

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 11 AUGUST 1937

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existing oversea indebtedness, but, under the terms of the issues of the loans, the Government has had no optional rights to do so, except in respect of a comparatively small portion of such debt, which have been availed of through the Loan Council. Full information on this matter has been furnished in recent financial statements and accompanying documents presented to Parliament annually, and I would advise the hon. member to make himself acquainted with the subject by reading carefully these documents."

ACCIDENTS AT RAILWAY LEVEL CROSSINGS.

Mr. MAXWELL (*Toowong*) asked the Minister for Transport—

"Seeing that his attention has been drawn by deputation and the Press to several fatal accidents at railway level crossings in the metropolitan area, will he, at the earliest possible moment, take the necessary steps to prevent accidents of a similar nature?"

The MINISTER FOR TRANSPORT (Hon. J. Dash, *Mundingburra*) replied—

"The prevention of accidents at railway level crossings is constantly having the attention of the department, and all practical steps are taken to that end. It is impossible to wholly prevent accidents at level crossings any more than at other places."

RAILWAY BUILDING AT ANZAC SQUARE.

Mr. MAXWELL (*Toowong*) asked the Secretary for Public Works—

"What was the cost of the new building erected for the Railway Department in Anzac Square?"

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

"The final cost of this unit was £105,167 18s. 10d."

RADIO BROADCASTS BY STATE MINISTERS.

Mr. MAHER (*West Moreton*) asked the Premier—

"Have the recent broadcast addresses by State Ministers through commercial stations involved payment by the Government? If so, by what department and what amount in respect of each Minister?"

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

"No. We do not follow the example of the Commonwealth Government."

MOUNT MORGAN HOSPITAL COMMITTEE.

Mr. PLUNKETT (*Athert*) asked the Secretary for Health and Home Affairs—

"1. Is it a fact that all the committee of the Mount Morgan Hospital are appointed by the Government?"

"2. Will he inquire as to the reasons why five nurses recently resigned?"

"3. What allowances are made to the members of the committee?"

"4. Are members of such committee eligible to be also employees of the hospital?"

"5. What allowances are made to members of committees of district hospitals and when were such allowances instituted?"

WEDNESDAY, 11 AUGUST, 1937.

Mr. SPEAKER (Hon. G. Pollock, *Gregory*) took the chair at 2.30 p.m.

QUESTIONS.

FODDER RELIEF SCHEME.

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

"Will he kindly supply the following particulars of the Fodder Relief Scheme in respect of each factory:—(a) Number who obtained fodder; (b) the total amount involved; (c) the total repayments to date; (d) the total amount still outstanding?"

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

"The information will be obtained."

LOAN INTEREST RATES.

Mr. CLAYTON (*Wide Bay*) asked the Treasurer—

"In reference to the statement of the Hon. the Secretary for Public Lands upon his return from Canada, namely—'If we cannot get money elsewhere for development of Australia, we can get it in America without any trouble. . . . We can get all the money we want at 1 per cent.'—has any action been taken towards securing some of this cheap money either for internal development or for the repayment of the existing American loans carrying high rates of interest?"

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

"The hon. member's question discloses a lack of knowledge of the financial control system in operation in the Commonwealth. In the first place, under the financial agreement no State Government can borrow without the consent of the Loan Council, and the hon. member should know that the Loan Council has decided that neither the London nor the American markets should be approached for new money requirements at the present time. The Government would have gladly availed itself of the opportunity of converting to lower rates its

[*Mr. Healy.*]

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

"1. Yes.

"2. Inquiry reveals that four probationer nurses resigned from time to time recently. One resigned because she received a call to enter the Brisbane Hospital Training School. A second girl from a distant country centre resigned two days after she entered the hospital because she did not like being parted from her sweetheart. Two other girls retired after a few days' trial because they found nursing work to be un congenial.

"3. No allowances are made.

"4. No. A member was employed by the committee on a small job poisoning white ants. No permanent employees are members of the committee.

"5. The Hospitals Act of 1936 empowers hospital boards to make a by-law providing for payment of members for attending meetings and making inspections as is the case with local authorities under the Local Government Act."

PERMANENT AND CASUAL WHARF LABOURERS' UNION, BOWEN.

MR. BELL (*Stanley*) asked the Minister for Transport—

"Will he kindly state the reasons why, on 8th or 9th March last and on other occasions, members of the Permanent and Casual Wharf Labourers' Union (Bowen Sub-branch) were debarred from employment offered by the Railway Department?"

The MINISTER FOR TRANSPORT (Hon. J. Dash, *Mundingburra*) replied—

"Inquiries will be made."

VISIT OF MEMBERS TO SOUTHERN IRRIGATION AREAS.

MR. DANIEL (*Koppel*) asked the Secretary for Public Lands—

"Were the expenses of Messrs. V. C. Gair, H. H. Collins, and T. L. Williams, MM.L.A., for their visit to Southern States to investigate irrigation projects paid by any department? If so, by what department, and what was the total amount?"

The SECRETARY FOR PUBLIC LANDS (Hon. P. Pease, *Herbert*) replied—

"The Government did not provide any expenses for Messrs. H. H. Collins, V. C. Gair, and T. L. Williams, MM.L.A., in connection with their visit to the Southern States to investigate irrigation problems. The members mentioned undertook the investigation at their own expense of time and money as part of their parliamentary duties and in the interests of the people of Queensland. They were good enough to voluntarily contribute a series of Press articles on the result of their investigations, and also to furnish me with a report, for which I duly thank them. Their action is very commendable, and possibly the questioner and members of his party may now realise they also have parliamentary responsibilities to investigate any botanical problem and assist in its solution."

UNEMPLOYMENT AND RELIEF PAYMENTS.

MR. NIMMO (*Oxley*) asked the Premier—

"In view of the statement in the Opening Speech of His Excellency the Lieutenant-Governor—that unemployment has been reduced to 6 per cent.—will he kindly explain the reason why over £3,000,000 was spent out of the Unemployment Relief Tax Fund last year?"

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

"Information will be given on this matter in the course of my speech in the House to-day."

PAPERS.

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

Annual report of the Director, State Children Department, for the year 1936.

Annual report of the Under Secretary for Mines for the year 1936.

The following papers were laid on the table:—

By-laws 333 to 345 under section 134 of the Railways Acts, 1914 to 1934.

Regulations under the Explosives Act of 1906.

Regulations under the Motor Vehicles Insurance Act of 1936.

Regulations under the Navigation Act of 1876.

Regulation under the Navigation Acts, 1876 to 1930.

Regulations under the Racecourses Acts, 1923 to 1936.

Regulation under the Stamp Acts, 1894 to 1930.

Regulations under the Workers' Compensation Acts, 1916 to 1936.

Regulation under the Workers' Compensation (Lead Poisoning, Mount Isa) Act of 1933.

Order in Council under the Succession and Probate Duties Act of 1904.

Order in Council under the Sugar Works Act of 1922.

Orders in Council under the Workers' Compensation Acts, 1916 to 1936.

Regulations under the Health Acts, 1900 to 1936—

The Camp Regulations, 1937, dated 18th February, 1937.

Spitting, etc., dated 18th February, 1937.

The Hookworm (*Ancylostomiasis*) Regulations of 1936, dated 7th January, 1937.

The Mosquito Prevention and Destruction Regulations, 1937, dated 15th April, 1937.

The Private Hospitals Regulations, 1937, dated 3rd June, 1937.

Amendment of the Food and Drug Regulations, 1928, dated 25th February, 1937.

