the servicing of the loan. That is the actual position in regard to this Government's indebtedness in America. So the indebtedness there is not a very large or material amount at the moment.

Mr. Maher: It is costly though.

The PREMIER: It is costly, of course, but in addition to the figures I have mentioned the hon. gentleman must also take into account that the transference of that credit to Queensland, when the loan was issued, was done at a profit of £714,000. Queensland got £714,000 Australian in excess of the face value of the loan. Therefore, to the figures I have quoted in reduction of the debt must also be added the advantage of that £714,000 profit that was made in exchange between the dollar and sterling, and sterling and the Australian pound. Those who were in Parliament at the time the loan was made will remember the circumstances.

A suggestion was made by one hon. member that we were not playing the game with the Commonwealth in regard to youth employment. That is another wild statement that cannot bear investigation. The Commonwealth Government themselves would be the first to admit that we have handled our side of the situation better than any other State.

Mr. Maher: That is not so. You did not provide for trades at all, whereas other States did.

The PREMIER: The Leader of the Opposition has a strangely perverse mind.

Mr. Maher: No, it is the truth. You have to stand up to criticism.

The PREMIER: The most surprising thing to me is that hon. members opposite ever decided to live in Queensland. If I had the conception of Queensland that some members of the Opposition have, particularly

the hon. member for Nanango, I should leave Queensland as early as I could.

Mr. Edwards: You should. I think that would be an advantage, really.

The PREMIER: It might be an advantage in some respects, but it certainly would be no advantage to the hon. member.

Mr. Edwards: I would not like to lose your friendship.

The PREMIER: The hon. member for Nanango, if he has the capacity, should endeavour to write a new book of Jeremiah. If he has not the skill to write a book like the book of Jeremiah, then he has at any rate the jaundiced outlook that is the first essential qualification. Dealing with the hon. member for Nanango reminds me to congratulate the Leader of the Opposition on having a Whip who breaks an honourable arrangement between the two leaders of this Assembly.

Mr. Maher: Oh no, I take the responsibility.

The PREMIER: The hon. member for Nanango this afternoon deliberately stonewalled the Budget, despite the arrangement made by the Leader of the Opposition at his request last Thursday afternoon.

Mr. Edwards interjected.

The PREMIER: The hon. member for Nanango deliberately got up—I believe he had the idea that I would be shut down automatically at half-past 5, and he graciously was willing that I should have a quarter of an hour to speak.

Mr. Edwards: You say I deliberately did that?

The PREMIER: Of course I do.

Mr. Edwards: Well, you are a liar.

The CHAIRMAN: Order!

Mr. Maher: I accept the responsibility.

The PREMIER: The hon. member for Nanango is capable of any crime that does not require courage.

The CHAIRMAN: Order!

Mr. Edwards: You are charging me with something I never did.

The CHAIRMAN: Order!

The PREMIER: You broke the arrangement made with your own leader, and you are disloyal to your own leader.

The CHAIRMAN: Order!

Mr. Maher: I accept all responsibility for it; it is not fair to the Whip.

The CHAIRMAN: Order! I ask the hon. member for Nanango to withdraw the remark that the Premier was a liar.

The PREMIER: I want an apology as well.

Mr. Edwards: With due respect to you, Mr. Chairman, I withdraw, and I apologise if the Premier demands it; but he was definitely

wrong. I did not know anything about the arrangement.

The PREMIER: Well, you ought to have known about it.

Mr. Edwards: That is a different thing.

The PREMIER: If you did not know about it, there is something very wrong in your organisation.

Mr. Edwards: I did not know about it.

The PREMIER: Well, then the grievance is yours if you did not know. You can settle it with your leader. If he makes any arrangement he should let the Whip know.

Mr. Edwards: You should be fair enough to see that I did not know anything about it.

The PREMIER: Everybody in the Committee knew about it. We intended to go on last Thursday till the Budget went through, but the Leader of the Opposition came to me and indicated that some of his hon. members had made appointments in the country. Is that not so?

Mr. Maher: That is correct.

The PREMIER: And he asked me to adjourn it and then suggested that if we continued the debate on Tuesday we should get the Budget through, and adjourn at a reasonable time, which, I understood, would be any time between 4 and 5 o'clock. Had the hon. member for Nanango not got up after the hon. member for Oxley resumed his seat, the arrangement come to with the Leader of the Opposition could have been carried out. Everybody in the House knew about it.

Mr. Edwards: That is not true.

The PREMIER: Everybody in the House knew about it.

Mr. Macdonald: I did not.

The PREMIER: The hon. member might not have been about the House.

Mr. Macdonald: I was about the House all right.

