

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**THURSDAY, 2 OCTOBER 1941**

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**THURSDAY, 2 OCTOBER, 1941.**

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

**QUESTIONS.**

**LIQUOR TRADING HOURS.**

**Mr. NICKLIN** (Murrumba) asked the Premier—

“In view of widespread rumours that the Government intend to extend trading hours under the Liquor Acts during the present session, will he kindly state what are the Government’s intentions in this regard?”

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

“It is contrary to parliamentary practice to make statements of policy in reply to questions. I advise the hon. member not to become a follower of dame rumour.”

**AGRICULTURAL FARM TENURES.**

**Mr. NICKLIN** (Murrumba), for **Mr. WALKER** (Cooroola), asked the Secretary for Public Lands—

“1. How many leases of agricultural farms expired in 1940?”

“2. Of that number, how many (a) applied for a freehold title, (b) applied for an extension of lease, thereby retaining a right to a freehold title, and (c) converted to perpetual lease?”

**The SECRETARY FOR PUBLIC LANDS** (Hon. E. J. Walsh, Mirani) replied—

“1. The original 20 years’ leases of 23 agricultural farms expired in 1940.

“2. (a) 4; (b) 16; (c) 2. In one case the selector has not yet exercised his option.”

**RUM ALLOWANCE, DUNWICH BENEVOLENT INSTITUTION.**

**Mr. MULLER** (Fassifern), for **Mr. PLUNKETT** (Albert), asked the Secretary for Health and Home Affairs—

“What is the present daily allowance of rum to Dunwich inmates who receive an issue from institution stock?”

**The SECRETARY FOR HEALTH AND HOME AFFAIRS** (Hon. E. M. Hanlon, Ithaca) replied—

“There is no daily issue of rum to Dunwich inmates. Rum is only issued to inmates on the authority of the medical superintendent. The amount issued is as prescribed by the medical superintendent.”

**PROSPECTING FOR GOLD AND OIL SHALE.**

**Mr. DART** (Wynnum) asked the Secretary for Mines—

“1. How many prospecting permits for petroliferous shale were issued in 1940-41?”

“2. What was the total amount of financial assistance for prospecting or mining in 1940-41 for (a) gold, (b) shale?”

**The SECRETARY FOR MINES** (Hon. D. A. Gledson, Ipswich) replied—

“1. Five.

“2. (a) Gold and other metals, £36,481 17s. 10d.; (b) shale and coal, nil.”

**PROPOSED QUEENSLAND DAIRYMEN’S ORGANISATION.**

**Mr. MULLER** (Fassifern) asked the Secretary for Agriculture and Stock—

“1. Is it proposed to take another referendum of dairy farmers on the question of the formation of a Queensland dairymen’s organisation?”

“2. If so, when does he expect that such action will be taken?”

**The TREASURER** (Hon. F. A. Cooper, Bremer), for **The SECRETARY FOR AGRICULTURE AND STOCK** (Hon. F. W. Bulcock, Barecoo), replied—

“1 and 2. A deputation from the dairymen’s organisation waited on the hon. the Secretary for Agriculture and Stock recently, and requested that a ballot, to provide for compulsory organisation and levies, be taken amongst the dairymen of the State. The question of funds to take the ballot was raised, but so far has not been settled. I understand that an application for the necessary finance is to be made to the Butter Board, of which I understand the hon. member is a member. When a decision is arrived at it will be communicated to the deputationists.”

**MUNITION WORK, IPSWICH RAILWAY WORKSHOPS.**

**Mr. NIMMO** (Oxley) asked the Minister for Transport—

“1. Has the State Government entered into a contract for the manufacture of shells at the Ipswich Railway Workshops?”

"2. If so, have any shells yet been delivered under such contract?"

"3. Has any war equipment of any kind been supplied to the Commonwealth authorities from the Ipswich Railway Workshops?"

**The MINISTER FOR TRANSPORT** (Hon. J. Larcombe, Rockhampton) replied—

"1 to 3. The Queensland Railway Department was awaiting word to proceed with an almost completed contract for the making of shells when the Commonwealth authorities advised that they intended to erect an ammunition factory at Rocklea, at which shells would be manufactured. Therefore, they asked the Railway Department not to proceed with the manufacture of shells, but, in lieu thereof, to manufacture tools and gauges for use in the aforesaid ammunition factory. Accordingly, the Queensland Government has erected, expeditiously, a fine tool and gauge room at Ipswich at a cost of £60,000. About £30,000 worth of machinery will be installed by the Queensland Government, apart from the machinery that will be supplied by the Federal Government. In 1940-41 munitions work to the value of approximately £24,000 was carried out at the Ipswich workshops and supplied to the Federal authorities. In addition, further contracts are now being fulfilled, and munition work is being carried out in Rockhampton also. Representatives of the Munitions Department who visited Queensland recently expressed very high opinions of the work being done. The Queensland Government is co-operating to the fullest extent with the Federal Government in the vital war effort, and in conclusion, I would call the attention of the hon. member to a paragraph which appeared in the 'Telegraph' newspaper, Brisbane, on 19 August, 1941: ' . . . The State Government is grappling earnestly with its share of war problems and is wisely looking ahead preparing for the post-war tasks that are already taking shape.' "

**COMPENSATION FOR INJURIES, CIVIL DEFENCE PERSONNEL.**

**Mr. MANN** (Brisbane), without notice, asked the Secretary for Health and Home Affairs—

"1. Has the Commonwealth Government undertaken to provide compensation for civil defence personnel injured—(a) during training; and (b) as a result of enemy action?"

"2. Is such protection yet in operation?"

"3. If not, will the State Government provide compensation in such circumstances?"

**The SECRETARY FOR HEALTH AND HOME AFFAIRS** (Hon. E. M. Hanlon, Ithaca) replied—

"1. Yes.

"2. No.

"3. The Air Raid Wardens Act provides compensation to air raid wardens for injury

arising through enemy action. It is proposed to make provision for compensation to all civil defence voluntary personnel injured in training and exercises in addition to injury as a result of enemy action, until the Commonwealth Government's scheme comes into operation."

**PAPERS.**

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

Report of the Queensland Meat Industry Board for the year 1940-41.

Report of the manager, Golden Casket Art Union, for the year 1940-41.

**PERSONAL EXPLANATION.**

**Mr. BRAND** (Isis) (10.36 a.m.), by leave: I wish to make a personal statement. In the Brisbane "Courier-Mail" of this morning there appears an article on Country-National organisation in the form of a statement alleged to have been made by the Leader of the Opposition, the hon. member for Murrumbidgee, last night. The article contains these words, "All Queensland State and Federal Country Party and United Australia Party members were members of the C.N.O." During the debate on the Address in Reply in this Parliament recently I informed you, Mr. Speaker, that I was elected by the people to serve the Country Party in this Parliament, and therefore I was not a member of the Country-National Organisation. I have not indicated to the Leader of the Opposition or any other person that my views, then stated, had changed; therefore, the statement referred to is, so far as I am concerned, both misleading and mischievous.

**DEATH OF HON. J. MULLAN.**

**MOTION OF CONDOLENCE.**

**The PREMIER** (Hon. W. Forgan Smith, Mackay) (10.37 a.m.), by leave, without notice: I move—

"1. That this House desires to place on record its sense of the loss this State has sustained by the death of the Hon. John Mullan, a former member of the Parliament of Queensland and Minister of the Crown.

"2. That Mr. Speaker be requested to convey to the widow and family of the deceased gentleman the above resolution, together with an expression of the sympathy and sorrow of the members of the Parliament of Queensland in the loss they have sustained."

The late hon. gentleman, Mr. Speaker, represented the electorate of Charters Towers during the 17th and 18th Parliaments of Queensland—5 February, 1908, to 15 March, 1912. He was elected to the Commonwealth Senate at the general elections of 1913 and 1914. He was elected as member for Flinders to the 21st Parliament of Queensland on

16 March, 1918, and represented that electorate through the 22nd, 23rd, 24th, and 25th Parliaments. Under the Electoral Districts Act of 1931 the electorate of Flinders was altered to Carpentaria, and Mr. Mullan was returned for that electorate in the 26th, 27th, and 28th Parliaments. He did not contest the last election. He was Minister without portfolio from 22 October, 1919, to 12 November, 1920, and Attorney-General from 12 November, 1920, to 20 May, 1929, and from 17 June, 1932, to 14 November, 1940.

The late hon. gentleman, Mr. Speaker, rendered extremely valuable service to Queensland and Australia. He was a great parliamentarian, he was a great man, he was a great mate. He was Attorney-General of Queensland for a longer period than any other occupant of that office. He carried out his duties with distinction, with the utmost probity, and with advantage to the cause of justice in Queensland.

It is unusual for one who is not a lawyer to hold the portfolio of Attorney-General, but I have heard distinguished members of the legal profession say on numerous occasions that John Mullan was the best Attorney-General they had known. He exercised no patronage. He granted briefs to men who could best argue them in the courts. He played a prominent part in the life of Australia in countless directions.

I had the honour and privilege of being the personal friend of John Mullan for approximately 30 years. He was my valued counsellor and colleague during the whole of that period. His ripe experience and broad humanitarian outlook were of tremendous value in dealing with all problems. He always sought to get at the root of any problem because he realised that no problem is really solved unless it is solved rightly. He has left his mark on the statute-books of this State and the Commonwealth. Every member of Parliament, irrespective of the party to which he belongs, held him in high esteem.

**Honourable Members:** Hear, hear!

**The PREMIER:** I do not know of anyone in any walk of life who had other than the utmost respect for our late colleague. He raised a large and estimable family, a family that was like himself, well bred and well trained. Some of his family are serving in the fighting forces in the present war, as they did in the last war, in which one of them was killed.

The late hon. gentleman had been ill for some time. So great was his sense of public duty that when he first became ill, he, of his own volition, offered me his resignation. I said to him, "John, you have an excellent chance of getting better. You had better take a holiday and have a rest." The work of a Minister is hard and exacting, and I thought that a rest would restore his vitality and enable him to resume his duties. He took that leave, but towards the end of it he decided quite definitely that it was his duty to resign, not only his portfolio, but also his seat in this Parliament. He notified both me and his electors to that effect.

John Mullan had no other desire than to serve the people. He was punctilious in everything in both his public and private life. He had a high standard of honour, a very genial and friendly personality, and, I repeat, was a very wise counsellor. His views were very valuable on any problem that came before Parliament or before the people. I acknowledge, as I have done on previous occasions, the fact that I personally am under a great debt of gratitude to my late colleague. His help, his support, and his advice always strengthened and sustained me. We all therefore share with his family a deep sense of loss.

His last illness developed quite recently, and he decided to enter the Mater Hospital for treatment. He notified me of his decision, and I called upon him on the day before he was due to undergo his operation. He discussed his position with me perfectly frankly and said that, if he got well, it was good; if he did not, still all was well. There was no pathos, no attempt to brace himself for any ordeal. He looked on the gates of death calmly and philosophically, sustained by the deep and abiding faith that he cherished all his life. It was a moving experience and one I shall never forget—the way in which he spoke to me there on his bed in hospital. My boy drove me to the hospital and I told him afterwards that if he or any of us met our end with the same courage and the same fortitude as John Mullan then we should be real men right unto the end. Unfortunately, the operation he contemplated could not be performed; his trouble was too far advanced. He told me so, still calm, still tranquil, for though his bodily strength was impaired his courage never waned. So John Mullan died at 8 o'clock last night. On behalf of all hon. members, and on my own behalf, I offer sincere sympathy to his family. It is a very fine family and, happily, they were with him to the end.

We are often apt to forget the tremendous mental strain that a man undergoes in the hurly-burly of public life. It always has an effect upon the body. John was small in stature, never robust in physique, but he had a great soul, a great mind, and the world is immeasurably richer because in it he set an example that all of us would do well to follow. Let us give first place in our public life to the principle of the balance of public advantage. Let us seek the public good at all times, in season and out of season! John did that all the time. He lived well and died well, and Queensland has been enriched because of the service that he unselfishly gave to her.

**Mr. NICKLIN (Murrumba) (10.52 a.m.):** I desire to associate myself with the motion of sympathy to the relatives of the late Hon. John Mullan so feelingly moved by the Premier. All of us who had the privilege and honour of knowing the late hon. gentleman appreciated him and knew his worth. He gave almost a lifetime of distinguished service to his State and his country, and his public record is one of which any man might feel very proud. When the history

of Queensland is written, the name of John Mullan will feature very largely in it. He had a particularly pleasing personality and a ready wit that endeared him to all who came in contact with him. We all admired his ability and his application as Attorney-General. I venture to say that the masterly manner in which he handled the very many different problems associated with the legislation that he put through this Parliament led many of us to appreciate his great ability and his great tact more fully than we otherwise should. I recall several occasions when the even tenor of Parliament was disturbed, but the sense of humour, the tact, and the ability of the late hon. gentleman enabled him to smooth out the difficulties that threatened to arise, and so the legislation he was handling went through without any untoward incidents. That is just an example of how the hon. gentleman used his tact, his humour, and his wit to smooth out many of the problems of this House.

The State will unquestionably be the poorer by the passing of the late Hon. John Mullan, and the members of the Opposition join in extending our deepest sympathy to his relatives.

The motion was carried, hon. members standing in silence.

## POST-WAR PLANNING.

### RESUMPTION OF DEBATE.

Debate resumed from 18 September (see p. 382) on Mr. Collins's motion—

“That in order to assist post-war planning this Parliament request the national Parliament to give whatever protection is necessary to the primary and secondary industries that are natural to this country and economically possible, and also to make finance available to ensure that these industries shall be successfully established, so that they may provide full employment for our returned soldiers and other citizens, and make it possible to encourage suitable migrants to Australia, thus enabling our people to live without undue fear of aggression from without, or in idleness and want from within.”

On which Mr. Nicklin had moved the following amendment:—

“In the second line omit the words—  
‘request the national Parliament to give whatever protection’

and insert in lieu thereof the words—

‘expresses its willingness to co-operate with the national Parliament in giving whatever assistance’

“In the last line omit the word—  
‘in.’ ”

The PREMIER (Hon. W. Forgan Smith, Mackay) (10.58 a.m.): I want to congratulate the hon. member for Cook on bringing this motion forward. There can be no doubt about the importance of post-war planning. There can be no doubt also of the essential

need that that planning should be carried out on a just basis in order to give that security of life which all industrious people in a civilised community are entitled to have.

Involved in the problem, of course, is the whole economic and social outlook and basis of life. Why do people need security? Why is it that many people are in want amidst plenty?

Why is it that we have riches on the one hand and poverty on the other? Why do we have idle resources such as unused raw material when hundreds of thousands of people are requiring the products into which that raw material could be converted? The whole economic and social structure of a country is involved in those questions, and therefore it is fitting and proper for Parliament on private members' day, or any other day, to consider them.

Our attitude towards life has materially changed during the last 30 years. Rival ideologies have been at work. The development of education—education being made the right of all instead of the privilege of the few—has set people thinking in directions in which it was not customary for them to think before, and they have begun to ask themselves: what plane does a man occupy in a civilised community, what are his rights, what are his responsibilities or his duties? A great many of us, Mr. Speaker, are very conscious of our rights. Rights can always be stated vociferously, either on the platform or in the Press, but it is a fundamental truth that there is no right without a corresponding duty.

I said yesterday afternoon that the only limit there should be to liberty is the measure in which an individual is prepared to accept responsibility. Democracy, to be valuable, to be effective, to be complete, must mean the acceptance of discipline, the acceptance of the rule of reason and justice, and the acceptance of individual responsibility for carrying out faithfully the duties of citizenship.