Regulations under the Hospitals Act of 1936, dated 3rd June, 1937.

Amendment of the Liquor Regulations, 1936, made under the Liquor Acts, 1912 to 1935, dated 3rd June, 1937.

Regulations under the Local Government Act of 1936—

The Local Government Auditors Regulations, 1937, dated 29th April, 1937.

Method of Keeping Local Authorities' Accounts, dated 3rd June, 1937.

Order in Council made under the Local Authorities (Grazing Districts Improvement) Acts, 1930 to 1933, dated 25th March, 1937.

Amendment of Regulations made under the Nurses and Masseurs Registration Acts, 1928 to 1933, dated 3rd June, 1937.

By-law under the Opticians Acts, 1917 to 1933, dated 24th June, 1937.

Ordinances under the City of Brisbane Acts, 1924 to 1936—

Public Safety and Convenience, dated 23rd December, 1936.

Employees, dated 7th January, 1937.

Inscribed Stock, dated 13th May, 1937.

Water and Sewerage, dated 3rd June, 1937.

Streets, dated 15th July, 1937.

Return of all moneys advanced or expended under the Mining Machinery Advances Act of 1906 during the year 1936-1937.

Amendments to rules under the Mines Regulation Acts, 1910 to 1916, dated 27th August, 1936.

Amendments to rules under the Coal Mining Acts, 1925 to 1928, dated 27th August, 1936.

Regulations, dated 3rd June, 1937, under the Mining Acts, 1898 to 1930.

Report of the committee appointed to direct and control the Aerial, Geological, and Geophysical Survey of Northern Australia for the year 1936.

Orders in Council under—

The Supreme Court Act of 1921.

The Purchasers of Homes Relief Acts, 1930 to 1932.

The Financial Emergency Act of 1931, the Financial Emergency Relief Extension Act of 1931, and the Law of Distress and Other Acts Amendment Act of 1934.

The Mortgagors Relief Acts, 1931 to 1932.

The Financial Emergency Act of 1931, the Financial Emergency Relief Extension Act of 1932, and the Contracts of Sale of Land Act of 1933.

The Lessees' Relief Acts, 1931 to 1932, and the Contracts of Sale of Land Act of 1933.

The Queensland Law Society Act of 1927.

The Justices Act Amendment Act of 1909.

The Magistrates Courts Act of 1921.

Regulations under the Auctioneers and Commission Agents Acts, 1922 to 1936.

Statements of various Insurance Companies under the Life Assurance Companies Act of 1901.

SITTING DAYS.

HOURS OF SITTING.

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

"1. That, during the present session, unless otherwise ordered, the House will meet for the despatch of business at 10 o'clock a.m. on Tuesday, Wednesday, and Thursday in each week, and that on Tuesdays and Wednesdays, and after 2 o'clock p.m. on Thursdays, Government business shall take precedence of all other business.

"2. The House shall not sit later than 5.30 o'clock p.m. on each sitting day, and the proceedings on any business under consideration shall be interrupted as hereinafter provided—

(a) If the interruption be in the House, the debate shall stand adjourned at 5.30 o'clock p.m., and the Speaker shall call upon the member in charge of the business to name the date for the resumption of the debate;

(b) If the interruption be in Committee, the Chairman at 5.25 o'clock p.m. shall leave the chair, report progress, and ask leave to sit again on a day fixed by the member in charge of the business under consideration, no debate or amendment being allowed: Provided that if, at the moment of any interruption, a division be in progress, or if proceedings under Standing Order No. 142 be then in progress, Mr. Speaker or the Chairman shall not leave the chair until the question consequent thereon has been decided and the result announced.

"3. At 5.30 o'clock p.m. the Speaker shall adjourn the House without question put.

"4. Nothing in this Sessional Order shall operate to prevent the House adjourning at an earlier hour.

"5. If the hour for automatic adjournment has arrived, and it is desired to adjourn over the next sitting day, the necessary question may be put before Mr. Speaker declares the House adjourned.

"6. That during the remainder of this session, Standing Order No. 17—'Debate on Address in Reply'—shall be construed as if 5.30 o'clock p.m. were substituted for 10.30 o'clock p.m. whenever it occurs in the Standing Order, and 11.30 o'clock a.m. for 4.30 o'clock p.m.

"7. That during the remainder of this session, notwithstanding the provisions of any other Standing or Sessional Order, Standing Order No. 307—'Days Allotted for Supply'—shall be construed as if 25 minutes after 5 o'clock p.m. were substituted for 10.30 o'clock p.m. in paragraph 5, and '5 o'clock p.m.' were substituted for '10 o'clock p.m.' in paragraphs 6 and 7.

"If on the last day but one of the days allotted for Supply the whole of the Votes remaining to be dealt with including Votes on Account for the ensuing year, have not been disposed of before 25 minutes after 5 o'clock p.m., the Chairman shall not leave the chair until decisions have been arrived

at upon each of the remaining Votes, and the sitting of the Committee, and of the House shall be continued until the whole of the Votes have been decided and reported to the House, and an order made for reception of the Resolutions from Committee of Supply.

"On the day appointed for the reception of any Resolution or Resolutions reported from Committees of Supply by any means, whether on an allotted day or otherwise, it shall be within the discretion of the Leader of the House to proceed forthwith with the Appropriation Bill founded on such Resolutions, notwithstanding that the hour of 5.30 o'clock p.m. has arrived, but upon the passage of the Bill no further business shall be proceeded with at that sitting. The period for the discussion of the Bill at all stages shall be limited to 8 o'clock p.m., at which hour every question necessary for the disposal of the remaining stages of the Bill shall be put by Mr. Speaker or the Chairman of Committees, as the case may be, without amendment or debate.

"On the days allotted for Supply, no business other than Supply may be proceeded with until 11.30 o'clock a.m., at which hour the proceedings on such business shall be interrupted, and the business of Supply proceeded with.

"Business interrupted under this paragraph shall stand as an Order of the Day for the next sitting day.

"9. That during the remainder of this session, if occasion arises to put into operation Standing Order No. 249, the Standing Order shall be construed as if '11 o'clock a.m.' were substituted for '4 o'clock p.m.' and '5 o'clock p.m.' were substituted for '10 o'clock p.m.' in paragraph 2. If the business then under discussion is not completed by 5.30 o'clock p.m. the Committee may continue to sit until all the clauses of the Bill or other matter have been disposed of, notwithstanding the provisions of any other Standing or Sessional Order. Thereupon the Chairman shall make his report to the House, and all action necessary to complete the business of the Committee may be taken notwithstanding that the hour for adjournment of the House has arrived."

Question put and passed.

LIBRARY, REFRESHMENT ROOMS, AND PARLIAMENTARY BUILDINGS COMMITTEES.

APPOINTMENT OF MEMBERS.

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

"That the Library, Refreshment Rooms and Parliamentary Buildings Committees for the present session be constituted as follows:—

Library.—Mr. Speaker, Mr. Larcombe, Mr. Bedford, Mr. Waters, Mr. Russell, Mr. Clayton, and Mr. Maher

Refreshment Rooms.—Mr. Speaker, Mr. King, Mr. Dunstan, Mr. Power,

Mr. Maxwell, Mr. Nimmo, and Mr. Edwards.

Parliamentary Buildings.—Mr. Speaker, Mr. Deacon, Mr. Bell, Mr. Maxwell, Mr. Hayes, Mr. Conroy, and the mover."

Question put and passed.

STANDING ORDERS COMMITTEE.