The PREMIER: Dealing with the question of juvenile employment, I want to point out that the arrangement that we have with the Commonwealth is being carried out in its entirety. We subsidise £1 for £1 any moneys allocated by the Commonwealth for that purpose entirely in accordance with the agreement. The Leader of the Opposition goes astray when he refers to the question of skilled trades. In other States, when this arrangement was made by the Commonwealth, they had no State organisation for apprenticeship—no organisation of a definite character to teach skilled trades. We have had that organisation since 1923. Skilled tradesmen trained in Queensland compare favourably with those of any other part of the world, including any other part of Australia. Those interested in the work of apprentices would be well advised to visit the technical college and see them at their work. The annual report of the Queensland

Employers' Federation for 1939, on the apprenticeship scheme, states—

“Consistently good reports were still coming from the apprenticeship scheme. As carried on to-day, the scheme would be difficult to improve.”

Under this scheme we have obtained £50,000 from the Commonwealth, and subsidised it £1 for £1. To date, we have expended that amount, and a further £50,000 for that purpose is shown on the Estimates. But the arrangement with the Commonwealth, so far as Queensland is concerned, is separate from apprenticeship training, because we are the only State having a comprehensive apprenticeship scheme carried on and administered by the employers and the unions between them, each with equal representation. Although it was opposed by many interests at its commencement, most of those who then opposed it are now claiming credit for having brought forward the idea.

The hon. member for Aubigny made reference to the charge on consolidated revenue on account of works, and said it was increased from £2,336,000 in 1931-32 to £2,566,000 in 1938-39. He then proceeded to say that that was an indication of the increased loss in the returns from capital expenditure. That figure has nothing to do with losses on State investments, but represents the increased interest bill of the State since that period. It has no relation whatsoever to losses in capital expenditure. In 1938-39, no credit was taken for interest on subsidies to local authorities, as in previous years. Had that been done, the charge on revenue would have been considerably less than that of 1931-32. The Government have been able to use repayments by local authorities for further loans, as shown in the Treasurer's Financial Statement. Had it been necessary to borrow the amount provided in this way, the actual charge on revenue for loan work would have been proportionately increased. It is obvious that, in dealing with increased indebtedness, hon. members opposite have added or debited the same figures twice. Fifteen million pounds represents the increase in the public debt; £10,000,000 represents the amount of loans to local authorities for various purposes, but chiefly for services that are revenue-producing.

Mr. Maher: Not necessarily revenue producing.

The PREMIER: In most cases revenue-producing.

Mr. Maher: That is arguable.

The PREMIER: The hon. gentleman cannot even admit, under any circumstances, that anything is worth while in Queensland. He and some of his colleagues have the kind of mind that gloats over millions and grovels over threepences.

It is significant that whenever I touch upon this question of the £25,000,000 the Leader of the Opposition endeavours to put me off the track. He interjects loudly. He laughs the

laugh described by Goldsmith. If it is not the Leader of the Opposition, then it is some of his cohorts on the opposite side of the Chamber. I am not going to be drawn off the track or prevented from giving the explanation that is due to the Committee with regard to the public debt.

Mr. Maher: I am entitled to correct you and to put you on the track.

The PREMIER: The hon. gentleman is entitled to know, and I am putting him right. I help him quite a lot but he escapes occasionally, and when he is left to his own resources he falls into the gravest errors. Figures have led others astray before to-day.

As I was pointing out when I was rudely interrupted, £10,000,000 of that £25,000,000 was lent to local authorities. Those local authorities pay interest on that money to the Government, but in addition to that they often make profit from the services that they undertake. As a matter of fact, a perusal of the balance-sheet of any up-to-date local authority will disclose credit balances in the various trading accounts. If we are to deal honestly with the result of public expenditure, the earnings of local-government undertakings should be added to the undertakings of the Government in order to get the correct figures.

Mr. Maher: That is a false argument; it is a spurious argument. If I borrow £5,000 from the bank I pay the bank interest. Then the bank must take credit for the profit I make with the money lent to me?

The PREMIER: If anybody lends the hon. gentleman £5,000, he has to pay interest on it according to the contract, and if he can make 6 per cent. out of it—

Mr. Maher: The bank gets the credit?

The PREMIER: He makes 1 per cent. profit, and the yield of that £5,000 is 6 per cent.

Mr. Maher: But not for the bank?

The PREMIER: That is the yield, 5 per cent. of which goes to the bank and 1 per cent. of which the hon. gentleman retains. That is perfectly clear.

Hon. members opposite not only talk of the increased debt's being £25,000,000, but they deduct from the figures they use for losses on capital undertakings the interest that is paid to the Crown by the local authorities on that £10,000,000. The report of the Commonwealth Grants Commission deals with this subject. On page 163 the net loss on the public debt charges of Queensland, after allowing for interest, sinking fund, and exchange, and after crediting earnings, which is just what I cannot drive into the Leader of the Opposition's mind—I shall bring along an auger bit to-morrow—is shown as £4 ls. 2d. per head of population in 1931-32. The 1937-38 figure, the latest figure, is £3 15s. 5d., an improvement per head of population of 5s. 9d.

A comparison of the net losses on public debt charges for Queensland as between

1928-29, 1931-32, and 1937-38 shows the following position:—

Year.	Amount, per head.		
	£	s.	d.
1928-29	3	7	10
1931-32	4	1	2
1937-38	3	15	5

The figure for 1931-32 of £4 1s. 2d. shows an increase in the loss per head during the period of the Moore Government of 13s. 4d. The last available figure of £3 15s. 5d. shows a reduction in the loss per head of 5s. 9d. The losses on capital expenditure so far from having been increased during the period of this Government, have been reduced, according to the report of the Commonwealth Grants Commission, by 5s. 9d.