The economic history of the world is very interesting. I do not propose even to make a short review of it; suffice to say that the industrial revolution, the introduction of mechanisation in industry, altered men's lives and their habits of life. Cottage industries had been carried on, the soil had been tilled and men had lived on the product thereof, but that mode of life was, to a large extent, submerged when towns and cities were formed and ugly factories built, and instead of working in the sunshine tilling the soil, men began to work within walls, very often in unsatisfactory and insanitary conditions.

The first great fight for reform in modern industry was the fight for just and reasonable conditions in those factories. Earl Shaftesbury and others were pioneers in that struggle. Children worked in factories, in the cotton mills, and coalmines. Children were often born in the coalmines. When a coalmine was sold the property and the labour used in that mine were often sold also. The

lives of people at that time are well portrayed by such writers as Hood and Ebenezer Elliott, who by their genius drew public attention to the injustice of these things. Gradually conditions improved. More air was let into factories. Men and women were safeguarded against the danger of being dragged into machinery and maimed or killed. Legislation was passed in countless different directions in order to protect human life. All these things are good and represent a step forward.

The problem of production, the providing for the needs of the people, has, to a very large extent, been solved. The old idea of individual businesses has, to a very large extent, passed away and now joint-stock companies, trusts, and combines operate. With the skilful management of industry and its mechanisation the needs of the people can be produced in abundance and that abundance should be available for all. The capacity to produce is unlimited. At one time it was thought by many investigators that population would increase at a greater rate than the capacity of the world to sustain that population. Those people did not take into account the application of science to industry. They did not have a knowledge of the work of men such as Farrer and countless others that I could mention. All industry and agriculture have had their productivity enormously increased by inventive genius, mechanisation, and the use of scientific methods. Stuart Chase, a very noted American writer, amongst others, called attention to the fact that one of the problems of poverty is due to the fact that production outpaces solvent demand—economic writers before him had called attention to that probability—and consequently there are recurring cycles of depression in which the good things of life have been produced in abundance and the shelves of warehouses are full of the results of human labour applied to natural resources, but they are produced quicker than the people's capacity to pay for them is expanded, so that a depression ensues and men are put off, which, of course, means that the depression becomes a vicious circle and increases in intensity.

It is said that increase of appetite grows by what it feeds on, and certainly the snowball growth of a depression cannot be over-estimated. Throw men out of employment, reduce their capacity to buy and consume goods, and the resulting snowball effect brings about depression in all industry within a very short period, and every form of human activity becomes involved.

Some people think we can sit down and wait until the surplus of goods is consumed, that then there will be demand for new ones, and so we shall have the end of the depression. That is not scientific law. I have called attention to the fact that the amazing increase in productivity is due to the application of scientific methods to production. We must apply scientific methods to the distribution as well as the production of wealth and by that means enable people to get the security in life upon which civilisation depends for its continuance.

The great war that is raging at the present time has materially affected every country in the world, whether it is actively engaged in it or not. The economic balance of trade has been seriously disturbed, and exchange has been greatly affected. After the war, when normal conditions may prevail again, there are going to be fresh as well as old problems to face, the chief of which is the achievement of world peace, without which there can be no individual security. Everything in life must be paid for in one form or another. If we desire world peace—as we do—then we must pay the price for it. I suggest seriously that the price of world peace will be immeasurably less than the cost of recurring world war. So that, both ethically and economically, world peace is essential to civilisation.

The public will not continue to be satisfied with the old order. There is nothing permanent or static in any human institution. Man is greater than the institutions he establishes, he is greater than the instruments he uses, and consequently just as manufacturers and others cater for the demand for new goods, so we must cater for the newly-awakened needs of mankind in the economic and social spheres, and the one requirement that stands above all others is that undeserved poverty must be banished from the earth for all time.

**Honourable Members:** Hear, hear!

**The PREMIER:** Some people have the idea that the State owes them a living. I do not accept that view; I never have. That is to define Labour's policy wrongly. Labour stands for the right to work, the right to earn, and the right to enjoy, and consequently the economic instruments of the country must be so controlled that all people will have the right to work, the right to earn, and the right to enjoy.

I read a pamphlet—Pamphlet No. 5—that was issued many years ago by the Fabian Society, which had then and still has many distinguished men amongst its members. It was written by a house-painter, and was entitled "Why Are the Many Poor?" It showed both in writing and by diagrams the inequitable distribution of wealth in Great Britain. It showed that 5 per cent. of the population owned 95 per cent. of the wealth of that country. The author went through the various social strata and showed how the inequitable division of wealth was effected. He concluded by asking, "Why are the many poor?" and answering "Because the few are rich." In other words, monopolies enabled some people to take to themselves the greater value of the wealth produced and use it for their own needs, whilst others were merely on a subsistence level. Men were employed when it was profitable to employ them and discharged when no profit was to be made from their labour. It is not in keeping with the dignity of mankind in general that man should be an economic slave. Man should be given the opportunity to earn his livelihood and have sufficient leisure to develop those elements of character that are latent in the souls of all decent people. It should be within the realm of human ingenuity to devise a system

whereby undeserved poverty will be entirely eliminated.

**Honourable Members:** Hear, hear!

**The PREMIER:** Justice in the economic field, in the production and distribution of wealth, should be the rule rather than the exception. It may be a difficult task. I realise that the processes of development have improved man's social status, but they must be accelerated and they must be made the major issue. I have no need to become engrossed with the problems of production, but we are concerned about the equitable distribution of the things that we can produce, and in order to accomplish that distribution society must be organised on a different basis from that of to-day. The basis of what is known as Hitlerism is not by any means a new idea. Probably Nietzsche was its greatest exponent. Hon. members who care to read in the Parliamentary Library such books as "Thus Spake Zarathustra," and books by Bernhardt and others, will find that those writers postulated a type of supermen who would be the leaders of nations, and because of their power would have complete control over the rest of the people within the nations. From there the attempt to control the rest of the world would be a short step indeed, based of course on force—in war, victory is to the strong, and therefore the game of modern production should be to the economically strong.

There is no moral order in such a conception of government or of civilisation. The moral order of a country sets the standard for its economic order. Who was it who said, "Am I my brother's keeper?" He wanted to rid himself of his responsibility for someone else. Mutual aid is a necessary part of society, and the days when man could live in splendid isolation from his fellow-men have gone. Men now work collectively. Not only is man a gregarious animal, but all men work together, each performing a given part of the task to be done. One may fall the tree, another plough, another sow, another reap, but the grain that is harvested is the product of the collective effort of all. So that finally all things used by mankind are the result of the collective effort of those engaged in a common task with a common object.

What is wrong with the principle of collective ownership of the product and the equitable distribution of the product on that basis? If world peace, if unemployment with all the evils attendant on unemployment are to be got rid of, then these questions must be faced honestly and squarely. After all, what is the value of what is called riches? A man may have an income of £15,000 a year, but he may not be able to enjoy a good meal. A man may own a great deal of land, but he may not be able to use it effectively.

A man's material needs are comparatively few; he requires food, clothing, and shelter. Society can supply all three in great abundance. Why is it then that we do not approach honestly the problem of national security? If men had security for old age, if they knew, in fact, that their children would be educated,

and if they had the right to work, earn, and enjoy, what advantage would there be in the accumulation of what is called wealth? None at all. It would be of immeasurably greater value to see everybody happy, and everybody enjoying security of a sufficiency of the essential material things of life. Granted that security of the material needs of life, the capacity for mental expansion that lies latent in mankind would be immediately stepped up. That is a tremendous capacity, hitherto unknown and untouched. I can visualise a state of society under which justice would be supreme, not only in law and in the courts, but also in the distribution of wealth, in the production of which all people are collectively engaged. If world peace is to be achieved and post-war problems are to be solved, it must be along those lines.

The motion visualises quite a number of things, the establishment of primary and secondary industries, suitable protection for them, and the necessary finance. All these things are but the instruments that should be used to obtain the objective.

Finance, like other things, should be made a public servant. Industry should be a public servant. Do not mistake me when I use the term "public servant"; I am not talking about public or civil servants engaged in a Government office, but using the term in its possibly widest sense of serving the public in the production or distribution of the essentials of human wellbeing.

All production should be a public service, and so should our financial institutions. The financial institutions in this country have done their job under their charters very well, but it is obvious that private enterprise cannot under those charters cater for national needs; and it is becoming apparent in this as well as in other countries that banking and finance should become a public servant. It is virtually becoming so in Great Britain and Canada and in New Zealand. This is the only country in the world that I know of where banking law has not been brought into conformity with the principle of public service.

Dr. Schacht, one of the greatest men I ever met, laid down the new financial system of Germany and was enabled thereby to rejuvenate German industry and build up a strong economic fabric. Orthodox people who did not want any change often wrote or said that this financial fabric would break down. It has not broken down. That is the test—how does the thing work?

People will tell you that Japan is financially bankrupt. Who believes that? No-one who is a realist. The central banking system of Japan is based on the national control of investment and finance. So is that of Italy, so is the Central Bank of Canada and the Central Bank of New Zealand. There has been no amendment of the law in Australia, but the principle of the mobilisation of the financial resources of this country is recognised in Mr. Fadden's Budget. I am not discussing the extent to which he proposes to use it. It is sufficient for my

purpose to indicate that he recognises in his Budget the necessity during a national crisis of mobilisation of the financial resources of the Commonwealth, so that they will be at the disposal of the Commonwealth. If it is a good thing to do that during a period of war, what is wrong with doing it during a period of peace? What is wrong with national planning when normal conditions arrive after this foul and hellish war has been brought to an end? I say that all the resources of the nation, all the brains of the nation, and all the moral power of the nation should be mobilised in order to provide security for the decent people of this country and make this country attractive to other people as well.

This country will never be safe until we have nearly 20,000,000 of a population.

**Mr. Luckins:** 40,000,000.

**The PREMIER:** You can have as many millions as the country can carry; I am not placing any limit on what the country can carry, but I am seeking to establish the proposition that those things can be effectively done only if we lay down a just, economic basis of society.

There must be justice for all, economically as well as in courts of law. The spectre of unemployment should be banished from the home; it should be regarded as being in the same class as the legions you see in a museum. In that way you will build man into a greater being and bring him closer to the ideal.

The war, of course, has to be won, the peace has to be won, and it will require just as much courage to win the peace as it will to win the war. The war is not yet won. Many people apparently do not realise how grave is the situation in Australia. The Australian people are as much in danger of aggression as are those in any other country in the world, and in order to retain our freedom we must be as willing to fight and work as the people of Russia are fighting and working to-day. I am full of admiration for the wonderful struggle that the Russian people are putting up. Some people said that in the face of Germany they would last only four or at the most six weeks. We know that the Russian armies have held up the great German armies, and that the Russian people are mobilised on a national basis to resist invasion and aggression. Nothing less will suffice.

That applies in a crisis to us all. We must organise all the resources of this country for defence purposes, and we must so organise them that we can continue to use them in meeting the post-war problems that will confront us immediately after the war. We must not only defeat the enemy on the battlefield, but we must defeat the enemies of human life—unemployment, poverty, disease, prostitution, and all the other evils that arise because of poverty. If you want world peace you must pay the price.

(Time, on motion of Mr. Lacombe, extended.)

**The PREMIER:** I thank hon. members.

We must awaken ourselves to the realities of war. The alternative to victory is defeat and defeat means worse than death. Defeat means that the control of this country will pass out of the hands of the people of this country, and our children and children's children will be called upon to fight on the economic field against the countries that have a much lower standard than we aim at or have enjoyed in the past.

It is wrong to say, Mr. Speaker, that the Labour Party are not in favour of aid to Russia. We are in favour of aid to all the Allies that are resisting aggression.

**Honourable Members:** Hear, hear!

**The PREMIER:** We are full of admiration for the magnificent fight that Russia is putting up. But that does not absolve us from fighting our own battles. No-one but ourselves can save us. I have here the Sydney "Bulletin" in which appears a cartoon by Norman Lindsay, one of the greatest cartoonists of the age; I have always enjoyed his work. The cartoons in the Sydney "Bulletin" have been splendid over a long period of years, and I can go back to the cartoons of Phil May, Low, and many others. The cartoon, to which I refer depicts a number of men all idle with, I take it, Stalin, asking them to work, and in their mouths are put the words—

"Keep on your war, Joe; you will get what you want when we get our price."

If anything is calculated to defeat a country, it is that damnable idea. More than a year ago I said to an Australian Workers' Union conference—I am a member of the Australian Workers' Union and have been for years—that we must work like hell and fight like hell. There is no other way.

In the same issue of the Sydney "Bulletin" appears a cartoon by Schofield, under the heading: "Australia's democratic friends." It depicts a number of men gate-crashing. Some hoodle is being distributed. Alongside is an A.I.F. recruiting office, but there is no crowd there. Is that a correct picture of current events? It is an exaggeration of current events, but I should like to see the same zeal and interest in the prosecution of the war as is displayed in other far less essential directions. Those two cartoons should be widely publicised and studied, because they contain a tremendous lesson to us all.

I have another drawing to which I should like to call attention. It is by Angus Macdonall and depicts a directors' room of a large business. Evidently, there has been a meeting of the directors. Through the board-room window can be seen the ranks of soldiers marching off to war. The Angel of Death has appeared in the room, and the directors, cowering in a corner, cry—

"Don't take us, take those 40-cent. men out there in the street."

Angus Macdonall caricatures the type of man who bears with fortitude the sacrifices that other men make.

There are other people to shed their blood, there are others to make sacrifices, but their profits and their incomes are not to be touched. That is the lesson to be learned from that cartoon. It was reproduced from "Life" by the permission of the publishers. The book from which I quoted is "War, What For?" There is a lesson in those three cartoons that I hope we will all take to heart.

Summing up, Mr. Speaker, I say that the national organisation that is required for effectively and victoriously carrying on the war is essential also for winning the peace, and giving to the people the security that is desired after the nominal peace. It would be a very poor thing indeed if the public got the idea that employment could only be provided in abundance when men were killing one another. That is the thought of modern society—none the less—that employment can be given in abundance when men are killing one another. My answer is that world security, national security, and individual security can only come when an abundance of employment, an abundance of spending power, and an abundance of all the good things of life are available to those who are willing to earn. If this organisation can be set up and if these funds can be found during a period of war, if then they are a national necessity, they can equally be found, and they are equally necessary in the cause of peace.

In conclusion, Mr. Speaker, I again congratulate the mover of the motion and hope that it will be carried. It is important for us to realise that planning has to be done for the winning of the war and the winning of the peace.

**Honourable Members:** Hear, hear!

**Mr. PIE (Hamilton) (11.49 a.m.):** I listened with a great deal of interest to the Premier's speech on this really important subject, and I think that the mover of the motion brought it forward free of party views, and for the common good of all people. It is for that reason that I rise to speak to it, because as an Independent member in this House I seek only the common good of the people. Personally, I am in favour of the basis of the motion, but feel that the amendment, as put forward by the Opposition, puts what is desired in a slightly better way.

**Mr. Macdonald:** It alters the meaning.

**Mr. PIE:** The word "request" is used in the motion, and, especially as we do not know who will be in power in the Federal Parliament in the future, I think that it is not so well drafted as the suggestion made by the Opposition that we should "co-operate" with the Commonwealth Government in every way.

The Premier has introduced a spirit of co-operation and I feel sure after listening to him that he has read very fully of Emerson's essay "Compensation." I am a regular reader of it, and so I, too, hold the view

that what you put into life you shall also reap. I trust that the mover of the motion will reconsider his attitude and agree to accept the amendment.