APPOINTMENT OF MEMBERS.

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

"That the Standing Orders Committee for the present session consist of the following members:—Mr. Speaker, Mr. Hanson, Mr. Maxwell, Mr. Larcombe, Mr. Maher, Mr. Brand, and the mover, and that the said Committee have leave to sit during any adjournment of the House."

Question put and passed.

PRINTING COMMITTEE.

APPOINTMENT OF MEMBERS.

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

"That a Select Committee be appointed to assist Mr. Speaker in all matters which relate to the printing to be executed by Order of the House, and for the purpose of selecting and arranging for printing returns and papers presented in pursuance of motions made by members. That such Committee consist of the following members:—Mr. Speaker, Mr. Hanson, Mr. Taylor, Mr. T. L. Williams, Mr. Nicklin, Mr. Plunkett, and Mr. Walker."

Question put and passed.

SUSPENSION OF STANDING ORDERS.

TEMPORARY CONSTITUTION OF COMMITTEES OF SUPPLY AND WAYS AND MEANS.

Appropriation Bill, No. 1.

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

"That so much of the Standing Orders be suspended as would otherwise prevent the constitution of Committees of Supply and Ways and Means, the receiving of resolutions on the same day as they shall have passed in those Committees, and the passing of an Appropriation Bill through all its stages in one day."

Question put and passed.

EXTENSION OF PASTORAL LEASES.

ORDER FOR RETURN.

Mr. EDWARDS (Nanango): I move—

"That there be laid upon the table of the House a return showing in respect of each district the pastoral leases for which extensions have been approved since July 1, 1932, including the following particulars:—(a) Name of holding; (b) name of lessee; (c) area; (d) date of expiry of lease; (e) area of extended lease (f) date and period of extended lease."

Question put and passed.

FEEs PAID BY CROWN TO
BARRISTERS AND SOLICITORS.

ORDER FOR RETURN.

Mr WALKER (*Cooroora*): I move—

“That there be laid upon the table of the House a return showing the payments made by the Government to barristers and solicitors in 1936-1937, stating the names of recipients and the amount received, respectively.”

Question put and passed.

GOVERNMENT EMPLOYEES.

ORDER FOR RETURN.

Mr. NICKLIN (*Murrumba*): I move—

“That there be laid upon the table of the House a return in the usual form showing the number of Government employees at June 30, 1937 (all departments), paid from Consolidated Revenue, Trust Fund, and Loan Fund, respectively.”

Question put and passed.

MINISTERIAL EXPENSES.

ORDER FOR RETURN.

Mr. EDWARDS (*Nanango*), for Mr. MULLER (*Fassifern*): I move—

“That there be laid upon the table of the House a return in the usual form of the expenses of Ministers for 1936-37, showing overseas trips separately.”

Question put and passed.

ADDRESS IN REPLY.

RESUMPTION OF DEBATE.

Question stated—

“That the following Address be presented to the Lieutenant-Governor in reply to the Speech delivered by His Excellency in opening this, the third session of the twenty-seventh Parliament of Queensland:—

‘May it please Your Excellency,—

‘We, His Majesty’s loyal and dutiful subjects, the members of the Legislative Assembly of Queensland, in Parliament assembled, desire to assure Your Excellency of our continued loyalty and affection towards the Throne and Person of Our Most Gracious Sovereign, and to tender our thanks to Your Excellency for the Speech with which you have been pleased to open the present session.

‘The various measures to which Your Excellency has referred, and all other matters that may be brought before us, will receive our most careful consideration, and it shall be our earnest endeavour so to deal with them that our labours may tend to the advancement and prosperity of the State.’”

Mr. MAHER (*West Moreton*) [2.55 p.m.], who was received with Opposition cheers, said: I rather sympathise with the hon. member for Maryborough, who in his maiden speech in this Assembly was called upon to inject some vitality into the lifeless document—the Lieutenant-Governor’s Opening Speech. However, I desire to congratulate him on his courage in facing the problems

[*Mr. Maher.*

of the State at an advanced age, although I regret that the influences of ripe old age have not caused him to repent long ere this of his bad political associations of the past. I wish him a very happy and useful membership in this Parliament and hope that God will spare him for many years yet, even though his political career may be terminated more abruptly.

When speaking yesterday the hon. member for Warwick reminded me of Macbeth when he saw the ghost, except that it was not the ghost of Banquo. He saw the ghost of his constituents in the electorate of Warwick who haunt him because he has supported a line of policy contrary to the best interests of country districts. I hope that when I have concluded my speech both the mover and seconder of the Address in Reply will be convinced that on some points at least they are out of touch with public opinion in the State.

I desire to move the following amendment:—

“Add to the resolution the following paragraph:—

‘We desire, however, to inform Your Excellency that the maladministration of the affairs of Queensland by the present Government is seriously retarding the recovery of industry and prejudicing the welfare of the people, particularly in the following directions:—

(a) Its retention of the emergency Unemployment Relief taxation at rates substantially higher than during the depression years;

(b) Its action in transferring portion of the Unemployment Relief Fund to Consolidated Revenue, thus creating a new form of ordinary taxation;

(c) Its failure to encourage and assist wealth production in primary and secondary industries.

‘For these and other reasons, the Government does not possess the confidence of this House.’”

The PREMIER: It is “the other reasons” that are disturbing you most.

Mr. MAHER: Without question the unemployment relief tax imposes a very heavy burden upon all classes of the community. As every hon. member knows, it was introduced in the first place to meet emergency conditions. In fact, that is clearly set out on page 16 of the sixth annual report of the Under Secretary, Department of Labour and Industry, for the year ended 30th June, 1936, where it is stated—

“After all, intermittent relief work was initiated as an emergency measure only, and it was never intended that it should be regarded as other than such. The same principle applied not only to Queensland, but in the other States of the Commonwealth and overseas.”

That department recognises that this tax was an emergency one. What we have to concern ourselves with in this Parliament is whether the emergency conditions that necessitated the introduction of legislation to meet the conditions that obtained during the depression have passed or whether they remain. If those emergency conditions are still with us unquestionably the Government have the strongest possible case for

the retention of the unemployment relief tax. If the emergency conditions of 1931 and 1932 have definitely passed away then one course only is open to the Government if they are going to keep faith with the people of the State, and that is to take some steps to ease the burden upon those who are called upon to pay this very heavy tax. To show that the Premier was alive to the need of some action in this direction I have only to quote the following extract from his policy speech delivered at Mackay on 28th April, 1932—

“It will be necessary to continue unemployment relief taxation until such times as Labour’s policy of stability in industry is achieved.”

The Premier, in repeated statements to the public Press, has claimed that Labour’s policy has brought about stable conditions. If that is so, then there is a clear call for him to redeem that promise he made to the electors in 1932.

Again, in 1935, on the eve of the last general election in this State, the Premier in his policy speech at Mackay said—

“The return of a Labour Government will mean a progressive reduction in unemployment relief taxation to be followed by reductions in other directions.”

We have reached a position in this State—after the present Government have been in power for a period of five years—when conditions are actually better than when these promises were made. As a matter of fact, in the Lieutenant-Governor’s Speech, the Premier shows that unemployment has been reduced from 23.3 per cent. when his Government took office to 6 per cent. If that is the case, we are back to a more prosperous condition and a better position from the unemployment point of view than in 1929, before there was any thought at all of a depression.

But I have taken out figures on this question that differ somewhat from those in the Lieutenant-Governor’s Speech.