The commission also shows that the increase in the net loan expenditure of Queensland for 1937-38, as compared with 1928-29, has been considerably less than that of New South Wales, Victoria, and Western Australia. The following are the figures:—

	£
New South Wales	60,683,000
Victoria	24,088,000
Western Australia	20,278,000
Queensland	15,378,000
South Australia	11,126,000
Tasmania	3,113,000

That does not indicate that Queensland lacks the quality of thrift. It indicates clearly that Queensland is getting a better return for every pound spent than the States that are comparable to ours.

It is very interesting to have a look at some of the other Budgets. For instance, I advise hon. members to have a look at the South Australian Budget. It will be found that there is a page or two in the Budget dealing with the justification for increasing taxation. It is pointed out that when they increased consolidated revenue the Commonwealth reduced their grants. About five years ago the Butler Government in one of their motor vehicle tax Acts provided that the whole of the revenue from motor taxation should be paid into consolidated revenue. When that was done the Commonwealth reduced their grant. They, in effect, said: "This is no good to us; we will put this money into trust funds." They repealed the Act and created a special fund for the earnings of the taxation on motor vehicles. By showing a greater debit in revenue, they hoped to get a greater disability grant from the Commonwealth. During the last six years, the Government of South Australia have received no less than £7,400,000 in round figures. It can be seen that it was to the advantage of that State to increase its debits in revenue fund for the purpose of having a better case for a disability grant from the Commonwealth.

In my opinion, grants by the Commonwealth for disability under federation should be paid on a sound financial formula. That

would place the matter outside the ambit of bargaining and outside the sphere of control by a State to its own advantage.

Queensland spends a considerable sum of money on education but interest on the cost of school buildings is regarded by hon. members opposite as a loss of capital expenditure.

Mr. Macdonald: Not necessarily.

The PREMIER: Yes, the figures are included in those used by hon. members opposite to show the loss on the capital debt. They include the interest on school buildings and school equipment. The cost of education per head of population in Queensland is the highest in the Commonwealth, very largely because of our superb system of secondary education, which has improved and grown with the years. These are the figures—

	£	s.	d.
Queensland	1	19	6
New South Wales	1	16	11
Western Australia	1	15	10
Victoria	1	12	5
Tasmania	1	11	1

That indicates clearly that the Government are allocating their funds on the basis of the balance of advantage to the community and that is what ought to be done in all important policy. We have endeavoured to do that at all times.

Hon. members opposite may assert that there has been no reduction in taxation in Queensland. I propose to deal with that question. It has been discussed very frequently by persons capable of doing it, with the object of elucidating the truth rather than casting a slur upon a rival political party. Taxation must be levied to carry on the various public services of an organised State. Therefore, the system of taxation must be supervised so as to provide the amount required for the essential services of the State. It should be levied on the basis of capacity to pay. The rate of taxation is important, but not nearly so important as the amount that a person has to live upon after he has paid the tax. Of course, everyone resents having to pay taxation. There is probably only one thing worse than paying taxation and that is in not having an income upon which to pay taxation, and I remind hon. members opposite and the people that many people are inevitably in that position.

The present Government have granted reductions in taxation amounting to £807,000, and, in addition, have granted concessions amounting to £3,224,000. The Deputy Leader of the Opposition may say: "Ah, but you had to do that under the Premiers' Plan." That was a pious resolution of the Premiers' Conference and Queensland was in no way obligated to give concessions in excess of the amount that it saved. Because of the large amount of Queensland loans domiciled in Great Britain, as compared with those in Australia, Queensland got less advantage from the reduction in interest than any other State. New South Wales got 40 per cent. of the

entire advantage. In addition to that the deficits of the Moore Government, amounting to approximately £4,000,000, cost the State £4 12s. 6d. per cent. in interest. Those deficits are now carrying a special sinking fund rate of 4 per cent. New South Wales carried its deficits in Treasury bills, which to-day are carrying only 1½ per cent. We reduced the rate of interest to all Government borrowers by 1 per cent. We were not obligated to do that under any Premiers' Plan except under the present Premiers' Plan, or the present Government's plan in Queensland. We reduced the rate by 1 per cent. to every class of borrower. It is doubtful how long that will continue, having regard to the increased interest rates operating at the present time.

That indicates the concessions granted and the balance of the advantage to the public is greater by the amount of those remissions in interest. Remissions were also granted in railway freights on starving stock and to agriculture generally. A greater advantage is obtained from that form of remission than from other reductions. In any case, that is our policy, and so far the public have approved of it.

Although the estimated receipts from the State development tax are only £451,000 less than the actual collections for 1938-39, this sum must not be represented as being the only benefit to the taxpayer. The total amount involved in that reduction of taxation is as follows:—

- 1d. in the £1 in the unemployment relief tax as from 1 October, 1935;
- 2d. in the £1 as from 1 January, 1939.