I should like to speak rather fully on the subject of secondary industries. First, there is the rumour about—and it appears to be developing very rapidly—that in pressing the subject of secondary industries on this House I am prompted to do so for my own personal gain. But I am intensely interested in the development of secondary industries generally, and I have the right to express my own views concerning their development. I have no illusions about my life. I do not want anything more out of life than I am getting. Any progress that I may make or any expansion or development that I may be responsible for is certainly not the result of a desire for a greater quantity of worldly possessions. Let me illustrate my true position by quoting from one of Elbert Hubbard's books in these words—

"A man asked to define the essential characteristics of a gentleman—using the term in its widest sense—would presumably reply, 'The will to put himself in the place of others; the horror of forcing others into positions from which he would himself recoil; the power to do what seems to him to be right, without considering what others may say or think.'"

And so I am not concerned about what other people think of me. I assure you, Mr. Speaker, that I shall do everything I can to develop this State, but the only way to do it primarily is through our secondary industries.

It has been said in this House that hon. members should not be permitted to use notes in making their speeches. That is a wrong conception. I can speak without using them, but in order to develop an argument a man must put his whole thoughts on paper. I spent many weeks in trying to do something worth while with my first speech in this Chamber. I discarded thoughts and I discarded words until I got what I thought represented my views. I want to assure hon. members who are against the practice of reading speeches, that everything I have said in my speeches and everything I shall say in this Chamber will be my honest views. I do not want to have any misunderstanding about that.

Reference has been made to Winston Churchill. I am a student of Winston Churchill because I admire him as the leader of our great nation to-day. It might, therefore, be of interest to hon. members to hear this extract concerning him—

"Whenever Mr. Churchill has time he memorises every word, every joke, every gesture of a speech. I understand that when he was younger he even used to rehearse before a mirror; but long experience has made that, at least, unnecessary."

**The Premier:** The reflections in the mirror become less pleasing as the years go on.

**Mr. Maher:** Some people have practised public speaking in a graveyard.

**Mr. PIE:** Here is something more about Winston Churchill—

“He likes his speeches typed on small pieces of notepaper with every line of each paragraph indented so that the first word catches his eye more easily.

“As one might guess from all this, Mr. Churchill is not a good extemporaneous speaker. For many years before entering the House of Commons he would learn by heart and have typed out in full two or three and sometimes as many as six speeches, to be ready for any turn the debate might take. Nevertheless, Mr. Churchill has taught himself by years of patient practice to create the impression of spontaneity when he speaks. He is always in close touch with his audience and can rise magnificently to a difficult situation.”

I have listened to many speeches in this House, but after I have done so I wish that more hon. members would write their speeches, for in that event we should hear speeches of a more constructive character.

**Mr. Moorhouse:** Hear, hear!

**Mr. PIE:** My education has been particularly limited. I left school at an early age, and anything I have had in life I have had to fight for. It may be that those hon. members who have thrown aspersions on one or two others who have written their speeches probably have had a better education, and consequently have a greater capacity than others, but as the Premier has said on many occasions, character is hammered out on the anvil of life. Perhaps those hon. members who have resorted to reading their speeches or speech from voluminous notes feel deep down in their hearts that they do not wish to use any term that might be misconstrued, or they want to be quite sure of their subject matter.

**Mr. SPEAKER:** Order! I am afraid that the hon. member has wandered away from the question before the House.

**Mr. PIE:** Very well, Sir, I will return to it.

One of the questions emanating from this motion is that of protection. It was dwelt on the other day by one hon. member, but I felt that the main point was overlooked—namely, that without protection not a single industry in Australia would be in a flourishing condition at the present time. I can take my mind back many years when almost all the hosiery used in Australia was imported from Japan and Leicester, and none was manufactured locally. Then a man came from Russia and established the hosiery industry in the heart of Melbourne, and protection was given to him. My point is that without protection he would not have been able to build up the tremendous industry that we now have here. In fact, without protection, no hosiery could be manufactured locally. Such great factories as the Prestige and Beau Monde plants were built up as a result of protection.

It may be argued that protection is not necessary, but in the initial stages of any

industry in Australia it is vitally necessary. That brings me to the important point, which we must not lose sight of, that every industry must be given a chance to become established. Protection must be continued until the necessary plant has been installed and the industry well founded. To-day we have in Australia tremendous production. There is no question that industry is benefiting considerably from our war effort and the shipment of war material overseas. This has enabled products previously unheard of to be manufactured in Australia and exported. The result is that we have brought our prices down to somewhere near world parity. To-day we are shipping to all parts of the world—India, Canada, and many other countries—Australian goods manufactured in Australian factories at world-parity prices. That has all been brought about by production—therefore, we must analyse production.

I have had experience in production, and I have stated here before, and I repeat again, that too much money is being made out of war effort because of that production. I have written three times to the Department of Supply and Development, and I have also written to our Prime Minister telling him that our factory is making too much money. I make that statement here. The profits that are being made are abnormal and not warranted in factories during war. I have suggested to our Prime Minister that that money should be passed on in the nature of a war effort—perhaps passed on to the employees, provided they invest it in war loans or war bonds.

**Government Members:** Hear, hear!

**Mr. PIE:** I have received a reply from him saying that he would investigate the position; but when you get your monthly balance-sheets out you still see that your rate of profit, due to war orders, is too high. It all comes back to my old thought of the first experience we had in industry in Queensland when we were fighting for orders, when we could not get orders and we were told that our prices were too high. They gave us production and now we tell them that the prices they are giving us are too high, that we are making too much money. I have been in Melbourne and I have seen their products, and I know that given an equal chance Queensland industry can compete with that of any other State in this Commonwealth.

Another thought that has come to my mind—and this is based on the Premier's speech—is: Why should not all production be harnessed for peace-time or post-war problems? It may be done; it should be done. Production is the dominating factor or the dominating thought in every factory from a cost point of view. If you can keep going at full production for 24 hours a day during the whole year your costs must come down—your overhead sinks down to oblivion. Then we have to keep that production. In times of depression wages are reduced, people put out of employment and production goes down because the people cannot buy. The

thought has occurred to me: Why not try the other way—give them more purchasing power, keep up production, keep the factories going? That is a solution I have discussed with many people. I have discussed it with the Premier when we were discussing other matters. I think that production can be harnessed to wages and prosperity. I am studying the position very closely now because I feel that if we can get the rate existing between production and wages in terms of money sent back to production we have the solution of a very big problem.

Those are some of the thoughts in my mind to-day. I feel that the problem should be gone into thoroughly and that we, as a State, should lead the way.

I wish also to refer to post-war problems. It is a question we shall have to solve. The Chairman of the Bank of New South Wales, Sir Alfred Davidson, was here recently, and I attended one of his lectures, a report of which appeared in the "Courier-Mail." In his second lecture he said—

"We may, in the post-war period, make large-scale unemployment a thing of the past. The agent must necessarily be governmental. Credit conditions should be made fairly easy until reabsorption of soldiers and war-workers into peace-time industries is well on the way."

Is not that exactly what the Premier said to-day: public works are urgently required for transport, water, housing, education, administration, soil conservation, and many other purposes? These problems have to be faced now. The statement I have read was made by probably the leading banker in Australia. These problems lie ahead and have to be faced now if we are to avoid the trouble that otherwise will surely overtake us.

I hold in high esteem a magazine named "Time," which I receive from America. It gives one a wonderful idea of world problems existing, and I cannot do better than ad an extract from it—

"It is a proved fact that, in the past, if you took the most it is possible to produce and divided it amongst all who were alive to share it, the answer was always a low standard of living, but if we produce all that we could and divided it amongst the people who are here to share it, we should come out with a very good world standard of living for the first time in history."

That bears out what I have said: produce, and give the money to spend on purchasing at production. That would be a solution of most of our problems.

The same paper states that what I am about to read is probably one of the most important discoveries that have been made by the human race in many generations—

"It has been reliably stated that there is a new feeling existing even in China to-day amongst the peasant or poorer classes that the land belongs to the people, and, having fought for it, the men of 1941—v

China, like the men of Britain, will have much to say about their country's future when this war is over."

These are two basic or fundamental principles that we must face. I do not desire to quote extensively from papers that I have read and studied, but I have chosen what I believe to be very important extracts, which will convey to hon. members briefly what I have in mind.

Rene Kraus has written a book on the leaders of Britain to-day entitled, "The Men around Churchill," and the following is an extract from it:—

"Between two devastating defeats, Norway and France, Britons quietly won the one victory without which they could not hope to survive in World War II.—they liquidated the class war in England for the duration. Entirely within the framework of their democracy, Britons freed themselves of those fatal tensions and cleavages that plague other democracies, paralysed France. The miracle of Britain's outnumbered defence was made possible by the miracle of British class-collaboration."

and from "Winston Churchill" by the same author—

"The fighters of to-day are the petty politicians of yesterday. Eccentrics have become constructive. Revolutionaries are now pillars of state and society. Tories forget to wear the old school tie."

That is what is occurring in England to-day.

A representative of Bentley Engineering Works in Leicester, large manufacturers of hosiery machinery, interviewed me recently, and I took the opportunity to ask him what is happening in England to-day. His reply was, "The classes are coming closer than ever because we realise that to win this war—and win we must—we must be as one people." I honestly and sincerely feel that to do that we in Australia must get together and forget class distinctions. We have to be as one if we are to win this terrible war, which is still ahead of us.

This war will not be won very easily. There is much yet to be done, and we in Australia have to do our part. I tell every hon. member of this Committee, whether he be Labour, Country-National, or anything else, that we shall never win this war until all people get together, until we get round a table, each and every one of us telling our difficulties to the other. Let us see the other man's point of view. Let Labour see my point of view. Let me see Labour's point of view. By that means we shall build something of which I think every Australian will be proud. In this Chamber I have preached the evil of class distinctions. Deep down I have the feeling that the only solution to our problem is the getting together of all people.

We must now come to what our war aims are. I have here a very able description—I could not have put it into such words—

of the meeting of Mr. Winston Churchill and President Roosevelt. To me that was a meeting of two men with open minds, two men who were willing to sacrifice all their interests to the common good of the community as a whole. First, I should like to quote Mr. Winston Churchill as saying—

“I am not a religious man, but I thank God that such a man as you is the head of your Government at a time like this.”

Do hon. members think he could have done that spontaneously? I feel sure that that utterance had been thought out, because no man could put so much meaning into so few words without thinking very deeply. The President of the United States and the Prime Minister of Great Britain arrived at an eight-point agreement, of which I quote these—

“1. Their countries seek no aggrandizement, territorial or other;

“2. They desire to see no territorial changes that do not accord with the freely expressed wishes of the people concerned;

“3. They respect the right of all people to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them;

“4. They will endeavour, with due respect for their existing obligations, to further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity;

“5. They desire to bring about the fullest collaboration between all nations in the economic field with the object of securing, for all, improved labour standards, economic advancement, and social security;

“6. After the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want;

“7. Such a peace should enable all men to traverse the high seas and oceans without hindrance;

“8. They believe that all of the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea, or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armaments.”

I think that demonstrates clearly that the men of worth—Churchill, Roosevelt, Eden, Sir Alfred Davidson—in fact, all men of worth—are thinking of the future. We have to think of the future, because it will be too late to think when this war is over and victory is won. I feel that everyone should encourage rather than obstruct thoughts of post-war planning.

I wish to deal now with a company called Queensland Fisheries (Proprietary) Limited, which went into liquidation. As a matter of common interest, I wish to say that I became interested in that company towards the end of its life. It was formed on 16 November, 1939, and got into financial difficulties on 5 June, 1940. I agreed, after consultation with the Bureau of Industry, to put some more money into the business, knowing that it was not making money, but in an endeavour to build up a Queensland industry. I personally worked hard; in fact, we all did a lot of work. We heard the hon. member for Sandgate at great length about the fish to be got on the Queensland coast, and I wish to give some details concerning them. An elaborate plan was drawn up, and it was found that certain fish could be processed. It was found that mullet could take the place of New Zealand blue cod and Scotch cod. We processed tailor, mackerel, and whiting, as well as mullet. A man of excellent credentials in the person of Mr. Lees was brought from Glasgow to help the company along. We found that whiting was not a suitable fish for processing; in other words, its flesh could not be smoked. Mullet was found to be an excellent fish to process, and it formed a very good substitute for the kipper from South Africa and Scotland. We found that mackerel was one of the best fish for smoking that could be obtained, and in passing, may I say that I found mackerel cutlets to be the most delicious I have eaten?

The possibility of developing the company looked excellent, and I could not understand why, on the figures given me, the business should not pay. It was found that if we got a good run of fish the business could be made to pay. A budget was prepared, and it was estimated that if the run of fish could be assured, a profit of nearly £1,000 could be made on a very small capital investment. We had to consider the question of the run of fish. We believed that in the months of January and February good supplies of mackerel were to be got. We expected to get an average run of four and a-half weeks in January and February and process about 900 lb. of mackerel. In March there are no known fish to be processed. In April we get the split mullet, but there are no fish for processing in May or June. In July the mullet and mackerel are available, and in August mackerel and tailor, but no fish for November and December.

**Mr. Maher:** Were you depending on line fishing?

**Mr. PIE:** I shall come to that in a moment.

That went on for a while, but the control of fish in Queensland is in the hands of the State Fish Board. We could not employ fishermen to catch fish for us unless the fish were sold through the market, but, when they were sold through the market, we could not get them at a price that would enable us to process them profitably.

**Mr. Massey:** That is, buy them back?

**Mr. PIE:** Yes. Unfortunately, an abnormal fishing season was experienced—it is still abnormal—and we could not get the fish that we required. This company, which should have been developed, went out of existence. The Government guaranteed £1,000 and the latest balance-sheet handed to the liquidator should have shown a surplus of between £400 and £500. The people who put in their money, a total of about £4,000, lost it, but this industry can be developed if nature is good with the run of fish; and it should be developed. The experience I have gained is invaluable, and I am ready to make it available to the State at any time.

I have given the subject of the netting of fish great thought. I have a friend interested in a business in Victoria—Marine Food Products, Limited—an excellent business that draws supplies from South Australia and Western Australia. They snap-freeze the fish and process them, and they are doing a really good trade. The company sent a trawler right up to North Queensland to test the fishing grounds, and, on speaking to the man in charge on his way back, I learned that it was definitely established that the North Coast of Queensland was not suitable for trawling purposes. There is not enough surface fish to give us the quantity that we require. I still believe that there are opportunities for the development of the fish industry here. I know that before the war thousands and thousands of pounds worth of processed fish were imported into this country. I hope that the Government will give some consideration to the establishment of the industries I have mentioned.

I propose now to discuss the subject of population and migration. Most of us, or a great number of us, who have visited other parts of the world and have seen the conditions under which people live in slum areas, particularly in England and the United States of America, realise that, having regard to the standards of this country, such conditions as we have seen abroad should not be allowed to continue. I am of the opinion that we can induce the people of whom I speak to come to Australia only after we have established secondary industries here. It is no use their going on the land; indeed, it would be stupid to put them on the land. They have grown up in secondary industry. They have become accustomed to working in factories. Of course, the conditions under which they would live here would be very much better than conditions, say, in England. I know that people have been brought out from Manchester to help in establishing the textile trade here. The difficulty is to get these people to bestir themselves and decide to come to a country like ours, but I am sure

that once they came they would never return to their homeland.

I myself endeavoured to establish a cotton-spinning industry here, but found it the most difficult job in the world to get people in England to realise that the conditions we live under here would be immeasurably better than their own. I do think that the Commonwealth Government and our State Government should paint a better picture to the people in England to induce them to come here, not to go on the land, but to engage in existing industries, and also create and build up new industries. That in its turn would create a demand for our primary products and bring prosperity to the primary producer.