The PREMIER: You don’t suggest that the Lieutenant-Governor gave wrong figures?

Mr. MAHER: The position is that a certain formula has been adopted in order to arrive at the total number of unemployed.

The PREMIER: I will explain that later.

Mr. MAHER: The point I want to make is this: Whereas in 1929 we had 16,660 unemployed in this State, in 1937—taking the average from January to May—there were actually 17,986, although on the formula as adopted in the “Economic News” the number works out at 13,530. Actually, if we compute the figures on the same basis as in 1929 unemployment in 1937 is virtually the same as it was in 1929.

In 1929 there was no relief tax at all. If we have reached the point stated by the Premier, where only 6 per cent. are unemployed, where in the name of goodness is the need to take from the pockets of the taxpayers the record sum of £2,609,122 that was collected last year? If the depression is still with us, if the times are as bad as they were in the years 1931 and 1932, if men are being thrown out of employment in every direction then there would be justification for the continuance of the tax; but where is the justification for it to-day? Nobody can point to any evidence to support

the continuance of a tax that is imposing such a heavy burden upon the people of the State. It affects all classes; it is not confined to any special group.

There have been demands from the unions, the farmers, and the business people for the removal of this very heavy burden of taxation. Other States have recognised the need for substantial reductions in the unemployment relief tax. For the year 1936 there was a reduction amounting to £235,000 in the relief tax in Victoria, and recently the Leader of the Country Party Government in that State foreshadowed further substantial cuts. At the opening of the New South Wales Parliament recently the Governor’s Speech foreshadowed a reduction in the relief tax operating there. It is astonishing to members on this side of the House at any rate, and to the great majority of the people outside, to find that there is not one single reference in the Lieutenant-Governor’s Speech to any contemplated reduction in the heavy burden of unemployment relief taxation in this State.

The following table illustrates the rates of unemployment relief tax in all the States for the year 1935-36 per head of population, and it will be noticed that Queensland tops the list, as it always does in the matter of taxation:—

		Unemployment Relief Taxation per head of population.		
		£	s.	d.
Queensland	...	2	11	1
New South Wales	...	2	6	7
Western Australia	...	1	16	11
Victoria	...	1	1	6

South Australia and Tasmania have no special taxation of this nature.

To illustrate how the maintenance of the tax on its present ruinous scale affects people in this State compared with those in Victoria, let me point out that in Victoria a man on an income of £120 per annum would pay £1 4s. 8d. and in Queensland £2 10s. That rate rises progressively, and when an income of £500 per annum is reached we find that in Victoria a tax of £7 4s. 2d. is paid and in Queensland £22 18s. 4d. Those figures illustrate that the unemployment relief tax is exceptionally heavy in this State, especially when it is remembered that no deductions are allowable in the ordinary income tax in respect of the payment of unemployment relief tax. We carry a heavier unemployment relief tax burden than Victoria or any other State, and it inevitably has a hampering effect on the farming and business community and the workers. On all the facts of the case it is a tax that we are not justified in maintaining at its present incidence.

Mr. POWER: Their balance-sheets do not show that.

Mr. MAHER: After all is said and done, the balance-sheets show what has been obtained from the people who buy the goods. It means that those who are at a dead-end, such as the farmer and the worker, who cannot pass on the increased price, have to carry the great burden of this unemployment relief tax, as of all other forms of taxation. That principle has been enunciated in this Parliament time and again by able leaders of the Labour Party as well as members of our party. Mr. McCormack pointed out that in the final analysis the

Mr. Maher.]

great burden of taxation fell on those who were at the dead-end and who could not pass it on. The position, therefore, is that this unemployment relief tax is causing a great deal of distress, particularly amongst many members of our farming community.

Mr. Speaker, many of my constituents who are paying unemployment relief tax actually are worse off, taking the net amount that they have earned—after meeting all their obligations—than many of those who enjoy the advantages of the unemployment relief scheme.

A GOVERNMENT MEMBER: They are not paying the tax.

Mr. MAHER: Yes, they are paying the tax to support a system of unemployment relief whose beneficiaries are better off than many of them. As a matter of fact, to-day there are many farmers who have their own sons unemployed and nevertheless have to pay heavy unemployment relief tax to keep the sons of other men in employment, whilst their own offspring cannot get a job at all. That is a crazy system. A farmer has grown-up sons who cannot find jobs. They rank amongst the unemployed, but because they are the sons of farmers they are not allowed to compete for unemployment relief jobs. These men are, as it were, outcasts so far as the policy of the present Government is concerned. Their fathers have to maintain them and at the same time contribute heavily towards the unemployment relief taxation of the State. To me it does not seem at all right. It is rather to the point that the present Government have received in the past five years from unemployment relief taxation sources no less a sum than nearly £15,000,000. That is a tremendous sum of money to take in a period of five years. I ask any hon. member whether he believes that we are getting value for the expenditure of that large sum of money. Can any man fairly say that the people who have provided this large sum of money during the past five years have received any real value, even if we assume that in the early stages of the scheme some useful work was done in the improvement of our Crown estate, school and church grounds, park lands, and so forth? Perhaps it is admitted that some value was received at that stage when the great bulk of the work in the metropolitan and provincial cities was done. But most of the useful work has already been accomplished. Yet £3,000,000 was expended last year. From his heart can any hon. member honestly say that for this large sum of money, a sum in excess of the total amount of income tax collections, we have received value?

GOVERNMENT MEMBERS: Of course we have.

Mr. MAHER: That is the point I submit to hon. members, not in any spirit of partisanship, but in a desire to establish whether the people who supply this money, and who rank from the poorest to the most prosperous, get value to the full extent.

GOVERNMENT MEMBERS: Yes, they have.

Mr. SPEAKER: Order!

Mr. MAHER: I say they have not. At least I say we have not received value for that money. Furthermore, if the money was being usefully expended, if these men were regimented together and put out on to useful road construction work to open up the country, forestry access roads, mining

access roads, and other useful work, it would not be so bad. But what is happening? We have 52 per cent. of the relief workers concentrated in the capital city of Brisbane, the population of which comprises one-third of the State. That means that out of £3,000,000 expended last year more than half was spent in the metropolis. And what useful work are these men carrying out in the capital city to-day for the expenditure of over £1,500,000?

A GOVERNMENT MEMBER: Tell us what you would do.

Mr. MAHER: I want value for money, and that is what I am asking for. If this tax is to be continued either wholly or in part, the taxpayers, the people who find the money, have the right to demand that it be usefully employed and that they shall get some definite benefit rather than have large gangs of men chipping weeds, which grow again after the action of the gentle showers of rain. I complain of the unproductive work that is being carried out by the unemployment relief tax workers in the State to-day. Hon. members must mark that I am not lodging any complaints against the men. (Government laughter.) No, I am not. They are the victims of the system that the Government impose on them. (Government interjections.) I have not the slightest doubt that every one of these men is sincerely anxious to get off the unemployment relief scheme on to a permanent job and to obtain the full basic wage rate of pay. That is the feeling that animates the great majority of these men, yet under the system that is carried on and condoned by the Government we have not got value for the £3,000,000 spent in the State last year. Nothing useful or reproductive has been accomplished by the expenditure of that money.

A GOVERNMENT MEMBER: Have you considered the humanitarian aspect of the matter?

Mr. MAHER: I wish to take that into account also. Employment could be given in a more useful way than it is at present. There is no justification whatever for the continuance of the tax on the present basis. In 1929 we had no tax to bear but to-day we have about the same number of unemployed as we had then. There is every reason to throw the responsibility on the Government and demand that they justify their action in continuing the present scale of relief taxation.