That represents an advantage to the taxpayer of £1,250,000, which includes the reduced amounts received from the tax owing to the increased exemptions granted as follows:—

	£
October, 1935	78
July, 1937	84
July, 1938	89
January, 1939	211
August, 1939	219

Those exemptions show a very considerable improvement in advantages to those people who can least afford to pay taxation. The increased earnings of workers and taxpayers generally accounts for the fact that the amount actually received in unemployment relief and State development taxation does not show the full decrease of £1,250,000. In other words, increased employment and increased earnings of pastoral and agricultural enterprises have had the effect of increasing the national income. Consequently, taxation revenue is buoyant.

The real reason why members of the Opposition are so furious is that they hate to acknowledge that Queensland is the only mainland State that has reduced taxation this year, and all the other States have considerably increased it.

Let me quote from a report of a meeting of the Taxpayers' Association that appeared

in the "Sydney Morning Herald" of 4 October—only six days ago. Mr. McKellar White, the president of that association, who is often quoted by members opposite as an authority on taxation, said this—

"The Government of New South Wales had allowed the State's finances to drift into a position of chaos. It spent more than £61,000,000 in the financial year 1938-39. This almost equalled the amount spent by all other States combined, and exceeded pre-depression levels by £21,000,000 a year. In spite of denials by the Treasury, I reiterate that New South Wales is the most severely taxed State in the Commonwealth."

That is a statement of one who is put forward as one of the expert experts in taxation, and is regarded as a financial authority by members of the Tory Party in this Committee.

Mr. Macdonald: Do you regard him as such?

The PREMIER: I am quoting him because he is not Labour. He would rather speak favourably of the New South Wales Government than speak as he does. I think that he is speaking probably both in sorrow and in anger because he thinks his political party has played him false.

The hon. member for Fassifern drew attention to borrowings by local authorities, and painted such a gloomy picture of the debt of local authorities that anyone who does not know the position might think they were in a dangerous position financially. Bogies of various kinds conjured up by members of the Opposition, who are really museum pieces politically, would puzzle an alienist.

Let me deal with the question of indebtedness of local authorities and place it in its proper perspective. There have not been any defaults in payments by local authorities—defaults of any kind—and only four of the shires were in arrears at the end of the financial year and they not to a very large amount. Unforseen expenditure in most cases not budgeted for under the new Local Government Act was responsible for the arrears.

With regard to the using of funds from the Unemployment Insurance Fund, I want to call the attention of hon. members to the fact that it was the intention of the framers of that Act that any moneys that could be safely used for providing employment should be used. A section provides specifically that surpluses can be used for the provision of employment, and we are merely taking advantage of the Act as it is. When that Bill was being drafted, I remember the actuarial basis was very carefully worked out; it was worked out in a way that has kept the fund solvent from the inception. That Bill was bitterly opposed in this Chamber. It was referred to as the *Loafers' Paradise Bill*, but a little over a year ago, when the Commonwealth Government imported from England experts to advise them on unemployment insurance, those experts reported, in effect, "Why do you not make the Queensland scheme Commonwealth-wide?" One of

the actuarial bases of the fund is that it is never safe to allow it to go below £250,000. That was worked out when setting up the organisation of that fund. At the present time, the fund is in credit to the extent of £420,000, notwithstanding the payment from it of £130,000 in the provision of actual work. To-day, the fund has the highest credit balance since its inception, notwithstanding increased benefits of a material character given under the Act.

Last, and probably least, is the speech made by the hon. member for Wynnum. He and the hon. member for Oxley appear to have a very nasty opinion of the city and district of Mackay, of which they never fail to make statements that are wrong. This afternoon, when you called the hon. member of Oxley to order and asked him to restrain himself, Mr. O'Keefe—very properly so—he said that Mackay had had a lot of money spent on it for the purpose of keeping the hon. member in his seat. Nothing could be further from the truth. Taking the loan expenditure in the Mackay and Mirani electorates, no-one can truthfully sustain a case that they have been given the benefit of a favoured-nation clause, so to speak. Last year and the year previous, on my own motion, I laid on the table the allocations to various local authorities, shires, towns, and cities. An analysis of those returns will show that loan money was equitably distributed and expended in the areas where it would be to the best advantage. For example, a bridge or a road is not built twice in the same place. A court house is not built in the same electorate year after year. Loan expenditure cannot be taken on the basis of electorates, but must be apportioned in such a way as to give the maximum of employment with the maximum of advantage from the work undertaken when it is completed.

The Mackay district was neglected for years. Prior to the building of the North Coast line, it was isolated from the rest of Queensland, and, consequently, did not get from the Government of the day the attention to which it was entitled. Therefore, anything that the Mackay and Mirani electorates have obtained since I have been the representative for Mackay and Mr. Walsh has been the representative for Mirani has been in the nature of arrears spread over the 20 years prior to my becoming the representative for that district. Every fair-minded hon. member will agree with that.