I have nothing more to say on this subject. I can assure the mover of this motion of my co-operation at all times, particularly on any subject that he would like to discuss with me.

**Mr. COLLINS (Cook)** (12.26 p.m.), in reply: I regret we cannot agree to the amendment moved by the Leader of the Opposition. I believe protection is one of the main things that industry in this country requires. In fact, protection is absolutely necessary in order that we may successfully carry on our present industries, in addition to creating new ones. How can a young country like Australia carry on industries successfully against old-established industries in the old world, and in view of the added advantage that their owners know everything there is to know about running and financing them? Moreover, other countries have used, and would, if they were permitted, continue to use Australia as a dumping ground for their surplus products. It is only by protection, I repeat, that the industries of this country have been built up. For instance, it was only by a complete embargo on the importation of sugar that our great sugar industry has been built up to the point of being the biggest money-spinning industry that we have. It would be futile to expect industries in this country to operate on a practically free-trade basis against the rest of the world. We should not only have no new industries, but should probably lose those we have established, and they are considerable in number.

The amendment suggests a reversion to that practice which has existed down through the ages. It also reflects generally the attitude of the Country Party, which desires protection for the products of the primary industries but free trade for all their requirements. That idea of protection is ruinous. We must either have free trade or protection. For many years Australia decided on a limited degree of protection, but even under that policy industries were established only after the greatest of efforts. We have witnessed how that policy worked out until 1929. Very few industries were then established, notwithstanding a measure of protection. It was only when Australia could not buy goods abroad that her people were forced by dire necessity to establish industries of their own. Protection should supply

that incentive. It would be preferable than waiting for a calamity to overtake us.

I have instanced the sugar industry, which is protected by an embargo which, I contend, is not too much protection to give to an Australian industry in order that it may get properly started.

If we leave out of the motion what the Leader of the Opposition has suggested in his amendment, the whole basis of the motion would be altered. The hon. gentleman may agree to some alteration, but the amendment, as drafted, is quite unacceptable to this side of the House.

The Leader of the Opposition also seems to have in mind that the effect of the motion would be competition between this State and the other States as to which should have a given industry. That is far from the idea in the minds of the mover and seconder of the motion and those who spoke on it from this side of the House. We want industries to come to Australia. We regard this country as a continent. We want to be one people, we want to live under one economy, and we want industries to gravitate to the different States according to the ability of those States to produce the goods most cheaply.

Section 92 of the Commonwealth Constitution provides that there shall be absolutely free trade between all the States. That section has been contested, but no court—not even the Privy Council—has so far driven a wedge into it. The principle that it embodies is in the minds of the mover and seconder of the motion. We do not want trade barriers within the Commonwealth. We want trade to be absolutely free, but we want the whole of the Commonwealth to give the necessary protection so that industries will be established somewhere in Australia—not necessarily in Queensland, Tasmania, New South Wales, or Victoria. We want those industries to be established within the Commonwealth; once established, they will gravitate to the State that is best able to produce the goods economically and cheaply. That is provided for in the motion.

During my speech I suggested that the tribunal to fix wages should be a Federal rather than a State matter, so that wages throughout the Commonwealth could be adjusted on an equitable basis, and we should not have one wage for Queensland, another for New South Wales, and another for Victoria. The idea is to have a basic wage for the Commonwealth with parities according to the cost of living as it varies in the States and parts of States. That system would be on all-fours with the system governing the operation of the Queensland basic wage. The basic wage in Brisbane is not necessarily the basic wage in the central district, the north, or the north-west; it is governed by the cost of living in the various parts of the State. If that system operated in the Commonwealth, then industry would gravitate to the State in which it could be most economically carried on. If we are not to have protection—and I hardly think even hon. members of the Opposition disagree with protection—we are going to leave this country

open to competition from all the cheap-labour countries—not only outside the Empire but within the Empire itself. Cheap-labour products from India and South Africa are coming into this country at the present time. A large quantity of copper imported by Australia is the product of native labour in Africa. Products of Chinese labour in China compete with our own manufactures in Australia. Does the Leader of the Opposition and Opposition hon. members generally desire that the fruits of our labour should be thrown into open competition with the products of countries in which labour is worked hard and is poorly paid? That would mean that the standards of our industrial workers would go down to that of the coolies. I am sure that that is the last thing we all desire. Australia wants a virile, white population. Australia must be populated, and the only way in which that can be done is by seeing that our people work under good wages and conditions.

Do hon. members opposite mean that industry should be assisted only? Is the idea in their minds that such assistance will be similar to that given under the scheme of debts adjustment that now operates in primary industries, by which a section of the people who are hit by droughts or other bad seasonal conditions receive a measure of assistance more or less by way of a dole rather than a right? That, to a large extent, is how the assistance given under the scheme operates. Industries must not be propped up in that way. Industries must stand firmly on their own foundations, paying good wages to their employees, living under good conditions. Industries can have that if they have the necessary protection—protection similar to that given to the sugar industry. I regard that industry as a beacon light, the great example of what can be done in almost any industry if the problem is tackled in the same determined and methodical manner as it was in the sugar industry. By reason of the protection it enjoyed, that industry is probably the most efficient sugar industry in the world, and I venture to say that it is the only one carried on solely by white labour. That is a very fine ideal to set up, and it is a reason why it is impossible to delete the word “protection” from the motion. To do that would alter the entire meaning.

The hon. member for Sandgate appears to think that we set ourselves up as isolationists and that we could not carry out the intention of the motion even if we desired to do so. In order to strengthen his argument, or to give some effect to it, he quoted the new world order enunciated by President Roosevelt and the Prime Minister of Great Britain, of which one part indicates that the new world order must enable countries to live in freedom from fear, unemployment, and also in respect of trade. The declaration also states—

“They will endeavour, with due respect to existing obligations, to further the enjoyment of all States of access on equal terms to trade and raw materials of the world which are needed for their economic prosperity.”

That is a very fine general statement. There is nothing wrong with it as a general statement, but it does not mean that there will be free trade throughout the world. It was never intended to mean that.

**Mr. Edwards:** It could not possibly mean that.

**Mr. COLLINS:** No, but that is the meaning inferred by the hon. member for Sandgate, and I am endeavouring to correct his economics.

**Mr. Nimmo:** You are inferring that?

**Mr. COLLINS:** No. The hon. member said that we wanted to live as isolationists, and that the new world order prevents us doing so.

**Mr. Decker:** That is quite right.

**Mr. COLLINS:** Will anybody say that it is not one of the obligations of the people of this country to populate and defend it? Surely, if we are going to own this country—and we believe that we have a right to own it—we have to use our country, and in order to use it, we have to put people on it. This country has not begun to be populated in the ordinary sense of the word.

The hon. member for Sandgate is comparing Australia with those European countries in which the war is being waged at present, countries that have a density of population far greater than that of Australia. Comparatively speaking, they are fully populated, the population to the square mile in the various countries being—

Belgium .. ..	694
Great Britain .. ..	501
Germany .. ..	371
Italy .. ..	356
Japan .. ..	386

while in Australia our density of population is only 2.33 to the square mile. Yet the hon. member for Sandgate implies in his argument that we have to base our economy on free trade with those densely-populated countries.

**Mr. Massey:** He did not say that.

**Mr. COLLINS:** He implied it.

**Mr. Massey:** He did not.

**Mr. COLLINS:** If words mean anything then his statement that we are trying to be isolationists means that we have to trade on an equal footing with those countries. If we have to do that then this country is never going to carry the population it is capable of carrying. In fact, it will never carry even enough to defend it from aggression, and for that reason I think we might dismiss that side of the argument.

The hon. member goes on to quote from the Tariff Board's report in 1927, in an effort to bolster up his arguments that we cannot carry on industry in this country. He quotes the statement of Professors Brigden, Copland, Dyason, and others—

“Experience of protection tells heavily against it, for, in practice, protection is

not restricted to those industries which may be expected to outgrow the need for it, nor do even these industries admit that they ever reach the stage of independence.”

He suggests that industries that have protection never reach the stage of independence, and he says that it tells heavily against the country that introduced it. If hon. members will cast their minds back to those eventful years of 1927, 1928, and 1929, they will remember that this country got into extreme financial difficulty through following the advice of these professors of economics. In 1929 the Government of the day, through following the advice of these professors, got the country into such a position that it could not meet its commitments abroad.

**Mr. Muller:** Rubbish!

**Mr. COLLINS:** Not at all. The hon. member for Sandgate now suggests that we should follow the advice of those very men—and they are learned men—whose advice led this country into a depression. Having got us into the depression, those same professors endeavoured to tell us how to get out of it. They suggested that the only way to get out of it was to reduce wages and work longer hours. What a calamity the acceptance of that advice was to this country! Every time wages were lowered more men were thrown out of work, and there was less money in circulation. As wages were lowered unemployment increased, and we had the ever-rolling snowball of poverty and want. It was not until the Premier of this State brought that truth very prominently before the Federal authorities and showed where the policy was leading—

**Mr. Nimmo:** I suppose that obtained in the Old Country, too?

**Mr. COLLINS:** I believe that there were men there just as capable of looking after their business as we were of ours. If we look after our own business we shall be doing the service the people of this country are paying us to do. I advise the hon. gentleman to keep that in mind and to become a good Australian.

If we follow the advice of these learned men, as suggested by the hon. member for Sandgate, I think we shall experience another very unfortunate period, a time that we do not want in this country. I venture to say—as a matter of fact, I have seen statements from them during the last three or four years that indicate that it is so—that those men have entirely revised their views regarding wages and hours of work. They have made public statements to the effect that the only way to recover from a depression is to keep wages and prices stable. That was not their view at one time, but they have learnt from experience—it is not an uncommon thing for people to learn from experience. I think the world owes a great deal to the ordinary plain-thinking men. Plain-thinking men have given doctors a good deal of advice, and we have had men in the various Parliaments who

have been able to give economists good advice, and may I say, we never saw that to better advantage than during the last depression.

I submit that it is impossible to accept the amendment of the Opposition.

**Mr. NICKLIN** (Murrumba) (12.48 p.m.), I ask leave to withdraw the amendment before the House, with a view to moving another.

Amendment, by leave, withdrawn.

**Mr. MAHER** (West Moreton) (12.49 p.m.): I move the following amendment:—

“In the last line, omit the word—  
‘in’.”

Amendment agreed to.

**Mr. LUCKINS** (Maree) (12.50 p.m.): I move the following amendment:—

“Add to the question the words—  
‘and expresses its willingness to co-operate with the national Parliament in giving whatever assistance is necessary to give effect to this resolution’.”

Amendment agreed to.

Motion, as amended, agreed to.

## PRODUCTION OF SHALE OIL AND ALUMINIUM.

### RESUMPTION OF DEBATE.

Debate resumed from 25 September (see p. 481) on Mr. Nimmo's motion—

“That in the opinion of this House, in order to assist the war effort, the State Government should endeavour in every practicable way to encourage the production of shale oil and aluminium in this State by at once instituting expert investigation into these matters. That apart from obtaining full information as to suitable deposits and any project in which the State and possibly the Commonwealth Government might see fit to participate, the State Government should make it known that it will give favourable consideration to any application by private enterprise for assistance (financial or otherwise), and that in the case of shale oil a substantial reward will be granted to any concern producing (say) 20,000 gallons at a specified cost in this State.”

**The TREASURER** (Hon. F. A. Cooper, Bremer) (12.51 p.m.): If the motion moved by the hon. member for Oxley is illustrative of one thing more than another it is the fact that we can never be sure of what may happen. I have a distinct recollection that many years ago there were extensive deposits of shale in the Illawarra district of New South Wales, and I was told that they were kerosene-shale deposits. I wondered why they were not being worked, and I was told that kerosene was all right many years ago, but to-day circumstances have so changed that there is

not the demand for kerosene that there was in the days that have gone, and so this huge deposit of shale was not as valuable as it might have been 25 to 30 years ago. The wheels have turned again and the deposits of shale that were thought to be of great value 30 to 40 years ago and of no value fewer years ago, have again become valuable.

It is not altogether out of place to give some thought to the wonderful ingenuity of man and to what man can do if he sets his mind to investigating. I do not believe that in any matter we have reached the ultimate end. No matter what we may have there are other things to be done, other fields to prospect, and other useful services to be investigated. There is not the slightest doubt that the dreadful war we are going through to-day has brought to our mind many things that call for consideration.

We should never have thought 25 years ago that there would have been the intense demand for the motive power of which we have been robbed because of the war. We have been robbed of it because of the intense call on petrol for war purposes, and because owing to other circumstances we cannot get enough petrol to satisfy the requirements of this State or of the Commonwealth. Those of us who have visited country shows—many of us have visited country shows very frequently—must have been struck with the great number of motor vehicles that we have seen round the rings. It is astonishing to think that in a country such as Queensland, with the small population of 1,000,000 people, the car registrations should be well over the 200,000 mark. That looks like one car to every five people—not one car to every five families, but one car to every five people in this State. It is marvellous to think that in such a short space of time the motor car should have become so extensively used. In days gone by we used the sulky, the phaeton, the landau, and that other vehicle, the brougham—I believe it is pronounced in one syllable, “broom,” not “bro-ham,” or it used to be. The stables at Parliament House show very clearly that these vehicles were the chief means of locomotion not so many years ago, and it is astonishing to think that the motor vehicles that have displaced them depend for their—I was going to say for their very life—depend for their fuel on places overseas.

We have for years been buying overseas a quantity of petrol to make these motor vehicles of use to us. All that possibly can be done should be done to see if we can find the necessary motive power for our own vehicles. If we can do that, it will be of tremendous value to the State. The prospecting that has been done—and an immense amount of it has been done—has been along well-defined, orthodox lines laid down for us by people who have gone before us; by people in other parts of the world where these investigations have been made. If one thing is obvious more than another, it is that we should do what we can in an endeavour to discover the orthodox method, and to follow it as closely as we can, deviating from it

only when we believe deviation will have some useful effect. I do not believe in mere exploration, or wild prospecting, but I do believe in using all the scientific data we can lay our hands on and, following those lines, do what we can to discover the oil that will give us that motive power for our own vehicles.

One thing I have to quarrel with in this motion—and I have not much of a quarrel, by reason of the fact I have not much time in which to quarrel—is the wording of it, particularly those two words “should endeavour.” When anybody tells me that we should endeavour to do something, the inference is that we have not endeavoured at all. When the State has endeavoured, when the State has made some effort—and this State has made some decent effort—to do what is asked to be done in this motion, then I think a little more care should have been exercised in its wording, so that we will not mislead ourselves or other people. I know that from what has happened in an investigation for this very purpose, of deposits not so very far away from here, in the Fassifern district. With the previous hon. member for Fassifern, I went over certain areas and was shown certain indications of oil. Certain things were produced to me that were supposed to demonstrate to me that there was an abundance of the necessary oil there. I was shown in other parts, especially down towards the coast, similar indications. Geologists have advised me that those strata, or that lode, or that seam, or that measure, or whatever it may be, runs almost from the coast right out towards Roma, where many investigations have been made with the idea of ascertaining if we have, in payable quantities, the necessary oil deposits to provide for ourselves the necessary motive power for our own vehicles. If we have in this State certain deposits that can be used in an emergency, then we should use them.

I also believe that we should not attempt to encourage a certain belief that is gaining ground. One of the outstanding features of an Australian is said to be that he requires something to lean on. It is high time we began to discourage it. It is a wrong belief, because Australia has men with initiative, self-reliance, and men with “go” in them. We should not give him an impression that he desires something to lean on before he does something. That is taking up the wrong attitude.