There is another phase of the matter that calls for investigation. I refer to the transfer of a large sum of money from the Unemployment Relief Fund to consolidated revenue. By an Order in Council in December of last year, £407,002 was transferred from the Unemployment Relief Fund to consolidated revenue. That transfer was said to be on account of interest on loan moneys used for the purpose of reducing unemployment, as follows:—

“(a) Loan moneys granted by the Treasurer in 1935-1936 by way of subsidy for the purpose of minimising unemployment or expended by the Treasurer upon works in the harbour of Brisbane.

“(b) Loan moneys expended between 14th June, 1932, and 30th June 1936, by any Minister or department of the State upon works for the purpose of minimising unemployment.”

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That means, in effect, that any expenditure can be classed as having been incurred for the purpose of reducing unemployment. Interest at the rate of 5 per cent. per annum is charged to the Unemployment Relief Fund. In other words, any public building erected in any provincial city could be described as being constructed for the purpose of reducing unemployment. Any class of loan expenditure comes within the scope and purpose of that Order in Council. I submit that this is really government by regulation with a vengeance—the sum of £407,002 is transferred by a mere Order in Council to consolidated revenue! Is not that a matter of sufficient importance to warrant the passage of a Bill through this House? Are we to sit here and permit the transfer of approximately half a million pounds by the quiet method of an Order in Council in the Executive Council Chamber instead of by the method of bringing such a proposal before Parliament, and getting the authority from this House in an open and public way? If such a method were adopted the public of this State would know what the Government were doing. It is not right that a sum of money approaching half a million pounds should be transferred from the fund to revenue, so that it might be used for a purpose far removed from the original design and one different from that to which the taxpayers subscribed. A big principle is involved in this matter. It is the same principle as that involved in the transfer of moneys from the Main Roads Fund into consolidated revenue, but in that instance the Government asked for Parliamentary approval. The Government have not approached this House for approval of the transfer of money from the Unemployment Relief Fund to consolidated revenue; the transfer is made in the Executive Council *sanctum*. That warrants censure.

The Unemployment Relief Fund is in reality now being used to make up the deficiency in the earnings of loan works and services, and, therefore, is becoming an aid to budget balancing and a permanent source of ordinary tax revenue. Its use for the ordinary loan works programme and as ordinary tax revenue is not due to any shortage of loan money or of revenue. If, because of depressed conditions, the Government were not getting their fair or normal share of revenue or there had been any curtailment of loan money there might be some argument in favour of a decision to approach Parliament for permission to transfer specified sums from the buoyant Unemployment Relief Fund, but the Government are not in that position at all. During the past five years they have had no less a sum than £18,000,000 available from loan fund sources. Revenue, too, has been particularly buoyant, and during the last financial year they obtained £1,800,000 in excess of the revenue received during the depression year 1931-32. So that it can be seen that the Government have not been short of either revenue or loan funds, and, in addition, have received a record amount by way of relief tax. Yet they have acted in the way that I have outlined, and there is room for very strong protest against their action in withdrawing £108,000 for the year 1935-36 and £407,000 for the year 1936-37 from the Unemployment Relief Fund for the purpose of making up the deficiency in loan works and services, thereby transferring that money to consolidated revenue to be used for a

purpose far removed from the ideas of the people who pay the tax.

The great danger is that this practice is likely to become permanent unless it is challenged and stopped right away. Where is it going to end? We know that these two amounts were transferred to consolidated revenue, but we do not know the intentions of the Government in this respect for the current fiscal year. We do not know whether a sum of £600,000, £700,000, or even £800,000 may not be transferred in precisely the same way from the Unemployment Relief Fund to help the budgetary position. No wonder the Treasurer was able to show a reduction in his estimated deficit when he was able to transfer £407,000 from the Unemployment Relief Fund to consolidated revenue last year! It is in that way that he has achieved the improved budgetary position that is outlined in the Lieutenant-Governor's opening speech.

He has been helped in another way, too. At the present time the Government limit the commitments for rations from consolidated revenue to £65,000 per annum, but in 1935-36 they used £234,000 from the Unemployment Relief Fund for ration needs. Therefore, rations cost the State £234,000 from the Unemployment Relief Fund and £65,000 from consolidated revenue, or a total of approximately £300,000. Under the old budgetary arrangement the cost of rations was defrayed from consolidated revenue, and from 1928-29 to 1934-35 the average annual sum expended from this source was £130,000. Those figures show that despite all the talk about recovery, the cost of rations rose to approximately £300,000 last year. I am stressing this point to show that the Treasurer is relieved of the responsibility of providing a sum of £234,000 for rations from consolidated revenue because he has drawn on the Unemployment Relief Fund for that amount.

The PREMIER: Do you suggest that I initiated that method?

Mr. MAHER: I suggest that the Premier's budgetary position to-day would be much worse than it is if he had to meet that £234,000 from consolidated revenue instead of being able to extract it from the Unemployment Relief Fund.

The PREMIER: Do you know that was the method adopted by your Government?

Mr. MAHER: I am not objecting to that. That is really not the point. The point is that the Premier is saving £234,000 from revenue sources on account of his being able to take that amount out of the Unemployment Relief Fund.

The PREMIER: Do you know that in New South Wales the unemployment relief tax is paid into consolidated revenue?

Mr. MAHER: I know that, but that does not make it a good principle to adopt.

The PREMIER: But your party is in power there.

Mr. MAHER: The hon. gentleman by a process of gradual and peaceful penetration is achieving the same objective. First of all he took £108,000 from the Unemployment Relief Fund and transferred it to consolidated revenue. That was the thin end of the wedge. Now the hon. gentleman has taken £400,000 odd. Therefore, he is gradually reaching the same position as he says exists in New South Wales.

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There are one or two other points of very great importance I should like to touch upon. They are the stagnation that exists in our primary and secondary industries and the lack of initiative displayed by the Government in dealing with it. It might astonish and possibly alarm some people to know that to-day in Queensland we have fewer sheep over the whole of our broad acres than we had in 1892. In 1892 there were 20,000,000 sheep in Queensland, whereas to-day there are only 18,000,000. After forty-five years of development we are standing still. In fact, we are in a worse position than we were forty-five years ago. One is inclined to think that a drift of this character in such an important industry as wool growing would engage the very serious attention of the Government.

Mr. O'KEEFE: More wool is obtained from a sheep to-day than in those days.

Mr. MAHER: That has nothing to do with the reduction in the number of sheep after forty-five years' development. Our population has increased greatly during that period, and there must have been a great improvement in the carrying capacity of the country in that period. What then is the reason for this drift in the sheep population of the State? In order to show by comparison our position in this respect with other States I should like to quote the following table, in order that it may be inserted in "Hansard":—

Country.	Area.	Number of Sheep.	Number of Cattle.
	Sq. mls.		
Queensland	670,000	18,060,000	6,053,000
Union of South Africa ..	472,000	35,011,000	10,751,000
New South Wales ..	309,000	50,000,000	3,482,000
New Zealand ..	104,000	28,649,000	4,301,000
United Kingdom	95,000	24,944,000	8,742,000
Victoria ..	88,000	17,457,000	2,085,000

They are most illuminating figures.

Mr. BEDFORD: They are quite valueless unless you take the carrying capacity of the country.