Of course, the statement that we have given the Mackay Harbour Board £1,125,000 cannot be allowed to go uncontradicted. The Treasurer, by means of loans and subsidies, has provided the Mackay Harbour Board with only £532,000, which is a little more than one-third of the figure quoted by the hon. member for Wynnum.

I mention these things to show how careless hon. members opposite have been in dealing with the facts. It is not so much for their benefit that I have made these corrections, because I believe them to be completely incorrigible—for many years, I have known the

line of attack they take when dealing with a Budget, and it does not disturb me at all—but because the information that I have given will be of value to the public. Those who want to know the truth will be able to obtain it, set out clearly in the facts that the Treasurer, I, and others have given.

Let me deal now with the future. There is no reason why anyone should assume the worst. What ground is there for assuming that we shall not be able to carry out the Budget in its entirety? That pre-supposes that some terrible calamity will overtake Queensland. There is no ground for assuming that. Australia has very much more resources than she had during the last war. I repeat that her population has increased by 43 per cent. All her staple products have increased in greater ratio than that. Wheat has increased by over 100 per cent. The production of wool, sugar, and butter has increased. In fact, one could go through the whole range of economic production and show very material increases in productivity, as well as an increase in the population of this country.

The credit of a country depends upon its natural resources and the industry of its people. The intelligent application of industry to natural resources is the complete and sole source of all wealth. Our capacity to produce wealth has increased enormously during the years since 1914, with a consequent enormous increase in the credit of the country. During the last war the State Government were in no way handicapped in carrying on their normal activities; there is no reason why that should not be so again.

Wisdom and prudence, Mr. O'Keefe, are the keynotes of the Treasurer's Budget. Wisdom, prudence, and determination will be exercised in giving effect to it.

Item (Aide-de-Camp to His Excellency the Governor) agreed to.

Progress reported.

DENTAL ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

(Mr. O'Keefe, Cairns, in the chair.)

The SECRETARY FOR HEALTH AND HOME AFFAIRS (Hon. E. M. Hanlon, Ithaca) (8.56 p.m.): I move—

“That it is desirable that a Bill be introduced to amend the Dental Acts, 1902 to 1935, in certain particulars, and for other purposes.”

The Bill is purely a machinery one, as the main features of it are the alteration of the powers of the Dental Board relating to the disciplining of the profession and its power to make by-laws prescribing the powers, duties, and authorities of the board's inspectors.

The powers with regard to disciplining are similar to those in the Medical Bill. This and other Bills to be introduced have a relation to the Medical Bill inasmuch as they

provide for the control of the professions allied to the medical profession. The board under this Bill will have power to hear charges against dentists; a right of appeal from the decision of the board to the Supreme Court is preserved. Provision is made that appellants must give surety for costs.

The term "misconduct in a professional respect" is defined as nearly as possible on the same lines as in the Medical Bill. It is not possible to define them in exactly the same terms, but a similar system of defining offences has been provided. Provision is also made that the judgment and findings of the Supreme Court in any civil or criminal jurisdiction may, as under the Medical Bill, be received and admitted by the board in any inquiry into any charge by the board. Previously, the disciplinary powers provided for erasure from the register as the only punishment, but the Bill provides for four forms of punishment—erasure from the register, suspension of registration for a specified period, infliction of a pecuniary penalty not exceeding £50, and power to give a reprimand.

Power is taken in the Bill to make by-laws prescribing the powers, duties, and authorities of the inspector of the board, who is also the inspector for other professional boards. At the present time there is no power to define his duties. Power is also taken to enable the Governor in Council to appoint the officers of the board. That has been done with regard to the secretary of the board, who is also the secretary of all the professional boards, but any other officer appointed by the board must remain an officer of the board. By giving the Governor in Council power to appoint the other officers of the board we enable them to act for one or more professional boards.

Those are the provisions of the Bill and they have been designed to simplify the work of the board. These alterations have been sought by the board. They asked for other alterations of the Act, but we did not think that we would be justified in asking Parliament to grant them at the present time. The object of the Bill is to improve the Act as experience teaches that improvements can be made, and thus keep it in touch with modern conditions. I do not think that there is anything more that I need say. I shall give an explanation of the Bill in detail when hon. members have had an opportunity of studying it.

Mr. MAHER (West Moreton) (9.2 p.m.): There is very little that I can say at this stage about the alterations to the Act that have been found necessary and recommended by the board. I cannot now offer any useful criticism and so we must be content to wait until we have had an opportunity of studying it to see whether we can criticise it or suggest further amendments. We shall be glad to examine the Bill. From what the Minister has said it appears that the Government have found it practicable to apply some of the provisions of the Medical Board to the Dental Board.

The Secretary for Health and Home Affairs: As near as possible.

Mr. MAHER: Probably they will be similar to those contained in the Medical Bill and will be applied to the Dental Board by virtue of this Bill.

Motion (Mr. Hanlon) agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Hanlon, read a first time.

OPTICIANS ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

(Mr. O'Keefe, Cairns, in the chair.)