At 2.15 p.m.,

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

#### INCOME (STATE DEVELOPMENT) TAX ACTS AMENDMENT BILL.

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

Debate resumed from 18 September (see p. 396) on Mr. Foley's motion—

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

**Mr. LUCKINS (Maree)** (2.15 p.m.): I am a little surprised that the Government did not make provision during this session to give some relief to those people who, unfortunately, are not covered by the present exemptions. To-day taxation is bearing very heavily on the worker and the small-business man and I think the State should consider its relation to the war effort by the Commonwealth.

In his second-reading speech, the Minister made reference to the amount taken from Queensland by the Commonwealth Government and the amount returned to this State. I think that is rather a paltry attitude. Although we are living in the State of Queensland, we should be big Australians. The merits of the Commonwealth Government's effort should be recognised; it is worthy of more support than the Minister's outlook. The real test of Government finance is how the money is spent and where it is spent. We have an income tax that covers a very wide field, and was imposed by Parliament to collect a certain amount of money sufficient to enable the Government to carry out their legitimate functions. The unemployment relief tax was introduced during the depression period, and it is now being used to carry on certain developmental work. During the discussion on the merits or demerits of the spending of this tax, it was pointed out by the hon. member for West Moreton that 15 per cent. of the money was spent on specified work and the balance is left at the disposal of the Treasurer to spend as he or the Government desire. In whose interests will this money be spent?

**Mr. Collins:** You do not object to that?

**Mr. LUCKINS:** I do object to dragging it from workers when it is very desirable that the man who is rearing a family should receive every consideration in regard to this tax.

**Mr. Collins** interjected.

**Mr. LUCKINS:** He may have a desire to rear a family, but when taxation hits him so hard—

**Mr. Collins:** He should not raise one?

**Mr. LUCKINS:** He should, and he should be encouraged to raise one. No taxation measure is equitable that does not give to the family man and his dependents a fair measure of protection. The general trend to-day is that people are receiving far in excess of the basic wage. The basic wage is the lowest wage permitted by the State. It is the minimum wage and above that a man has to pay this tax on a flat rate.

**Mr. Jones:** There is a basic wage of £277 a year in the Northern Division.

**Mr. LUCKINS:** I am speaking of the South. Studying the wages received by railway employees I find that the average is from £260 to £270 and £295 to £360 a year. All the workers in Government departments feel in a sense the injustice of this tax, and it is a question that concerns me very much. A man earning a certain amount for

his labour is entitled to retain as much of that amount as possible to provide for his family. This tax has caused some unrest and as a public man it is my duty to bring before Parliament instances of unrest that I find and point to the causes. This tax falls very heavily on those men who desire to give service in the community and to help the Government to find the wherewithal to carry on our system of government. It precludes them from putting away the money required to keep their homes together and rear their families. There was nothing in the reasons put forward by the Minister when introducing the Bill that convinced me. There is no merit or justice about this Bill. If the desire is to have additional money the right thing is to amend the Income Tax Act rather than depend on a tax that was introduced as an unemployment relief measure in the period of the Moore Government.

The name of Mr. A. E. Moore, a former Premier of Queensland, was brought into the debate, and I desire to tell you, Mr. Speaker, and the House, that for his work in Queensland at that time Mr. Moore is held in very high esteem. A man is known by his work in the past and not that of the present and Mr. Moore had the merit of vision. He knew that the result of his legislation at that time would be of great benefit to Queensland.

**A Government Member:** It has not been.

**Mr. LUCKINS:** No man is in a position to judge the merits or demerits of such an action at the time. It is only later this can be done. The luxuries we enjoy to-day become the necessities of to-morrow, and whatever happened between 1929 and 1932 we should pay tribute to the man who had the foresight to lay the foundation of the future finances of the State. The State development tax is a continuation of the unemployment relief tax.

**Mr. Riordan:** You are not talking about a compulsory tax?

**Mr. LUCKINS:** This is a compulsory tax. If the hon. member for Bowen wants to put words into my mouth, on this occasion he can do so. It is compulsory. It is a form of poll tax, which the people of Queensland resent strongly. There is no doubt that this tax has caused unrest among the workers on £300 a year and there is a fair number of them. A man is entitled to a fair share of his wages or reward for work and services rendered. How otherwise will he have security? Wife, children, and home life have to suffer according to the share of the wages he has to give up.

The hon. member for Wynnum has wisely said that the workers could do much better with the money in their own pockets than the Government could do with it. Government activities are all right, apparently, so long as the Government can tax and keep on taxing and at the end of their term of office make excuses as to why they had to impose this, that, or the other tax. The great service the Government can render to the community is to reduce taxation when they find it has become a very heavy burden on the taxpayer.

Let me deal now with the business man as distinct from the worker, the man who likes to create some small industry, the man who starts with a modest capital, as did the hon. member for Hamilton, and by hard work and perseverance builds up a fine business. I happen to be a business man who has worked hard for his business, starting with a capital of £40.

**The Secretary for Labour and Industry:** You do not employ 200 people.

**Mr. LUCKINS:** But I employ people on the best of wages and under the best conditions, and would not dream of employing them under any other terms, because if I did so I should not be able to offer myself for a position in public life. To be eligible to do that I must treat those with whom I am associated as well as I treat myself. It is an achievement in life to be able to stand up publicly and let people judge one by what one has done.

Being a Queenslander, I suppose I can speak with some knowledge of my State. Queensland has a very long record, extending over 80 years, during which there have been many changes of Government, and I am amazed that the Treasurer proposes to collect through this tax not the £2,360,000 that he collected last year, but at least £2,750,000, and I use as my basis of calculation the index figure showing that unemployment is down to 3.9 per cent. The fact that unemployment is so low proves that the majority of the people who were unemployed years ago are now employed and liable to pay this tax.

I propose to argue that if you budget for a certain amount of taxation it is only logical that if you raise more than the sum for which you budget you should return the surplus. The Treasurer should return something to those people who are paying this tax, because he took from them more than the amount for which he budgeted last year. He should give something by way of concessions for a man's wife and family. If he did that he would at least be demonstrating that the Government are sincere in their expressed desire to give the people some return for the increased revenue.

We are in a position to examine the financial position of the small-business man. I desire to take you into my confidence, Mr. Speaker, and to inform you that at least 75 per cent. of the small-business men to-day have some burden, such as a loan or an overdraft at the bank. Any small man who desires to develop his business and provide for the future of his family sets a certain amount of his profit aside each year in order that he may have something upon which to fall back when bad times overtake him, and so that he will not become a burden upon the Government.

At 2.30 p.m.,

The CHAIRMAN OF COMMITTEES (Mr. Gair, South Brisbane) relieved Mr. Speaker in the chair.

**Mr. LUCKINS:** I am placing myself in the position of that business man to-day, because he is the man who means so much to the development of this State. I do not care what type of business man comes into the picture, or under the Commissioner of Taxes of this State, he is an asset because he provides himself and his family with a living and is not a burden on the Government. Only this morning the Premier said that there were some people who thought that all they had to do was to learn on something in order to get the wherewithal to live. If that state of affairs exists, it is, indeed, unfortunate. We should endeavour to encourage the man who has a limited amount of capital at his disposal; we should give every consideration to him and help him to build up his business, to pay off overdrafts and loans. Furthermore, we should give him the opportunity of providing for the future. Those things should be the real test of the financial measures of any Government. The real test is the service rendered to the people, and the Government by rendering a service to the rising or the young business man will accomplish something; but they cannot accomplish much by keeping this heavy burden of taxation upon the working people, and particularly the flat rate of the State development tax. That tax is an unjust and an unwise one and one that will rankle in the minds of the people. It is a simple matter to keep a tax going. It may be easy to convince the people at first that there is merit in it, but you cannot convince them there is any merit in anything that has been kept on so long as this tax.

**Mr. Collins:** Where would you find the money for the development of the State?

**Mr. LUCKINS:** If the Minister in charge of the Bill would ask me that question I would show him some way. In these difficult times, I should probably reduce the sum paid to Ministers, and I should reduce their expenses. Perhaps I should reduce the number of Ministers and, if I found those reductions did not amount to sufficient, I should seriously consider reducing the salaries paid to members of this Assembly. (Government interjections.)

**Mr. DEPUTY SPEAKER:** Order!

**The Treasurer:** Why not refund yours? Why be a hypocrite?

**A Government Member:** Did you take two salaries from the council?

**Mr. LUCKINS:** I gave it away.

**The Treasurer:** You took it.

**Mr. LUCKINS:** I gave it away and there is definite evidence in my office, if the Treasurer wishes to look, from which he can find to whom I gave it. Like the hon. member for Baroona, I do not want publicity for my gifts.

**Mr. DEPUTY SPEAKER:** Order! Will the hon. member for Maree kindly return to the Bill?

**Mr. LUCKINS:** If I had not to pay this State development tax I should be able to

give more, but I am mulcted to the tune of £35 or £40 because of this tax; it is larger than my income tax. To my way of thinking, it should be the reverse. If the Government amended the method of applying the tax, as suggested by the Opposition, I should be satisfied in a way, because then everybody would have the opportunity of getting the deductions that are so necessary to-day. The tax will take £2,500,000 out of the pockets of the people of Queensland, the majority of whom are workers. I do not know of any capitalists or millionaires in this State, but probably hon. members opposite may be able to enlighten me. They may be wealthy men; I do not know.

**Mr. Power:** You are doing all right when you are running a business as a sideline.

**Mr. LUCKINS:** I should like to compare my bankbook with that of the hon. member. It is very desirable that action should be taken urgently to relieve the taxpayers of the unfortunate burden that has been placed upon them, and especially the workers, by the State development tax. I represent a district in which 99 per cent. of the people are workers, and it is their one desire that this tax should be removed. They have asked me to come into this Chamber and advocate its removal; and, as a new member, I am doing my best, despite the interruption from hon. members opposite. I am doing my best to make a case for my workers—the people I represent. Hon. members opposite know that the Maree seat was held by Labour for a long time, but there must be something radically wrong with their financial measures when the workers decide to send me here to represent them. The workers are very annoyed with the Government, and so they have enlisted my services to ask the Government to remove this tax, and I am putting their case to the Government to the best of my ability.

**The Treasurer:** What a reflection upon the Opposition—that they were not strong enough!

**Mr. LUCKINS:** The Opposition will be strong enough, but I cannot reply to the Treasurer in view of your ruling, Mr. Deputy Speaker. The hon. gentleman is taking advantage of the fact that I am a new hon. member to draw me off my track. I want to tell the Ministers of the Crown that there is grave dissatisfaction amongst the public service concerning the tax, and the sooner it is removed the better chance there will be for hon. members opposite to get their meal ticket that they have held so long. I am dealing publicly with the tax and I want to remind the Government—

**Mr. DEPUTY SPEAKER:** Order! There appears to be some misunderstanding on the part of some hon. members concerning the Bill. Only one principle is involved, and that is to increase the exemption in accordance with the recent increase in the basic wage. Therefore, that is the only principle that can be discussed.

**Mr. LUCKINS:** It is a vital principle, too. The Bill seeks to amend the principal

Act, and, as the Minister gave an extensive review of the operations associated with the tax, I should like the opportunity of pursuing the same course, but without reflecting on the Commonwealth Government as he did. He said that the Commonwealth Government were taking much out of Queensland and giving little in return. I think I should be permitted to state the case as I see it. I ask the Minister to throw off his mask, to be reasonable, and explain to the people why the Commonwealth Government are collecting revenue in this State. We might just as well say that the ratepayers of Brisbane or Queensland are unable to meet their obligations because the Government are collecting so much by way of the State development tax. Bear in mind, too, that the Brisbane City Council has not received much from the Government out of the tax. The ratepayers of Brisbane are paying for their own roads in the metropolitan area, whereas the State development tax should be used to help them.

**The Secretary for Mines:** What happened at Breakfast Creek?

**Mr. LUCKINS:** What happened at Woolloongabba about the shifting of the level crossing? The State development tax was to be used for that purpose, too. South Brisbane is one of the most neglected parts of the State.

**The Secretary for Mines:** Change the Government.

**Mr. LUCKINS:** As the hon. gentleman suggests, we want to change the Government. That is why the people of South Brisbane feel a bit annoyed. Work that should be done on the south side of the river is not being done. Queensland is a very big State, and the expenditure of this tax is spread all over it. I was a little concerned after the Minister had reviewed the work done by the Co-ordinator-General of Public Works. I should like to ask him if that officer, who has been granted an increased salary, has had any part of it allocated from the State development tax money. The Minister spoke very glibly about paying those officers who were appointed receivers of the tax. I have discovered that the police get £4,000 for helping to administer it. It would be fitting if the Department of Labour and Industry was abolished altogether and its operations, in conjunction with the Bureau of Industry and the Bureau of Rural Development, administered by the Minister for Public Works. We might save expenditure in that way and be able to give the unfortunate taxpayer some relief from this unjust tax.

This Bill mainly concerns those taxpayers who are receiving over £232 per annum. It places a burden on them. My plea is that the Government give the necessary relief sought by the Opposition. If they do they will be richly rewarded.

**Mr. COLLINS (Cook) (2.42 p.m.):** I commend the Minister for bringing down this Bill to give relief to a certain number of people on lower incomes from this very necessary taxation. This Bill is intended not, as

the hon. member for Maree implied, to impose an additional tax, but to relieve taxpayers from it. In other words, it provides for a reduction in taxation. It will reduce considerably the revenue the Government would otherwise receive. No-one in this House or in this State, or anywhere else, likes paying taxation, but no-one, not even the hon. member who has just resumed his seat, has shown how this tax can be reduced and the future development of the State can be provided for. We have a big State to develop. The Minister would far sooner pay for its development from Loan Funds, but we know that the same amount of loan money is not now available as in previous years, notwithstanding that the Premier made every possible endeavour to obtain a greater amount from the Loan Council. We know that as much loan money as possible must be set aside for war purposes; that is necessary in the interests of Australia. Would any hon. member opposite like to see the development of this State neglected, and the present developmental works policy discontinued or restricted? That policy is designed not to provide work for people from day to day, or in 12 months or two years hence, but for future generations as well.

I believe the hon. member for Maree belongs to that school of political thought which wants to live from day to day. It is not the desire of the Government to do so. They desire to live from generation to generation, and by their policy to provide work and comfortable conditions for future generations as well as for the present generation. To that end the Government intend to proceed with the development of the natural resources of the State. This tax is very largely used for that purpose.

We hope to improve the conditions of land settlement, for instance, very considerably. I think everybody knows that when one takes up new land one cannot begin to make a living off it immediately, unless there is a crop of timber or some other salable product on it. Usually one has to develop the land, and after a year or two it will be returning something. This tax is being spent on projects that will, in a few years, return something and provide work and wages for many people. That is real developmental work. The money is also used to help local authorities to carry out roadbuilding projects, so that the people in the country districts—and probably in town areas, too—can travel to and from their farms or homes under better conditions.

Much of the money collected from this tax is being used for reforestation purposes, which takes a long time to give a return. If we neglect that developmental work, we shall not have valuable timber available for use in years to come. It is no use thinking of planting it when the timber is wanted. I believe that is the idea of hon. members opposite—that we do not need to do these things now. If you want timber in 50 years you have to plant it now, and that is what is being done with the help of the State development tax. That is why it is called the State development tax.

Some of this tax is also being used for water conservation and irrigation. Those are long-sighted projects that take a number of years to complete. They give immediate work and wages and create a great asset for posterity. When they are completed much farming land is made available to the people.

All these things take time. If we do not develop the State in much the same way as we would develop a mine, we shall run into a dead end. We do not want people in dead-end jobs. We are attempting to provide that the future will be better than the past; and as there is some difficulty in obtaining money from any other source at the present time we cannot see any better method than this.