Mr. MAHER: Take New South Wales, which is only half the area of Queensland, yet it has 50,000,000 sheep as against our 18,000,000, and more than half the number of cattle. A great part of New South Wales is rather poor, barren country. In fact, you can put almost half New South Wales in that class. Victoria has an area of 88,000 square miles as against 676,000 square miles in Queensland, yet it has virtually the same number of sheep as in Queensland. Victoria includes much rugged mountainous country and also sandy wastes in the mallee area.

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

Mr. BELL (*Stanley*) [3.36 p.m.]: I move—

“That the hon. member for West Moreton be granted an extension of time to enable him to complete his speech.”

Mr. SPEAKER: Is it the pleasure of the House that the hon. member for West More-

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ten be granted an extension of time to enable him to complete his speech?

HONOURABLE MEMBERS: Hear, hear!

Mr. MAHER: I thank the House for the courtesy accorded to me. As I was pointing out, the State of Victoria has rugged mountainous country running through it as well as much sandy and mallee country. It is very closely settled, yet it has almost as many sheep as we possess in such a broad area as the State of Queensland. New Zealand, with an area of 104,000 square miles, one-sixth of the size of Queensland, that is shot right through by a mountain chain and is very closely settled, carries 28,649,000 sheep and 4,301,000 cattle. It may surprise hon. members to learn that in the United Kingdom with an area of 95,000 square miles there are more sheep and cattle than there are in Queensland. Those are figures that are extremely illuminating and must appeal to every hon. member of this House who has the wellbeing of the State at heart.

The hon. the Premier has just returned from a visit to Great Britain, where he represented the State at the International Sugar Conference, and gave a great deal of his time and thought to the important problems confronting the sugar industry. He is familiar with many of the problems connected with overproduction in it, to the solution of which hundreds of our best citizens have given much valuable attention. Our dairying industry, too, is faced with the problem of overproduction which likewise has received the earnest attention of its leaders as well as our political leaders. But here is a great industry, an industry of such importance that it has been said that Australia rides to prosperity on the sheep's back. This great industry, in which there is no overproduction, either of wool, fat lambs or fat mutton, for whose products the world's buyers are prepared to pay handsome prices, the one industry that would solve our unemployment problem if the number of sheep were doubled, has not received the attention it deserves.

Mr. HILTON: Do you advocate over-stocking?

Mr. MAHER: That is an inane interjection. The position is that if the State is properly organised it is capable of carrying more sheep than New South Wales carries. If New South Wales can carry 50,000,000 sheep why cannot Queensland carry 80,000,000? Whilst so much thought is being given by the Leader of the Government—and rightly so—to the great problems associated with the sugar and dairying industries, here we have the greatest industry of all, with enormous potentialities for development and expansion, and not a hand is lifted to initiate schemes that would result in increasing the sheep population of the State. On the contrary we have a great belt of sheep country known as the north-western sheep areas that is highly fertile in good seasons when it is covered with Mitchell grass and carries abundance of water, but the pastoralists on those areas have not the credit necessary to enable them to restock their holdings. For all the good that country is to-day, it might as well be the Sahara Desert.

I brought this matter up in Parliament last session, but the Government took no interest in the matter. Were it not for the initiative of Mr. Fergus McMaster, who went out and endeavoured to do something for those graziers who lacked the funds to buy

sheep to restock, the position would, perhaps, have been hopeless altogether. These men lacked numerical strength to impose their will upon the Government. After all, they are out in the remote parts of the State. Their number is small, and their votes do not count. Therefore, the great wool industry, the greatest in the State, is so poorly represented in this House. If there were some better system of representation, surely the greatest interest in the State is entitled to greater numerical representation than we find in this Parliament to-day! These men out in the far north-western areas appeal to the Government, but appeal in vain. (Government interjections.)

On this important question of the production of wool and the making of plans to increase our sheep population on areas already improved for that purpose, and increase wool production, the Government have utterly failed.

The PREMIER: Your Government reduced the representation in Parliament by four or five seats.

Mr. MAHER: It does not matter whether it was prior to the redistribution of seats in the 1932 period or since. The great pastoral areas of the State have never had true representation by the men who are the actual producers of wool. That is the point. There is something wrong with an electoral system that fails to give at least fair representation to the men who produce the primary article that is the greatest source of true wealth of the State. (Government interjections.) The Government have utterly failed to appreciate the importance of this question. They had millions of money available for such projects as the Kangaroo Point bridge, the Stanley River Dam, and for palatial Government buildings in this city. In the Lieutenant-Governor's Speech yesterday it was pointed out that £7,800,000 had been raised directly or indirectly by the Government and expended in various ways last financial year.

The SECRETARY FOR HEALTH AND HOME AFFAIRS interjected.

Mr. MAHER: The Minister who has just interjected had £100,000 expended on a dental hospital. Last year the Government provided £2,000,000 for water schemes in the cities and towns. Such schemes were all very well in their way, and I am not necessarily condemning them, but I am saying that whereas millions of money have been made available by this Government for public works and buildings constructed by the Department of Public Works and also for water and sewerage schemes in the cities of the State this source of the true wealth of the State has been utterly neglected. The proof of the pudding is in the eating. How much did the Government allocate last year for the purpose of improving the land of the State? Why have we only 18,000,000 of sheep in Queensland—fewer than forty-five years ago? Why have we fewer cattle than forty-five years ago? There are millions of acres of land in this State that require improvement, such as the provision of water and ringbarking and scrub-clearing. The men who hold these areas lack the financial assistance necessary to enable them to accelerate the rate of improvement. The greatest need in this country to-day is the provision of money to accelerate its wealth production, but the Government have utterly failed in that respect. Of approximately £8,000,000 mentioned in His

Excellency's Speech yesterday as providing for all manner of public works, £8,000,000 that the Government control for the purpose of promoting employment and other speculations throughout the State, only £100,000 was expended for rural advancement. That is a very serious indictment. Money is needed to-day for ringbarking, scrub-felling, clearing, grubbing, stumping, and fencing, and the provision of water facilities throughout the State, but all the Government could allocate last year for such purposes was £100,000.

The greatest need in Queensland to-day is to increase true wealth production. But what do we find? A rise of Communism in our midst in North Queensland. This is exercising very seriously indeed the minds of hon. members opposite who represent North Queensland electorates. Why is this so? Communism can only breed in a soil where there is general unemployment, misery, and unhappiness amongst the people. It cannot possibly succeed nor will its appeal even be entertained by a people who are employed, happy, and content. We have the accumulative effect of practically twenty years' Labour government in this State, and we find that Communism is more deeply rooted here than in any other State of the Commonwealth.

The PREMIER: You know more about it than I do.

Mr. MAHER: I can assure hon. members in this House after my recent tour of North Queensland that members are concerned about the growth of Communism in Townsville and further north. This state of affairs has come about because, after twenty years, the Government have failed to improve the conditions of the people. I heard Mr. Paterson, a noted Communist, say that generally speaking things were better in Tory-governed States than in a State governed by a Labour Government. Have we reached the point in this State where the communistic element is able to get hold of the people and where workers are prepared to barter away their rights of free citizenship and democracy and abandon their right to make or break a Government every three years. The only Governments that have exercised a power in this country for the past twenty years, with the exception of a break of three years, have been Labour Governments, and they have failed in this important matter. They have taken no interest in the matter and allowed things to drift. They have found vast sums of money for the construction of public works of all kinds—good enough in its way—but they have not spared more than insignificant sums for improving the sources of true wealth.