The SECRETARY FOR HEALTH AND HOME AFFAIRS (Hon. E. M. Hanlon, Ithaca) (9.7 p.m.): I move—

"That it is desirable that a Bill be introduced to amend the Opticians Acts, 1917 to 1933, in certain particulars."

This Bill, like the preceding one, is introduced at the request of the Opticians' Board. Certain alterations are required to bring the Act up to date. One of the alterations is the increasing of the fees of practitioners. The present registration fee of £3 for registration is maintained, but the annual fee has been increased. It was found that the fees chargeable were not sufficient to pay the expense of policing the profession. The board submitted a proposal for increased fees so that its costs could be met.

The present annual fees provide for a set fee for optometrists and a set fee for spectacle sellers. The Act also provides for certain qualifications before a person can act as an optometrist. Other persons are allowed to register as spectacle sellers, that is, persons who are not qualified to test eyesight, and so on. Instead of having a set fee for spectacle sellers we propose to make the fee in the cities and towns £1 a year. The present fee for all spectacle sellers is 2s. 6d. Spectacle sellers in cities and towns are in a position to do quite a good business, but the spectacle sellers in the small country townships and shires have a very limited field for practice. It was felt that it would be unfair to ask them to pay the same fee as a spectacle seller practising in any of our cities or towns. The fee in the shires is set down at 5s. a year; previously it was 2s. 6d. all round. The hawkers' fee is increased to 10s. a year. Of course, hawkers sell spectacles as they travel, and they travel a much larger field than exists in small country towns.

Those fees, although they are not excessive, are calculated to give the board sufficient funds to enable it to carry out its duties in policing the Act, and attending to the interests, not only of the profession, but also of the public. The optometrist has had his annual fee increased from £1 to 30s.

An important new provision in the Bill abolishes the taking of premiums in respect

of apprentices. Under the old pernicious system, the charging of fees to apprentices was allowed. This Bill will wipe out the present practice of extracting a fee for the tuition of a boy who is desirous of entering a profession.

The junior public service examination is to be made the standard of entry to the profession. Boys who are not qualified up to the junior standard will have no chance of getting into the profession.

The board is given power to make by-laws, and the Governor in Council is given power to appoint inspectors and other officers, as in the other Bills, so that one officer may act for all boards.

The spectacle seller's licence is also restricted to the place for which it is taken out. That means that a department store or a merchant who has branches in various towns and cities must take out a licence for each shop that sells spectacles. Under the present Act, it is permissible for a merchant having a spectacle seller's licence to sell spectacles in other towns or cities under that licence. He will now have to get a separate licence for each store in which he sells spectacles. That puts him on a level in competition with the local storekeepers.

A new provision in the Bill makes it an offence for any optometrist to allow an unqualified person to carry out optometrist's work on his behalf, except under his direct personal supervision. It has been said that optometrists allow unqualified persons to test eyesight and fit glasses. Sometimes the optometrist goes away travelling for a week or so in country towns, leaving an unqualified person in charge of the business. That is made an offence under the Bill. It also makes it an offence for unqualified canvassers to go from door to door soliciting orders on behalf of an optometrist.

Mr. Maher: What do you call a qualified optometrist?

The SECRETARY FOR HEALTH AND HOME AFFAIRS: One who has passed the prescribed examination.

Mr. Maher: You said an unqualified "canvasser."

The SECRETARY FOR HEALTH AND HOME AFFAIRS: An unqualified man is one who is not a qualified optometrist.

Mr. Maher: He must not canvass from door to door?

The SECRETARY FOR HEALTH AND HOME AFFAIRS: No.

Mr. Maher: You would not find a qualified man going round canvassing.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: It may be unlikely that a qualified person would go canvassing, but that makes it none the less undesirable that an unqualified person should go from house to house testing eyesight. If the people merely went round as spectacle sellers, and did not say they were qualified to prescribe or advise, there would be no objection to it,

but the representative of a qualified optician—particularly an optician who advertises a great deal over the air and in the Press and on the pictures, and thus establishes a name that is well known to the community—may go from door to door with the card of that optometrist, and the people may believe they are dealing with a man who is qualified to test their eyes and give them advice about their eyesight. The board and the profession generally think that is unfair to the public, and also unfair to the optometrists who confine themselves to the legitimate side of their business. That will be an offence.

Mr. Plunkett: That will make it hard to get a qualified man in the country.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: There is nothing to prevent a qualified man from going into the country.

Mr. Plunkett: He cannot leave his business.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: It is just as important that a qualified man should be in his rooms in the city as that there should be a qualified man in the country. We are not doing a disservice to the country by preventing an unqualified man from treating the eyes of the people in the country and allowing an unqualified man to treat the eyes of the people in the city.

Mr. Maher: Is he not likely to spoil his practice if he puts an unqualified man in charge of his principal business? He has only to spoil some person's eyes and he loses patronage.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: The board and the profession generally maintain that these practices are being carried on and have asked that they be prevented and we should not say that we will not do so. The gentlemen who are policing the Act and have regard to the welfare of the profession and the public say that these abuses exist and have asked they be given power to prevent them. Since it is desirable that these practices should be prevented it is only right that Parliament should give the necessary power to its board.