A great deal of capital has been made of the fact that a married man is not allowed deductions for his family. I think every hon. member on this side of the Chamber would like to see those deductions given if it were not going to cut too deeply into the receipts from this tax. To-day we are giving relief by raising the exemption and we are losing much revenue in doing so. If the exemptions were made the same as for income-tax purposes probably we should not be able to exempt the man on the basic wage, because the income tax does not exempt him but allows deductions for a family.

There is another factor that comes into the matter. The child endowment scheme gives relief to the man rearing a family. Had hon. members opposite placed any constructive idea as to how the same amount of money could be raised, or how the State could be developed by means other than this tax, I think everyone would have been glad to listen attentively to their arguments; but not one suggestion was made as to how the money was to be raised. The hon. member for Maree suggested that we put it on the income tax. If his suggestion was adopted, the tax would operate against the man on the lower rate of income.

That is his idea of giving relief, but actually he does not want to give relief. I am sure that if you really knew what was going on in his mind you would find he wants to exempt the higher incomes. He complained of the heavy tax he has himself to pay, which, of course, means that he is in receipt of a very high salary or income. Nobody objects to his earning that—we are rather pleased to know that he is in such prosperous circumstances—but we are more concerned for the man who does not enjoy prosperity, and the State development tax makes provision for those who have no jobs at all.

**Mr. Massey:** If they have no jobs they could not pay any tax.

**Mr. COLLINS:** No, but because they have no jobs we make provision for them for relief during their unemployment and spend the money from this tax so that they will get a job in the future. Is there anything wrong with that? Would the hon. member suggest that they should have to look to the

future without hope, as they did some years ago. I am not abusing Mr. A. E. Moore—he has gone out of politics and he did his best according to his lights—but unfortunately for him those who followed in his footsteps do not see the future in any brighter perspective than they did in 1930, 1931, and 1932. Hon. members opposite live in the past. They belong to the generation of the lost. They will never have ideas in keeping with the requirements of the people of the present. We do not want to go back to the past. We want to have a better and brighter future for our people, and until we can get better methods of raising the money that is collected by way of the State development tax I do not see how we can have that, and I should not feel justified in supporting the discontinuance of the tax. I commend the Minister for giving the greatest relief to those on the lower incomes. The money is used to develop the State and provide a better and brighter future for the people.

**Mr. YEATES (East Toowoomba)** (2.52 p.m.): I look upon the State development tax as a whitewashed unemployment relief tax. It was first imposed in the period of depression, at a time when there was a great necessity to do something for those of our people who were out of work. That was a matter of great urgency when the Moore Government imposed it. The Minister in charge of the Bill spoke for a long time the other day and made an over-zealous political party speech during which he virtually travelled all round the State—and possibly went beyond the limit of the Standing Orders.

**Mr. DEPUTY SPEAKER:** Order!

**Mr. YEATES:** It is not the business of the State to continue to employ people. The Government appear to have that idea always—to put this man on work and the other man on work, and spend ever so much money obtained by borrowing or from this tax to bring about a condition of prosperity. What will happen if another depression overtakes us? It is quite possible that it will. I am an optimist, but I do not allow my optimism to override my judgment. The probability is that at the end of the war another depression will strike Australia in general and Queensland in particular. Then what will happen? Will the Government superimpose an additional unemployment relief tax on this to overcome the difficulty?

I realise that the Bill is brought down to raise the exemption to the level of the basic wage paid in the various districts of Queensland. Here the Government have an excellent opportunity to grant some relief to the man who is rearing a family. Such a man should be given virtually the same concessions as are allowed him under the Income Tax Assessment Act, other than allowances for such things as medical and funeral expenses.

When speaking to this matter some time before the last general election the Premier drew a picture as only he knows how. He said that if this tax was abolished thousands of workers would be thrown to the wolves. In fact, he brought tears to the eyes of his

audience. I find it difficult to understand his attitude when I read what he said on 22 July, 1930, when speaking in opposition to the introduction of the Income (Unemployment Relief) Tax Act. On that day he said, when referring to income tax—

“Then there are further deductions in the case of married men and persons with dependent children. Under the Labour Government a man with a wife and three dependent children did not commence to pay income taxation at all until his income was in the vicinity of £440 per annum. But this Bill abolishes all that. Not only does it impose the vicious principle of a flat rate of taxation irrespective of income, but it abolishes all forms of exemption and treats the man without dependants the same as the man who has family obligations. The principle is entirely unsound.”

I strongly suggest to the Minister that he include in this amending Bill the granting of certain concessions to the family man. I am one of the working men of Queensland who have reared families. I started off in life with less than the hon. member for Hamilton—in fact, less than £20—and I know how expensive it is in this generation to provide the necessities of life. I am not speaking now about sending the children to the pictures or to the circus, but about dentist bills and other necessities.

I desire to cite what happened to one taxpayer in Toowoomba. He wrote to me in this strain—

“Tax File Reference No. 117363.

P. 14611.

“Under the Unemployment Relief Tax Act an assessment was issued based on actual earnings for each year, and a tentative assessment made presuming that the earnings would be the same for the following year. The position being that the Government always held 12 months tax in advance.

“The assessments for the year 1933-34 were issued on this basis, and on my assessment for this period the tentative assessment for 1934-35 was £40 10s., which amount was paid by me. Immediately after this time the Act was amended and the tentative assessment done away with.

“I received assessment for year 1934-35, the tax for this period being £39 19s. 8d., but no mention was made of the amount which was held to credit of the account, namely £40 10s.

“I took up with the department and they advised me that the amount to credit was £40 10s., but this would be held to credit of my account until such time as I ceased to be a taxpayer or the Act was amended. Later, when the Unemployment Relief Tax Act was cancelled and the rural development tax substituted, I made application for refund of the amount, and was advised that the section under the Unemployment Relief Tax Act, which covered my particular case, had been re-enacted in the rural development tax.

“The position is that I am called upon to pay tax every year, whilst the Government hold £40 10s. of my money on which I am not allowed any interest, and apparently the amount will be held by the Government until my death.

“On inquiring in Brisbane at the Taxation Office I was advised that my case was not an isolated one, and from what I have learnt a large amount of money was involved, and this has now passed to consolidated revenue.

“I enclose certain correspondence for your perusal, and, as I have not copies, would be pleased if you would kindly return same to me when you have noted the information you desire.

“I cannot help but think that the Government are not conversant with the actual position, as one could hardly expect any Government to wish to confiscate money in this manner, and possibly it is only a matter of you bringing same under the notice of the Premier to have the matter adjusted.”

**Mr. DEPUTY SPEAKER:** Order! I should like to hear whether the hon. member is in favour or opposed to the raising of the exemption.

**Mr. YEATES:** I am in favour of raising the exemption, and I ask that the Minister include the exemptions for the family man.

I should like, with your permission, Mr. Deputy Speaker, to read a small part of the reply received from the department:—

“The Income (Unemployment Relief) Tax Acts Amendment Act of 1935 dispensed with the issue of tentative assessments, but it provided for financial year assessments based on the income derived by taxpayers during the previous year, and this is the reason why you received an assessment for the financial year 1935-36 based on your income for the year ended 30th June, 1935.

“The tentative assessments referred to above were subject to adjustment when the taxpayer's returns for those years were assessed in this office, and if the amendments had not been made to the Act in 1935, an adjusted assessment for the year 1934-35, together with a tentative assessment for the year 1935-36 would have been issued to you in connection with your return of income for the year ended 30th June, 1935. In order to bring taxpayers, who are assessed in this office under the provisions of Part IV. of the Acts, into line as regards the number of years for which the tax has been levied with those persons who receive income from employment and have the tax deducted at the source, it was necessary to provide in the Amending Act of 1935 that no rebate was to be made of the assessment for the year 1934-35 until the occurrence of one of the following contingencies:—

1. Death of the taxpayer.
2. The expiry of the Income (Unemployment Relief) Tax Acts.

3. At such time as I am satisfied that the taxpayer has ceased to receive income liable to be taxed in this office under Part IV. of the Acts."

That seems unjust, and I shall want to know more about it. I know that the taxation laws are somewhat complicated, but the fact remains that the Government hold £40 10s. belonging to this man and he cannot get it back until one of the three circumstances I have mentioned occurs.

Upon making inquiries at the Taxation Department I found that certain trustees and executors were collecting money after the death of certain people. It is remarkable that these matters cannot be brought up to date, so that the money, amounting in the aggregate perhaps to thousands of pounds, may be refunded to the rightful owners. I propose to take the matter up with the Treasurer. Perhaps the Secretary for Labour and Industry will explain it later on, but it will take some explaining. I cannot understand why the Government should hold the money indefinitely, instead of refunding it. Of course, I admit that the taxation officers are only carrying out their duty in accordance with the Act, but there is a flaw in the Act, and the sooner it is amended the better it will be for the people. I know that some amendments will be moved in Committee, and that will give me more scope to deal with the subject.

The Minister mentioned the other day that the subject of State development tax was referred to the people at the last elections, and that the people endorsed Labour's policy, and thereby gave the Government a mandate to continue the tax. It is all very well to say that, but when the Government go to the country with a programme embodying ever so many proposals, it is very difficult to decide whether the people have agreed to any particular one out of, say, 30 suggestions in the policy speech.

**Mr. DEPUTY SPEAKER:** Order! I am reluctant to stifle or restrict debate, but I can hardly justify my permitting the hon. member to widen the scope of the debate as he proposes to do. I have already pointed out that there is only one principle in the Bill, and that is to raise the exemption. I ask hon. members to confine their remarks to the Bill.

**Mr. YEATES:** It seems a pity, Mr. Deputy Speaker, that you were not here the other day when the Minister was speaking.

**Mr. DEPUTY SPEAKER:** Order! I am not concerned about what happened when I was not in the chair. Probably it is the hon. member's bad luck that I am in the chair. The Bill is a small one, involving only one principle, and I ask the hon. member to confine his remarks to that principle.

**Mr. YEATES:** I shall come back to the subject at the Committee stage.

**Mr. POWER** (Baroona) (3.10 p.m.): I have listened to hon. members opposite criticising the Government because they will not agree to certain deductions for purposes

of the State development tax. One cannot fail to realise that if such an exemption is granted the only people to receive any benefit will be those in receipt of high salaries. The lower-paid worker would not participate because under Labour's policy no worker who to-day enjoys only the basic wage pays the tax. As usual, our friends opposite are putting up a case for the highly-paid individual, as they always have done.

I listened with interest to the speech made by the hon. member for Maree. He shed crocodile tears for the worker. He made several suggestions as to how he would effect economies in expenditure, among which were the reduction in the number of Ministers, a reduction of their salaries, and a reduction of the salaries of members of Parliament. I have not the slightest doubt that he would go even further and carry out the policy instituted by the Moore Government during their tragic period from 1929 to 1932. No doubt any reduction in parliamentary salaries would not affect the hon. member for Maree, because he does not depend on it for his livelihood. He has business interests.

I propose to make some very brief comparisons of this tax with the unemployment relief tax instituted by the Moore Government when they occupied the Treasury benches. It is well that the public should know the position and they are apt to forget. To-day the supporters of that Government are contending that we are not doing the right thing, and that we are not giving any family exemptions, but during their period of Government they taxed all classes of income and allowed no exemptions whatever. When the Moore Government instituted the tax in 1930 they decreed that all persons who received an income of £1, whether in one week or one year, should contribute 3d. That meant that the woman who went out to earn her living at the washtub paid 3d. in the £1 from her earnings. Yet to-day we hear complaints from them that we will not grant exemptions to people who have families and who are receiving incomes in excess of the basic wage. They gave no exemptions in their tax. They were not very concerned when they were taxing the washerwoman and every other person who earned a pound in any one week, or even in a year.

It must be remembered also that the Moore Government started certain public works with that fund and unemployed workers received £3 a week, but the period of engagement was restricted to 12 weeks for married men and six weeks for single men. Even out of that miserable pittance these workers were called upon by that Government to pay unemployment relief tax.

At 3.14 p.m.,

Mr. SPEAKER resumed the chair.

**Mr. POWER:** Hon. members opposite ought, at least, to be sincere. They have little or no respect for the working-class movement. Any Opposition members who were responsible for taxing women working

at the washtub, or men on public works created under the fund established by the tax, are merely speaking with their tongues in their cheeks when they ask for a remission of the tax to married men with families. We find that workers in Queensland whose incomes do not exceed £232 in one year are not charged any tax whatever, and, if taxation is deducted from them by their employers, at the end of the year they can make an application to the department and they will receive a refund.

It has been said that we have made no reduction in taxation. A large amount of money has been refunded and reductions in taxation have also taken place under Labour's policy. Incomes up to £232 a year are exempt from taxation, and those whose incomes range from £249 to £499 pay 6d., and those whose incomes exceed £499 pay 9d. We believe that taxation should be levied upon those best able to bear it.

We have had no word of criticism from the Opposition in regard to the rate of taxation and the compulsory loan that the people will be compelled to pay if the Prime Minister is fortunate enough to get the Federal Budget passed.

**Mr. YEATES:** I rise to a point of order. The hon. member is speaking about Commonwealth Government taxation. Just now, I was pulled up sharp when I touched on that matter. The hon. member is getting away from this Bill.

**Mr. SPEAKER:** Order!

**Mr. POWER:** The Bill contains a very important clause, giving further exemptions to taxpayers. Our opponents are agreeable to the Bill up to a point, but they say that we should grant exemption for people with families. Everybody agrees that it is hard enough to live on the money one gets, but one must look at this matter from the point of view that the Government must have money to carry on their developmental work in this State; and the money provided by this tax is used for the development of the State and provides employment for a large number of our people at award rates of pay and under award conditions. If any further inroads are made on the taxation by further exemptions, money will not be available for many of these developmental works and people will be thrown out of employment.

The hon. member for Maree made the statement that the Brisbane City Council has received very little from the State development tax moneys. I point out that all the money is paid into a common pool and that the council has received a large amount of money from the Government, and, if it were not for the help it received from the Government, it would not be in a position to continue the essential work of constructing a new sewer at Pinkenba. Much of the money pays for the construction of main roads, many of which have been constructed for the benefit of this State.

Much has been done, but much remains to be done; and it is the duty of this Govern-

ment to conserve all the funds they can, thereby enabling us to keep men in employment at award rates of pay and develop this State. The only way that can be done is by pursuing the sound policy that has been pursued by this Government for quite a number of years. Let us sincerely hope that we never get into the state of affairs that prevailed during the tragic years of the Moore Administration.

**Mr. SPARKES** (Aubigny) (3.20 p.m.): I might say right at the outset, Mr. Speaker, that I am opposed to the State development tax.

I was very pleased to hear the hon. member who has just resumed his seat say that he believed that taxation should be placed on the shoulders of those best able to bear it.

**Mr. Power:** We have always believed that.

**Mr. SPARKES:** The hon. member defeats himself. I would put it to the hon. member this way: the amount of £233 a year is taxable, and if a person who earns that amount happens to have six or seven children he is taxable; will the hon. member tell me that the shoulders of a man with a wife and a family of six to keep are those best able to bear this tax? Note the silence, Mr. Speaker.

**Mr. Collins:** He is not taxed.

**Mr. SPARKES:** Not taxed? I repeat that a man with a wife and six or seven children on £233 a year is taxed.

**The Secretary for Labour and Industry:** Under the unemployment relief tax, not the State development tax.

**Mr. SPARKES:** The hon. member who has just resumed his seat asserted that £232 a year was exempt, but sums upwards of that amount were taxable. The hon. member knows much better than the Minister. He makes no interjection at all.