We have to get down to fundamentals. We have a wonderful State in Queensland and the more I travel and the more I see of its fertile lands and its vastness, the prouder I am of it. It is a tragedy to think that in a country of such fertility, with a population less than that of the city of Sydney, we are not able to provide employment for every able-bodied man who is willing to work. We have had to tax the people to the extent of £2,600,000 for unemployment relief and find £300,000 for rations in a lovely land like this! It is a tragedy and an indictment of the present Government that their policy during the past five years has failed to redeem Queensland as it should have done. It is from the land that

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we must produce, and if we want to keep our hold of the heritage we have, the sooner we awake to the realities of our position the better; otherwise we may be called to account for our inaction. Overpopulated countries in Europe look upon this lovely land and ask, "Why is it those people stop others coming into their country when they themselves refuse to develop it?" We have a land worthy of development, but the Government have utterly failed to handle the job. Last year £100,000 out of £8,000,000 was spent in improving the grazing lands, wheat, and other agricultural lands throughout the State.

The world is waiting for wool. High prices are being paid for it. And what of wheat? The following figures with regard to the areas under wheat cultivation throughout Australia are of interest:—

	Acres.
New South Wales	3,776,000
South Australia	2,989,000
Western Australia	2,538,000
Victoria	2,323,000
Queensland	283,000

From my knowledge of the subject I know that the country east of a line from Goondiwindi to Springsure and Emerald as far as the Darling Downs is suitable for wheat growing, but no encouragement has been given to that industry by the Government by providing money for men who have land suitable for the production of this crop. It is a costly business. The land has to be ringbarked, the scrub fallen and burnt, and all that costs a considerable amount of money. The people have not been encouraged to undertake the expenditure. Surely it is possible for us to do as has been done in other States, that is, to promote further wheat production! We have been through periods of low prices but the price of wheat has recovered in common with the price of wool. Last season the wheatgrowers had a very trying time, with the result that the crop was a comparative failure, but this year world prices for wheat are highly profitable, and who knows that that position may not continue for a number of years? We cannot sit idly by and wonder what the future may be. It is necessary for the people concerned to make a living from the land and in so doing they must take their chance with the seasons and world prices or the state of the market where their products are consumed. We grow barely enough wheat in this State for our own needs and here there is room for organisation, for direction and a lead on the part of the Government to those people who have land suitable for wheat production. If the Government are genuinely concerned about taking men off the unemployment market, or away from unemployment relief schemes, to give them a greater measure of employment, what better could they do than encourage wheat production? Here is an opportunity that the Government have neglected.

There is also room for expansion in the pig industry. We have only 300,000 pigs in the State and there is room for a tremendous expansion. Last year Great Britain spent £72,000,000 in buying imported pig meats—pork, ham, and bacon—from foreign countries. Here is an enormous market available to us. New Zealand and

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the other States of Australia have gradually increased their number of pigs, and here is an opportunity to become interested in pig production and so help to increase the wealth of those concerned.

We should also be growing a great deal more cotton than we are. Last year we produced only 9,000 bales, whereas the Australian manufacturers can consume 25,000 bales.

Mr. T. L. WILLIAMS: It was a drought year.

Mr. MAHER: I know that last year was a drought year, but the cotton growers of the State are not yet able to fill the needs of the Australian cotton manufacturers. Therefore, I say that there is room for encouragement for the cotton industry. There is room for encouragement in all the farming industries and room for encouragement in the fish industry. All these things mean so much to us—wool, cotton, lamb, mutton, pig meat, tobacco, gold, and other minerals. They all mean new wealth to Queensland, but the Government have given very little attention to the need for organising the State in this direction, although they have devoted attention to other things that do not matter so much. Those that I have mentioned go to the very roots of our prosperity, and if the Government had been alive to their responsibilities they would have initiated schemes to provide money to help men to increase the carrying capacity of their land and increase their flocks and herds, thereby increasing wealth production and bringing new money to the State. Look at the enormous amount of permanent employment that would be created thereby! I regret to say that the Government have failed in these things, and for those reasons I have moved the amendment of want of confidence in the Government.

Mr. MOORE (*Aubigny*) [4 p.m.]: I second the amendment, which has been moved by the Leader of the Opposition for very excellent reasons. The unemployment relief tax was introduced for a definite purpose. No one expected that it would be used for any other. It was recognised, as has been pointed out repeatedly in Government reports, that its purpose was to meet an emergency. As a matter of fact, to show it was an emergency measure the Bill that imposed the tax was passed for one year only and had to be extended by each succeeding Parliament. Parliament itself therefore recognised that the position was one of emergency, that something beyond the ordinary had to be done. It was never intended that we should ultimately get right away from the purpose for which the tax was imposed, as we have to-day.

There are some things that we should examine in order to determine whether it is necessary to continue this special form of taxation. In the first place, what is the number of unemployed to-day as compared with the number at the time when the tax was instituted? Again, what money have the Government from consolidated revenue, trust and loan funds, and special loan funds as compared with what the Government had when the tax was first imposed? If there is a very large increase in revenue, a large increase in loan money, and if other trust funds are bringing in more money to enable more employment to be given, then there is

not the same necessity for the unemployment relief tax as when it was instituted.

There are other branches of this subject that require attention; there are other evils that call for redress. Every person in the community who through no fault of his own finds himself destitute is entitled to receive exactly the same treatment as his fellows. Why should there be discrimination? Why should a man who lives in the country be placed in a less favourable position than he would be in if he lived in a city or town? What is it that is destroying the morale of the people to-day? Hon. members on the Government benches as well as hon. members on the Opposition benches are well acquainted with the fact that a large number of people will not take regular employment. They are looking for Government work, or for subsidy-loan work. Time after time more subsidy-loan work has had to be begun in our cities because we have more unemployment. What were these men employed on before? The usual work to be found around the country, roadmaking, picking corn, and other farm work. Many of them will not take that work to-day because they wait for Government work. We have started a department that is encouraging many persons to look entirely to the Government and the taxpayer to keep them in employment. It is a serious thing for the farming community that this should be so. Yet it is so, and unfortunately to-day in many country towns we find more people looking for unemployment relief work than there were in the worst period of the depression, which shows, of course, that a large section of the people look to the Government through this new department, to provide them with not altogether intermittent work but casual work every now and again to tide them over a certain period. That work is either main road work or subsidy-loan work.

Another astonishing result is that local authorities are being pushed into accepting financial responsibility because they feel they "have to get their cut." Many local authorities are accepting subsidy-loans against their better judgment because they say they have to contribute their share of the cost of the subsidy-loan work in and around Brisbane and the other cities. They realise if they do not themselves get some of this subsidy-loan work they will not benefit from the expenditure of the taxation to which they contribute. Therefore, many shires are pushed into extravagance that will not react to their advantage in the future.

A GOVERNMENT MEMBER: That is not logical.

Mr. MOORE: It is logical and it is being done. It is not logical, of course, merely from the point of the ratepayer or taxpayer if he is to pay for somebody else's luxury. When the opportunity comes to him, i.e., when the money is offered to him, he must have his "cut." Unfortunately, that is what is going on.

Mr. COLLINS: Is it not cheap money?

Mr. MOORE: The hon. member for Cook may think it is cheap money, but when it is remembered that the local authorities must engage their labour through certain channels, that 5 per cent. has to be paid on the loan—although the Government provide the money for the subsidy—and when the way in which the work is carried out is borne in mind, then it is obvious that it is not cheap. I know that some local authorities would rather let a straight-out contract than have

the work carried out under subsidy-loan conditions. The hon. member may call it cheap money, but when all factors are analysed it is questionable whether some local authorities are getting value for the money that is being spent under present conditions.