The Bill in no way interferes with the spectacle seller who does not lay claim to being a qualified optometrist. A spectacle seller with a licence to hawk goes from door to door with his range of spectacles. He allows the customer to try spectacles until a pair that suits is obtained. There is no objection to that, provided he does not mislead the customer by pretending to be able to test eye-sight and give advice on the eyes. These are the things that are liable to do serious injury to the eyesight of a person and we desire to prevent. Moreover, it is tantamount to a false pretence for an unqualified person to claim to have the qualification to give advice on the condition of the eye and to provide remedies for failing eyesight.

Mr. Plunkett: Testing eye-sight is not a very serious matter.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: As a matter of fact, when I have gone to an optometrist I have found I had to do the testing—to say whether I was on the red line, or whether it was straight up and down, and so forth. I have even thought that it was the customer who should get the fee, and not the optometrist, for doing that testing. However, these people are qualified to prescribe glasses to correct vision and whereas testing may not be a difficult task, much study is necessary before a man is qualified. We may laugh and say that the testing of eye-sight is not a difficult task, but I should hesitate to allow any unqualified person to prescribe glasses for me. It could be said that the testing of the heart by a doctor is not a difficult task. The operation appears to be quite an easy one, but the person testing must have the requisite knowledge.

Mr. MAHER: There are nervous diseases that affect the eye and require specialist's attention.

The SECRETARY FOR HEALTH AND HOME AFFAIRS: Yes. The optometrist is not complying with the requirements of his profession if he does not advise the patient to consult a doctor if he sees that the eyes need medical attention. An optometrist is not qualified to do an ophthalmic surgeon's work, the work of a doctor specialising in eye diseases. One of the advantages of dealing with a qualified optometrist is that, after an examination of the eyes he can advise the patient whether it would be advisable to consult a medical specialist and thus perhaps prevent blindness. That is the protection that is given by the qualified optometrist. He is entitled to test the sight in order to correct failing or strained vision, but it is his duty to a patient, when he sees that his eyes need medical attention, or that there has been any alteration in the condition of the eye that would make it dangerous for him to go any longer without medical attention, to advise him to have his eyes attended to by a qualified medical man. He is not justified in merely providing glasses for a patient if he sees that there is something radically wrong, something that needs medical attention.

That is all that is contained in the Bill. Like the previous one, it merely brings the Act up to date in order to deal with new conditions as they arise.

Mr. MAHER (West Moreton) (9.21 p.m.): The Bill as outlined by the Minister provides for increased fees payable by a variety of people—the optician, the optometrist, and the spectacle seller. I suppose the board finds it necessary to ask for these increased fees. All fees seem to have an upward tendency. It becomes increasingly difficult for all classes of people to maintain themselves against the urge for increased fees of all sorts. The Premier said to-day that everything must be paid for. If more fees are expected from the people who practice these professions, this in turn means an increase in the cost of living.

The Secretary for Health and Home Affairs: He gets value inasmuch as he is protected from the unfair competition of unqualified persons.

Mr. MAHER: I do not doubt that he ought to pay something for such a privilege. It is a very great privilege to those engaged in this profession that they are able to protect themselves from outside competition in this way. Of course, the public pay for these privileges in that fees are raised, and of course in a highly-protected industry of this kind prices can be maintained and regulated to suit the members of the profession. I am not against the system, because I know that it is the modern trend.

The Secretary for Health and Home Affairs: The fees are not paid to the Government, you know.

Mr. MAHER: I realise that. I am saying that it is in accordance with the general upward trend of everything. Where do we get a Bill of any kind that makes provision for the regulation of governmental or private affairs that has any downward trend in fees? In all my experience in this Parliament the trend has always been higher and higher.

The Secretary for Health and Home Affairs: It would not be a bad idea to have a kind of politicians' registration board, either.

Mr. MAHER: That may be among the "Things to come."

It is proposed to make it an offence for any optometrist to employ an unqualified person. I suppose there are examples of that; otherwise the board would not have asked for a provision making it an offence.

There is a good deal of merit in the interjection by the hon. member for Albert that it might make it difficult for optometrists to go into the country. It is hardly likely that an optometrist would leave his practice in the city in the hands of somebody who was not fully qualified. He would not, for instance, leave it in the hands of the office boy. He would leave it in charge of a person in whom he had confidence. If he left an unqualified person in charge of his business, it would be ruinous to his practice. I assume that he would leave somebody in charge who had been trained under him, knew the work, and could carry it out with perfect satisfaction to his employer and to the public who patronised him. Very often, it will be found that an unqualified man working under the control of a qualified professional man knows as much about the job as his employer. Examples of that may be found in every direction. In the legal profession, one often meets clerks who have been faithful servants to their employers, and who have a better grip of the law than the solicitors employing them. I know of one or two cases in my own experience, where the clerk is a man worth consulting. He has a very sound knowledge of the job from the practical side, because his employer has been busy, had to take court cases, and has not had to give the same close

practical application to the different legal problems as the clerk has maintained over a period of years. I think that perhaps the new principle of making it an offence for any optometrist to take what is termed an unqualified person into his employment would be directed against such people as those, while fully equipped with knowledge, actually lack qualifications.