**The Secretary for Labour and Industry:** There will be that anomaly no matter what exemption there may be.

**Mr. SPARKES:** No.

**The Secretary for Labour and Industry:** There will be some that will be just over the border.

**Mr. SPARKES:** I would point out to the Minister that that anomaly does not occur. The hon. gentleman knows that his Government have an Income Tax Assessment Act, which exempts the man with children. The Income (State Development) Tax Act does not.

An hon. member opposite this afternoon remarked about our not having any respect for the worker. All the great love and the great respect for the worker is not to be found on his side of the House. There are a number of hon. members over here who have affection and respect for him. Personally, I have the greatest respect for the worker. I look upon my position, whatever it might be, as being due to the worker. If we had

not the worker to help us we should not be able to carry on our businesses. The other day the Minister would have us believe that private enterprise should not employ anybody. I say emphatically that it is not the business of the Government to be an employer. I have heard the Premier times without number say that this handing out of what one would not exactly call a dole, but of this money, was only a palliative, the ultimate idea being to get men at work with private enterprise. For hon. members opposite at all times to adopt the attitude that the private employer is always antagonistic to his workers is not in the best interests of the State.

The Brisbane "Courier-Mail" of 1 October published the new deduction scale, and I observed that the amounts for a man on £5 a week, that is, the lowest scale, are—

	s.	d.
State .. .. .	1	8
Federal .. .. .	3	4
State development tax ..	2	6

Taken together the two Queensland deductions are greater than that of the Commonwealth. Hon. members have often said during this debate that they were not taxing the man with the smaller pay. If this is reported correctly—and I presume that it is, because I feel sure that our Treasurer would not miss it if it was not—it would appear that the State Government are collecting much more each week than the Federal Government are. The point I wish to stress is that if this man happened to have a wife and one child he would be exempt from Federal taxation but not from the State development tax.

You, Mr. Speaker, know country conditions very well. Only last week, when we had those bad bushfires in country districts, not only the men were out working but also the women, and they did a tremendous amount of work in providing food for the men. If any hon. member cares to visit any of the average dairy farms on the Downs more than likely he will see four or five children helping a farmer to earn his income. At the end of the year that farmer's income will be probably £250 or £300, but there is no exemption, despite the fact that his children helped him greatly in making that amount. I am surprised that hon. members opposite are so quiet. It is a new experience for me, because, as a rule, I have many interjections on these matters. I ask hon. members why they support the taxing of this man who has children as against the man who has no family at all. Why, they are quietness personified.

**The Premier:** You do not "kid" yourself, do you?

**Mr. SPARKES:** That is the last thing I should dream of doing.

**The Premier:** You are pulling your own leg.

**Mr. SPARKES:** I am not in the habit of doing that, either.

**The Premier:** You cannot pull anyone else's, anyhow.

**Mr. SPARKES:** I have heard the Premier say that he believed in placing the burden on the shoulders of those best able to bear it. Does he think that the dairyman with the wife and six or seven children is better able to bear the burden of taxation than the single man who is earning £233?

**The Premier:** You are referring to the dairyman but you really have in mind the grazier.

**Mr. SPARKES:** I am not thinking of the grazier at all but if he was down to earning £300 a year, he would be in the same unfortunate position.

**The Premier:** It is the man on the high income for whom you hold the brief.

**Mr. SPARKES:** Not at all. I am talking about the man on the low income.

**Mr. Devries:** Then you are talking about very few.

**Mr. SPARKES:** If the hon. member cares to visit any of the dairying districts he will find that a number of dairymen have incomes of about £250 a year, and he will probably find that they were helped to make that £250 by their children.

I was surprised to hear the hon. member for Hamilton support the State development tax. He knows quite well that company taxation has had the tendency of sending companies to the South.

**Mr. Pie:** I oppose the reduction of the State development tax.

**Mr. SPARKES:** Of course, the hon. member will tell us that that is a different tax, but the point is that if a child is given some castor oil with an orange, it is still castor oil and will have the same effect as castor oil without the orange. This is still taxation.

When speaking on this Bill the other day, the Secretary for Labour and Industry said that the State development tax was of benefit to me as a cattleman in that it increases the prices of my cattle. He said that my bullock would be worth more because of this tax. But I want to tell him that my bullock is worth £3 and £4 more in the State that has not got this State development tax.

**Mr. Power:** That is what is worrying you.

**Mr. SPARKES:** The hon. member who interjected has just entered the Chamber, and I challenge him to tell me if he thinks the man with a wife and six children to keep has the shoulders best able to bear taxation—particularly as against the single man?

**Mr. Power:** You are only concerned about yourself.

**Mr. SPARKES:** I have not got six children. The Government are in on the small man this time, although they are always saying what they will do for the worker.

The Minister said that I could not have it both ways with regard to the price of my stock. I say to him that the State development tax has no more to do with the price of my cattle than the man in the moon. He knows very well that the price of meat to-day is fixed by the Imperial Government, and so are the prices of wool and butter. The Minister did not refer to the Commissioner of Prices, and I direct this question to him through you, Mr. Speaker: can he fix the price of meat when it is in abundance? He will fix prices when meat is scarce, but, when it is over-supplied, can he fix the price?

**The Secretary for Labour and Industry:** It does not matter what the period is; you must have the spending power.

**Mr. SPARKES:** Admittedly. Where we disagree is that I believe that if the money is left in the hands of the private individual he will spend it to better advantage than the Government.

**Mr. Nimmo:** Hear, hear! That is the point.

**A Government Member interjected.**

**Mr. SPARKES:** The hon. member speaks about squatters, but it does not matter to me who the man is. It does not matter whether he is a squatter or a dairyman, and that is just why I think this tax is unfair and unjust. I say, unreservedly, that it is one of the most unjust taxes ever introduced into Parliament.

**Mr. NIMMO (Oxley) (3.34 p.m.):** Before this debate is closed, I should like to say that I think the Government are clinging to the tax because it will draw in money from the poorer people who otherwise would escape taxation. I say plainly that the tax is spread all over the State and rests on the shoulders of the shearer and the canecutter and others who would otherwise escape taxation. The Government are clinging tenaciously to the tax without being gracious enough to make allowances for family circumstances. In my district there are a number of people with large families who find it very difficult to live. The hon. member for Kelvin Grove appears to be surprised. I think that he is sincere in trying to help people with large families, but he said, by way of interjection, that a person earning £233 did not pay the tax. I say that such a man does pay the tax, and that it is very irksome on these poor people with large families.

**Mr. Jones:** It depends on the district in which he lives. The exemption for the Northern Division is £277 per annum.

**Mr. NIMMO:** I am making comparisons in the Southern Division. If a man in the Southern Division earns £233 he has to pay the tax. I know that in the Northern Division he escapes the tax on a larger income unless he happens to be working for himself. If he is working for himself he has to pay the tax, even if he earns less than the basic wage plus the parity allowed for the Northern Division. That is wrong. Now that the Bill

is before us, the Government should decide to remedy these anomalies. I know that in one part of my district almost all the workers are on the basic wage; but, because they are earning a little overtime they have to pay this tax on their whole incomes. On the other hand, a wealthy man may have a single daughter earning £233 a year as a typist but she pays only the same amount for development tax as a married man with six children earning a similar income. No Government should continue that state of affairs, because it is not right in the interests of the people.

Much is said to-day about Federal taxation, and, because the Federal Government propose to take a loan of 4s. a week from a single person earning £150 per annum for the war effort, every Labour member of Parliament squeals that the Federal Government are doing wrong; yet, in this State, the Government impose a tax regardless of family responsibilities and they allow a statutory exemption of £150 for ordinary income-tax purposes. The whole thing is wrong, and the Government are not sincere when they insist on taking this money from the pockets of the poor people. Only yesterday the Treasurer told us, in another debate, that there were only 6,000 people in this State earning over £1,000 per annum and that the big body of the people were earning £500 per annum and less. I believe that 95 per cent. of the people in this State earn £500 and less, so that the purpose of the Government is to rake in a huge sum of money from the poor people.

I am in favour of abolishing this tax altogether and raising the money by some other means. I think the Government should raise the amount required by ordinary income-taxation methods. That would be fair and it would be democratic, too, because hon. members would then have an opportunity of reviewing the expenditure of the money. The Estimates have been submitted for our consideration. The Government raise a huge sum of money by way of State development tax—greater than the amount obtained by ordinary income-tax means—but the money is spent without parliamentary supervision; 55 per cent. of the money is supposed to be spent on public works, but 45 per cent. of it is dumped into consolidated revenue for ordinary revenue purposes. I suggest that we should all get together to do something to abolish the tax. It was imposed to meet the effects of a depression, but the Government have continued it so as to be able to act as a Father Christmas to certain people by giving them jobs while other people have had no jobs at all.

The jobs that have been provided have been only of a temporary character. The total revenue received by this Government since 1932 from the unemployment relief tax and the State development tax is £21,372,000. What have we to show for that money? The capital of the Broken Hill Proprietary Company, which has been mentioned in this House as producing steel at a rate cheaper than it is produced at in Great Britain, together with that of Consolidated Industries Limited,

does not approach that sum of money. Yet those two companies are continuously employing labour to a greater extent than the Queensland Government under this scheme.

**The Secretary for Public Works:** Are you speaking to the Federal Budget?

**Mr. NIMMO:** I am speaking to the State development tax and showing how the money has been wasted since it was enacted. Notwithstanding what the hon. member for Baroona said and his remarks about the blight of the Moore Government, had the policy of that Government been pursued and the establishment of industries been encouraged when the first loan money was made available a different story would be told to-day.

**Mr. Power:** What about the money your Government lent to New South Wales?

**Mr. NIMMO:** What about the money redeemed by the Government to-day by Treasury bills? That is exactly the same as lending money to other States?

**Mr. SPEAKER:** Order!

**Mr. NIMMO:** The Government should have continued the Moore Government's policy of encouraging private enterprise. Had that been their policy motor cars would doubtless be manufactured in Brisbane to-day, as a franchise was granted to a company for that purpose by the Moore Government.

**Mr. SPEAKER:** Order! The hon. gentleman must confine himself to the principles of the Bill.

**Mr. NIMMO:** I hope, Mr. Speaker, you will bear with me for a minute. I was endeavouring to point out that it would have been possible to abolish this tax if the Government had pursued the policy of the Moore Government in encouraging private enterprise.

**Mr. SPEAKER:** Order! The hon. gentleman is wandering somewhat from the question before the House.

**Mr. NIMMO:** The Moore Government granted a franchise to a company to build the Riley motor car. If that policy had been encouraged that company to-day might have been operating and employing 6,000 or 7,000 persons, while a large number of other persons would be engaged in subsidiary industries.

**The Premier:** You know perfectly well that what you are saying is untrue. It is only fiction.

**Mr. NIMMO:** The more people are employed by private enterprise, the greater the prosperity, because the Government cannot employ labour and permit private enterprise to carry on at the same time. That is because the tax on private enterprise is too great. Our chief concern to-day should be to encourage private enterprise. The hon. member for Hamilton mentioned a proposal to help certain companies to embark in business. That should be our objective. A public-works policy at the best provides temporary employment only for a few, and whether public

works are the construction of a Government building or a bridge the workmen on them must, on the completion of the job, look round for further employment. It is just possible, also, that a number of those workmen are attracted from the country to the city.

I ask hon. members to take into consideration the poorer people with large families. Every hon. member recognises that something should be done to improve their position at the present time. The cost of nearly every necessity of life has been increased, yet we find the Government saying they will not grant any exemptions for family circumstances. That being so we can only conclude that they are unsympathetic to the working class.

We know certainly that no provision is made in the Bill to provide for family conditions. I take it an amendment will be moved at a later stage, and I hope hon. members will vote, not on party lines, but from the point of view of the interests of the workers as a whole.

The hon. member for Cook spoke about the wonderful spending of money from this tax. I have had some word about the Cook electorate, and very little progress has been made in that area. The people are wondering when something is going to be done there. Of all the money that has been expended—£21,000,000-odd—none has provided continuity of employment for the workers. If the Government had that to show, well and good. I am not quarrelling with the spending of money on roads and developmental work, but it should come from ordinary revenue. Let it appear on the ordinary Estimates and we should know where the money was being spent, but to put down one big sum from this tax and not permit members of Parliament to have an opportunity of reviewing the expenditure is wrong and undemocratic. For that reason I am not supporting the Bill.

**The SECRETARY FOR LABOUR AND INDUSTRY** (Hon. T. A. Foley, Normanby) (3.47 p.m.), in reply: When moving the second reading of this Bill I purposely widened the scope of the discussion by anticipating the points that would be raised by the Opposition, and virtually all the points that I dealt with have been touched upon by hon. members opposite during the course of this debate. I could have confined my remarks to the actual principle embodied in the Bill, but my main purpose in endeavouring to widen the scope of the debate—and you assisted me, Mr. Speaker, by allowing me to do so—was to lay all our cards on the table, thereby enabling the people of Queensland at least to glean some idea as to how the money was raised and how it was being spent.

The main points that have been raised and supported by every hon. member of the Opposition were that the Government are not justified in continuing the State development tax. Mr. Speaker, hon. members opposite have very short memories. It is not far back to the last State election campaign, during which the then Leader of the Opposition tried to outbid the Premier, who led the Labour Party, in his efforts to gain the votes of the people.

He said that he would reduce taxation to a greater extent than the Premier offered to do and yet all those poor people referred to by the hon. member for Oxley and other hon. members opposite voted almost unanimously for Labour and returned a thumping majority of hon. members on this side of the House compared with the paltry few on the Opposition side.

The Premier purposely raised the issue and made the party's intentions quite clear by saying—

“Owing to the fact the Commonwealth have consistently drained more revenue from Queensland than they have spent here in works and services, it is desirable that the State development tax will have to be continued. Any readjustment of taxation that can be made will depend largely on the funds available to the Crown. The Labour Party have no intention of misleading the public or offering bribes for electioneering purposes.”

That straight-out issue was purposely raised by the Premier during the election campaign and we were overwhelmingly supported by the people, so that we can say that we have a mandate to continue the tax in view of the great amount of good that was being done with the money. That is sufficient justification for the continuing of the State development tax until the Government find that it is desirable to amend the Act and further reduce the amount received from it in revenue.

As I have already said, hon. members opposite have short memories. Apparently they overlook the fact that the first unemployment relief tax, introduced by the Moore Government, provided for no exemptions of any kind except a few old-age pensioners. The char-woman, the casual worker, and the school child who won a prize at the school sports had to pay the tax just like the richest person in the community. We, on the other hand, have consistently reduced the incidence of this tax since 1932.

**An Opposition Member:** You have not.

**THE SECRETARY FOR LABOUR AND INDUSTRY:** I say deliberately that we have. We have given concessions to the taxpayers of Queensland since 1932, approximating £1,500,000 annually. Hon. members cannot contradict that statement and it can be confirmed by directing a simple question to the Commissioner of Taxes.

The Commissioner informs me that in addition to that, during the last past four years, he has relieved 36,404 taxpayers under the Income (Unemployment Relief) Tax Acts and the Income (State Development) Tax Act from the payment of taxes totalling £165,000.

Much has been said by one hon. member opposite about the “poor farmer” and the effect of the tax on his income. The Commissioner of Taxes points out—and I emphasised this point when a similar measure was being amended on a previous occasion—that to the average farmer in the country area he allows certain deductions that will at

least give some easing of conditions. To give hon. members some idea of the practice followed by the Commissioner I would point out that for the purpose of the State development tax, deductions similar to those allowed under the Income Tax Assessment Act are allowed for—

- (1) Expenditure incurred in—
  - (a) Eradication and extermination of pests;
  - (b) Clearing, scrubbing, suckering, and destruction of weeds and detrimental plants;
  - (c) Preparation for agriculture;
  - (d) Ploughing and grassing of grazing land;
  - (e) Draining of swamp land.