The Secretary for Health and Home Affairs: That is the claim of every quack in the country. He says he is fully equipped, but has not got the qualifications.

Mr. MAHER: I am sure that an unqualified person would not be left in charge of a business unless the qualified employer knew he could do the job.

Mr. Copley: Whom would you take into a court of law, the qualified man or his clerk?

Mr. MAHER: I know of clerks in legal firms whom I should be just as pleased to consult on matters of law as their employers.

The Secretary for Health and Home Affairs: When you are looking for cheap advice.

Mr. MAHER: There are some qualified men in the law whom I should not care to pay good money to consult.

Mr. King: There is a good example of what you say in Laidley. There is a very good clerk there—an unqualified man.

Mr. MAHER: Yes. I know him well. The term "unqualified canvasser" seems to me to be somewhat ambiguous. It is hard to visualise a qualified canvasser—

The Secretary for Health and Home Affairs: That is just the way that I put it. I was referring to a canvasser who was not a qualified optometrist.

Mr. MAHER: It appears to me that a provision of that kind is going to take much of the fire out of canvassing for spectacles from house to house. If the man is to be a qualified optometrist the tendency will be not to have a door-to-door canvass. Probably the main object is to force the trade into the hands of the qualified men.

The Secretary for Health and Home Affairs: I should not be ashamed to canvass from door to door.

Mr. MAHER: Of course, there is no need to be ashamed of any honest work.

Mr. King: You do that at election time.

Mr. MAHER: It is a long time since I did that. I prefer to leave that to the younger and more inexperienced political aspirants. We shall examine the Bill when we get it and declare our attitude after we have studied it.

Motion (Mr. Hanlon) agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Hanlon, read a first time.

PHARMACY ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

(Mr. O'Keefe, Cairns, in the chair.)

The SECRETARY FOR HEALTH AND HOME AFFAIRS (Hon. E. M. Hanlon, Ithaca) (9.35 p.m.): I move—

"That it is desirable that a Bill be introduced to amend the Pharmacy Acts, 1917 to 1936, in certain particulars, and for other purposes."

This Bill, like the previous two, merely brings the machinery of the Pharmacy Board up to date. The powers of disciplining the profession are brought as near as possible into line with the powers contained in the Medical Bill. As in the previous Bills, powers are given to punish either by erasure of the name from the register, suspension of the registration, or by infliction of a monetary penalty not exceeding £50, or a reprimand. This alteration is an important one in that it enables the board to deal better with offences under the Act.

Mr. Maher: Is that the same provision as in the previous Bill?

The SECRETARY FOR HEALTH AND HOME AFFAIRS: Yes, the same as in the previous Bill. While the penalty of erasure was the only penalty possible, it made it difficult for the board to deal with many offences that while of an irritating nature and contrary to public interests hardly justified taking away a man's livelihood. Now, the small irritating breaches, which do in the long run have a detrimental effect on public interests, will be dealt with by the infliction of a monetary penalty up to £50, or by a reprimand, or by temporary suspension of registration. By that means the board will be enabled to deal with offences which it does not now feel justified in dealing with.

The expression "misconduct in a professional respect" has been substituted for the expression "infamous conduct in a professional respect," and the expression "misconduct in a professional respect" has been defined as nearly as may be and upon the same lines, more or less, as in the Medical Bill. The machinery provisions with regard to the recovery of penalties, suspensions, and erasures from the register, are identical with the provisions in the Medical Bill. The judgment and findings of the Supreme Court in any civil or criminal jurisdiction may, as in the Medical Bill, be received and admitted by the board in any inquiry into any charge of misconduct in a professional respect. An appellant to the Supreme Court must give surety for costs.

The exception referred to previously is the provision under which the board will be empowered to accept any other examination certificate that is, in its opinion, equal to or higher than the standard prescribed by any of the board's examinations. This is a new provision entirely. It means that graduates from universities or persons possessing certificates of the Senior examination in other States can be accepted as having qualified by

the examination here instead of having to go through the Queensland Junior course again.

These are the only provisions in the Bill. The board asked for further provisions to deal with chain stores. It pointed out that certain persons are finding a way of getting round the Act by buying stores and appointing managers, and placing their nameplates over the doors. We could not go so far as the board asked. We could not see that we were in any way protecting the public interests by making it impossible for the board to endeavour to make a close preserve of the profession by eliminating competition. While the Government desire to assist in keeping the profession as clean as possible and eliminate any undesirable practices, at the same time we must have regard to the public welfare. The request of the profession might easily constitute it a close preserve for existing practitioners by the restriction of competition. Therefore, for the time being, we are not going so far as the board and the profession desire. Like the previous Bills, this is a machinery Bill to bring the legislation up to date.

Motion agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Hanlon, read a first time.

The House adjourned at 9.42 p.m.