(2) Amount expended on wire-netting and the cost of placing wire-netting in position on the fence where the country is ravaged by animal pests.

(3) The carrying forward of losses since the year 1920-21.

(4) The allowance, up to an amount of £100, of land tax paid as a deduction from income tax payable with respect to income derived from the land. This means in most cases that the primary producer pays only the greater of the two taxes, and not both taxes.

(5) The omission from his livestock schedules of livestock on hand where the taxpayer owns not more than 150 head.

(6) Profits on sales of Crown leases exempted from tax.

All these are allowed under the Income Tax Assessment Act and are allowed by the Commissioner when assessing farmers and other country dwellers for State development tax.

**Mr. Nimmo:** How would they know the income they had?

**THE SECRETARY FOR LABOUR AND INDUSTRY:** They have the same privileges as other members of the community. I can assure hon. members that the persons I am referring to do not belong to that “poor farmer” class for which an hon. member pleads. As the result of Labour's policy, enforced over a period of years, the percentage of “poor farmers” he refers to is infinitesimal as compared with that in some of the other Tory-governed States. Hon. members know that the workers in this State enjoy not only the highest basic wage in the Commonwealth, but also the basic wage with the highest purchasing power in the Commonwealth.

For the information of hon. members who have been pleading for exemptions for children and other dependants, I might say that the single man pays a greater amount of income tax than the married man with obligations. A man with no dependants and earning an income of £200 a year contributes £1 6s. 3d. by way of income tax. That same man, if he earns £232—the exemption we are fixing under this Bill—would pay £2 4s. 4d. in income tax.

The married man with a dependent wife and earning £200 a year pays no income tax. If he is earning £232 he pays no income tax. If a man has a wife and one dependent child, he can earn up to £250 before paying income tax, and if he has three dependent children his income can rise to £400 before he will be asked to pay any income tax.

**Mr. Sparkes:** That is not State development tax.

**The SECRETARY FOR LABOUR AND INDUSTRY:** The point I want to emphasise is that hon. members have not been presenting the case properly. The man with no dependants contributes his share of taxation under the Income Tax Assessment Act, whereas under the same measure the family man is granted some relief.

I have pointed out time and again that it is difficult to grant the allowances suggested, because the greater part of State development tax is collected at the source. If this tax was assessed in the same way as ordinary income tax, it would be possible to do something along the lines suggested, but the Income (State Development) Tax Act was drafted on the principle of collecting the tax at its source, and it has not been possible, up to date, to make adjustments.

Much has been said about parities, and a desire to place the family man in the outlying parts of the State on a similar basis to the family man under the Income Tax Assessment Act. The Commissioner of Taxes points out that the number of taxpayers who would benefit in those areas is small indeed. I have a map of the State showing the different divisions, and from it we find that 81 per cent. of the total number of farmers in Queensland benefit by the proposed increase of the exemption to £232. That 81 per cent. is included in the No. 1 or south-eastern district, which extends from Stanthorpe to St. Lawrence, from the coast inland to Alpha in the north and to Miles and Dalby in the south. Hon. members must admit that that division covers a tremendous area. It embraces the greater part of the population of Queensland, and in that area are 81 per cent. of the people for whom the hon. member pleads, and they will benefit as the result of the exemption now before the House. Hon. members opposite have very little to cavil at. The rest of the population, as I have already pointed out, would include only 100 or 200 farmers, and possibly most of them would have incomes that would not benefit if the exemption was raised to £300. The greater number of those people would be graziers, and I can assure hon. members that no grazier will carry on operations if his earnings are below the amount set out in the Act.

I do not think there is any need for apology to the Opposition. We have done exceptionally fine work, as I pointed out in my second-reading speech. The work carried out by the Co-ordinator-General of Public Works on main roads and on P.E.I. roads in various parts of the State—many thousands of miles of these roads have been built where at one time the farmer waited

many years before he got a road under the squatter Governments—has done a great deal for the State. With the money received by the imposition of this tax and the pooling of it with Loan Funds, the Co-ordinator-General has been able to build thousands of miles of roads, all as the result of a Labour Government's policy. Work on harbour and river improvements and forestry work as referred to by the hon. member for Cook have been included in the programme, which is a big thing for the future of this State.

The Co-ordinator-General, under the policy that has been adopted by Labour in recent years, has the control of the whole of the funds at the disposal of the Government. Although it might be possible for hon. members opposite to point to certain expenditure that in their opinion should not have been made from the money received from the State development tax, if they were fair and analytical in their criticism they would give consideration to the fact that the Co-ordinator-General is carrying out what is known as a co-ordinated plan for the whole of Queensland. To carry out that plan he has to co-ordinate all the funds available to the Government. Those funds are referred to him for apportionment and for the carrying out of the programme in the various parts of the State. The result of that policy has been the adoption of a useful programme of works in all parts of the State. Those works are not confined to the city areas or to the large towns, but, as I have already mentioned, are apportioned to where it is possible to carry out useful work and where there are men who cannot be absorbed by private enterprise.

Hon. members opposite have said that it is not the duty of the Government to become an employer, but that is a misleading argument, particularly under existing conditions, because it would mean the throwing to the wolves—putting on the dole for many years—thousands of honest workers who have a perfect right to work in the community with those who are in the more privileged position. I claim that the Government can justify the expenditure of every penny that has been spent since this measure has been in operation. As I said, one can refer to any index or table in the Queensland Year Book and one will find that as a result of the departure from a deflationary policy to the expansionist and developmental policy that has been followed by the Government since 1932, there has been a gradual improvement in every index. When Labour took office the Business and Prosperity Index was at the lowest figure ever known in the history of Queensland.

Hon. members have spoken about the depression years of the Moore Government. The Labour Government came in during the worst period of the depression, but by their expansionist policy providing for expenditure from the Unemployment Relief Fund and from Loan Funds, and by their guarantee of debenture loans to various local authorities they have carried out a programme of which they can feel proud. The result was a general improvement everywhere.

When I referred during my second-reading speech to the part that was played by the Premier at the Loan Council meeting in 1932 hon. members opposite laughed and jeered as if it were negligible, but I want to emphasise that the upward trend in business and commercial activities throughout the Commonwealth began about 1933 after the defeat of the Moore Government and the adoption not only by Queensland but by the other States and the Lyons Federal Government of an expansionist policy instead of the deflationist policy that had been practised by the various Governments. I want to refer to what happened at this memorable conference so as to give hon. members some idea of the opinions of the Press concerning the person responsible for the changed outlook that took place at the conference. This is the motion that was moved by the Premier—

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

A discussion took place and the logic of the Premier was so convincing that he was able to swing not only the Prime Minister but also the leaders of the various States to his point of view, and it was decided that instead of continuing the existing deflationist policy, which would have meant ruin to the people of this great island continent, the conference should abandon it in favour of one substantially on the lines suggested by the Premier. The resolution eventually carried was—

“That this conference affirms its adherence to the principles of the Premiers’ plan of 1931, and undertakes to meet interest obligations, to continue progressively to reduce Budget deficits and to conduct public policy with a view to reviving industry so as to restore normal employment to those of our citizens who have neither work nor wages.”

I ask hon. members opposite to note the similarity between the motion moved by the Premier and the motion eventually carried. They will realise that there is very little difference in the wording of them. There is just a slight variation, but in essence it meant the restoration of work and wages to Australian citizens who had neither. That was the outcome of the conference at which the Premier attended and presented his case so logically that it carried the day.

The Commonwealth and the various States were represented at that conference by the following:—

Commonwealth—The Prime Minister (Mr. J. A. Lyons), the Assistant Treasurer (Senator Massey Greene), the Secretary to the Treasury (Mr. H. J. Sheehan), and the Assistant Secretary (Mr. S. G. Macfarlane).

Queensland—The Premier (Mr. Forgan Smith), the Minister for Lands (Mr. P.

Pease), the Under Secretary to the Treasury (Mr. Stanley), and the Premier’s private secretary (Mr. T. G. Hope).

Victoria—The Premier (Sir Stanley Argyle), the Minister for Works and Assistant Treasurer (Mr. J. P. Jones), the Assistant Minister (Colonel H. E. Cohen), and the Under Secretary to the Treasury (Mr. Pitt).

New South Wales—The Premier (Mr. B. S. B. Stevens), the Deputy Premier (Colonel Bruxner), and the Under Secretary to the Treasury (Mr. Chapman).

South Australia—The Premier (Mr. Hill) and the Under Secretary to the Treasury (Mr. Stuckey).

Western Australia—The Premier (Sir James Mitchell) and the Under Secretary to the Treasury (Mr. Berkeley).

Tasmania—The Acting Premier (Sir Walter Lee), Mr. Tasman Shields, M.L.C., and the Under Secretary to the Treasury (Mr. Strutt).

I want to go further and give the reply courteous to hon. members opposite who jeered at my remarks that the alteration in the economic policy in Queensland and other States was not a result of the case put before the Premiers’ Conference by our Premier. I first have an extract from the Brisbane “Daily Standard,” a Labour paper of that time, of 1 July, 1932. In an article, under the heading “Mr. Smith Wins,” it stated—

“When the Premiers met again on Thursday morning, Lyons, Hill and Co. were in a more compromising vein, and they agreed to the amendment of the Queensland Premier.

“This meant a clear-cut victory for Mr. Forgan Smith. Even the anti-Labour Canberra ‘Times,’ the official organ of the Lyons-Bruce Government, came out this morning on its front page with the words—

“The adoption of this resolution constituted a victory for the Queensland Premier. Mr. Smith’s amendment altered the resolution submitted by Mr. Lyons, so as to include the provision that all the Governments of the Commonwealth should pursue a vigorous policy to revive industry and absorb the unemployed.”

“The ‘Sydney World’ stars Mr. Smith’s achievement as a victory, and the ‘Daily Telegraph,’ Sydney, devotes a special article on the editorial page to a eulogistic reference to Mr. Forgan Smith. The latter paper sent an army of pressmen to Canberra, and they concentrated on Mr. Forgan Smith, realising that he was the most interesting personality at the conference.

“The Melbourne ‘Herald,’ the managing director of which (Mr. Keith Murdoch) is the chief backer of Mr. Lyons, and facilitated his breakaway from the break-up of the Scullin Government, also features Mr. Forgan Smith.

“In a leading article on the conference in Thursday’s issue the ‘Herald’ says the only hope is in a release of bank credits, practically stealing the policy on which Labour fought the elections (Federal elections), and which the ‘Herald’ denounced at that time.

“It has now come round to see that it is the only solution of the terrible problems which beset Australia at this hour.

“New Hope for Labour.

“Mr. Forgan Smith has not only crystallised Labour’s policy at this conference with his insistence upon monetary reform, but he has given new hope to Labour supporters.

“It is a great thing that the workers of Australia have a spokesman and a champion to put their case in this hotbed of Tory policy, where Mr. Lyons (a former Labour Minister), supported by the former Labour leader (Sir George Pearce), reign.

“But for the advent of Mr. Forgan Smith, the Tory Premiers of the Commonwealth could have fixed upon the Australian people that hopeless policy of deflation with its sustained wage cuts and destruction of social services leading eventually to an accentuation of the spirit of despair which precedes national disaster.”

I may have departed somewhat from the actual principle of the Bill, Mr. Speaker, but I desire to reply to speeches and points raised during the debate by hon. members opposite. They took up quite a considerable time. Hon. members jeered at me when I endeavoured to point out the part played in the economic reconstruction of this State by the State development tax, particularly when I referred to the increased spending power its expenditure created in the community. An hon. member said, “What about New South Wales?” I had occasion to point out that it was because of the Premier’s submission at the meeting of the Premiers in 1932 that the deflationist outlook of the Commonwealth and State Governments was altered, and the policy of Queensland adopted. The Press statements I read are a complete reply to the jeers of hon. members opposite, particularly as they are the views at the time of the leading anti-Labour papers in Australia.

In order to deal with the point raised by hon. members opposite as to the equitable distribution of State development tax moneys I obtained a table supplied by the Co-ordinator-General, who is in a position to keep a record of the expenditure, as he handles the whole of it. This table explains how the money was expended in the various districts throughout the State. It deals with the districts of Moreton, Maryborough, Roma, and so on, right up to Cape York. I looked up the report of the Under Secretary for Labour over the last few years and I checked the distribution of expenditure from the State development tax for the last financial

year in the metropolitan areas and country areas. I found it was as follows:—

—	Metropolitan Districts.	Country Districts.
	Per cent.	Per cent.
1937-38 .. ..	45·02	54·98
1938-39 .. ..	27·8	72·2
1939-40 .. ..	28·4	71·6
1940-41 .. ..	23·8	76·2

From whatever angle one may view the position, it is clear the Government, through the Co-ordinator-General, have done their best to make an equitable distribution of these moneys throughout the State.

The ex-leader of the Opposition had something to say about evasive answers to questions directed to me with regard to the expenditure of State development tax money. I point out that the reason why those questions were not answered was that no one hon. member has the right to that information over another; and, further, it is at times difficult to give accurate and definite information until the accounts are squared. It was pointed out by the Premier, when introducing the original Bill, that clause 77 read as follows:—

“In the month of August or as soon after May as may be convenient in each year, the Minister shall cause a report to be laid before Parliament giving full information as to all operations and proceedings thereunder during the last preceding financial year.”

“Full information as to all operations and proceedings under this Act” have been supplied to Parliament, as the Act provides. That information has been worked out up to the present time. My officers have been working day and night endeavouring to finalise accounts to be included in the report of the Under Secretary. The report will be tabled in this Assembly as soon as it is available, and hon. members will have an opportunity of scrutinising it and examining every penny of expenditure in the different parts of the State. I cannot say much more than that. The Government set out to carry out the principle that was adopted at the 1932 Premiers’ Conference. Naturally, the carrying out of that policy in a State covering such a wide area as Queensland—especially in view of the problems that confronted them when they took over in 1932—required a considerable amount of money. We endeavoured, through the Loan Council, to raise every possible shilling by way of loan. On the other hand, we reduced the incidence of the tax. In their last year of office, the Moore Government spent £4,500,000 from loans, relief tax, and other sources, but a large army of men had neither work nor wages nor spending power to help to improve the conditions of the community. We took office in 1932—at the worst time of the depression. (Opposition dissent.)

Mr. SPEAKER: Order!

**THE SECRETARY FOR LABOUR AND INDUSTRY:** If hon. members opposite doubt me, they can refer to the Business

and Prosperity Index. They will there see that the index at that time was the lowest in the history of the State. As a result of the policy of Labour of using funds from the State development tax and loans, and assisting local authorities, the number of workers on the wages and salaries bill of the State has been increased by 100,000 since that time. Notwithstanding that, we have, during the period, been able to decrease the incidence of the State development tax on the taxpayers of the State, resulting in a saving of £1,500,000 a year.

There is no need for any apology to hon. members opposite. I have replied to the main points raised by them. To agree to the exemption, equalisation of parities in parts of the State, and deductions for children, in addition to the deductions already given, would mean a loss of revenue of between £800,000 and £1,300,000. To do that, development would have to be restricted to that extent, and this restriction would result in putting a large army of men out of work and would reduce the spending power in the community; to the extent that revenue is restricted, the development-works programme is restricted, and the result would be a reaction similar to the application of the deflationist policy adopted in the three years to which I have often referred.

Mr. Speaker, I maintain that we have a definite mandate from the people of Queensland to continue the State development tax until circumstances will permit of its further reduction or its abolition. That we have a definite mandate is shown by the large number of representatives of the people sitting on this side of the House.

Motion (Mr. Foley) agreed to.

The House adjourned at 4.25 p.m.