THE SECRETARY FOR PUBLIC WORKS: There is nothing to stop local authorities from letting contracts for subsidy-loan work.

Mr. MOORE: There is, because local authorities must accept labour for subsidy-loan work from a particular source.

When the unemployment relief tax was instituted extraordinary objections were raised by hon. members opposite. They carefully suggested conditions they thought should be imposed, and put forward amendments for the purpose, but when they assumed power and had the opportunity to carry out their suggestions their enthusiasm had evaporated, and instead of making the fund a very short-lived necessity or convenience they have allowed it to continue to grow, and have used it for all sorts of extraneous purposes. To-day the consolidated revenue is being bolstered up by an extra income tax, in which there are none of the many wise exemptions given to payers of ordinary income tax. I do not think anybody can justify the present practice of transferring large sums from the Unemployment Relief Fund into ordinary revenue. After all, the people who are contributing those funds are contributing them for a particular purpose—so that the section of the community who, through no fault of their own, have fallen on evil days may have an opportunity to obtain some employment.

But this tax has gone beyond all reason. When it was instituted about 34,000 unemployed had to be provided for, and at the present time, according to the "Economic News," the number is a little over 17,000; or, if you take the formula on which the "Economic News" makes its calculations, a little over 13,000. To-day we also have revenue, trust, and loan funds, which last year amounted to about £8,250,000 more than was available in the year 1931-32. If we have got to a stage—and I should think we have, judging by the number of persons put down as employed—where the unemployed have decreased by so many, surely it is out of all reason that this tax should be kept at the rate it is. Surely it is out of all reason that we should have to transfer money from the Unemployment Relief Fund to ordinary revenue, considering the amount of money the Government had at their disposal. Even if you take the £2,600,000 that the tax produced from the total of £8,500,000, the Government had £5,500,000 more to spend than we had in 1931-32.

A GOVERNMENT MEMBER: We have had an increase in population.

Mr. MOORE: It does not matter. If the unemployment had increased in proportion to the population it would be shown in the "Economic News," but, unfortunately, it is not—or fortunately for the Government it is not. We are trying to point out that there is no reason to-day for the collection of the amount of unemployment relief tax that was taken from the people last year, and there is no reason for the expenditure from that fund on the scale at which it has been carried on.

Another feature of the system I specially object to is the discrimination between two sections of the community. Probably all hon. members have had letters of the same

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kind as I have had from farmers asking me to obtain relief for them. Farmers who are destitute should have an opportunity to get rations on the same terms and conditions as a worker in the city, but he does not. After all, the Government know as well as we do that there is a large number of farmers who, through no fault of their own, but owing to climatic conditions, have no credit, no income, and nothing with which to obtain the necessities of life. Towards the end of the drought-relief scheme, the Secretary for Agriculture and Stock laid down a condition that only those applicants who had no credit and no assets and no means of getting the necessary fodder should be entitled to relief. They had to sign a paper to that effect before they could obtain the relief. Why is it that people on the land should be placed in a position inferior to that of the workman from the city?

The PREMIER: The analogy is not a fair one.

Mr. MOORE: I think it is perfectly fair. This is a letter received by me from the Department of Labour and Industry, dated 13th April, 1937:—

“With reference to your personal representations on behalf of —, a farmer, who is in receipt of rations to the extent of 22s. 6d. a week, this being the prescribed rate for farmers' rations for a man, wife, and four children, I beg to inform you that owing to his present destitute circumstances, I have approved of his ration scale being increased from ‘the farmers' ration scale’ abovementioned to the ordinary ration scale of 30s. per week for a period of twelve weeks, subject to his signing an undertaking to repay the value of such rations when in a position to do so, as he has previously done, when approved for the farmers' scale of rations only, and the necessary instructions have been issued to the officer-in-charge of relief to advise the local police officer accordingly.

“Hynes.”

Why should a person who happens to be in a country vocation be placed in a position entirely inferior to that of one who happens to be working in the city? A man earning, say, £7 a week in the city may lose his employment, but he is not placed on a special ration scale as compared with another and may get employment at a greater wage than a farmer is able to earn.

The PREMIER: What was the scale that your Government gave to necessitous farmers?

Mr. MOORE: What does it matter?

The PREMIER: You never gave them any.

Mr. MOORE: That is nonsense!

The PREMIER: By your Government they were entirely excluded from the scheme.

Mr. MOORE: When they were obliged to obtain rations they were placed under the ordinary scheme financed from revenue. But it is not a question of seeking refuge in what we did in the past which appears to be the only excuse that can be advanced by the Government for failure to do right to-day. They always refer us back to what was done when a condition of affairs existed unprecedented in Australia.

The PREMIER: Are you repenting?

Mr. MOORE: I am not repenting. If there is anybody who goes down on his

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knees and thanks God he was not in power at that time, it is the hon. gentleman. He is reaping the benefit of what was done for him. Had he been in office at that time he would have had to do what every Premier in Australia had to do. I do not repent for what I have done, but am proud of having been in a position to do something that was necessary in the interests of this country. I may have suffered for it, but I am not worrying about that.

The PREMIER: I say quite definitely that under your system necessitous farmers got nothing at all.

Mr. MOORE: The hon. the Premier can make bald assertions as much as he likes. What I am pointing out at present is that, having collected a record amount of money by way of unemployment relief taxation and having asserted that the percentage of unemployment has receded to 6.6, he is nevertheless placing farmers in a position entirely inferior to that of men in other occupations. A local producers' association asked that the sons of farmers who were in necessitous circumstances owing to climatic conditions should have an opportunity to get work, and this is the reply, dated 1st July, 1937:—

“With reference to your representations on behalf of the Nutgrove Local Producers' Association, who have requested that necessitous farmers and their sons should be regarded as eligible for employment on relief works, I have to advise that in order to be eligible for employment on any relief works the person concerned must in the first case be a bona fide unemployed worker seeking employment through a State labour exchange.

“On loan subsidy works, which are undertaken by certain local authorities for the relief of unemployment, it is provided that not less than 50 per cent. of the men employed on the job must be selected from men who are registered as unemployed and who are also a charge on the relief fund. The balance of 50 per cent. may be selected by a local authority from the unemployed registered at a State labour exchange.

“Farmers who are carrying on a farming business, and sons of farmers (who reside at home and assist in the working of a farm), are not classed as unemployed workers, and on this account they are not eligible for employment on relief works.”

The Government know perfectly well that many of these men, although, of course, they have their farms, owing to climatic conditions, have no income and no credit. Why should they be placed in a disadvantageous position as compared with any other section of the community? After all, when the farmer is making anything he has to pay his tax into the Unemployment Relief Fund. Why should he be placed in such a position that he cannot draw from it when adversity hits him? That is entirely wrong. I think that the unemployment relief tax should not be continued at all.

We must not overlook the effect of such high taxation on the industry of Queensland. What would be the benefit to Queensland industry if this taxation was not imposed? Would not benefits accrue to many parts of Queensland? After all, when a private

individual spends money, he does so with the object of making a profit from it, but in most cases the Government only spends money with the object of winning votes or patching up a leaky boat. This expenditure does not bring any advantage to the State. A large amount of the money being collected to-day would be infinitely better used by those who contribute it to the fund.

Mr. O'KEEFE: That would not give more to the farmer, for which you are asking.

Mr. MOORE: I am not asking for that at all. The farmer is destitute, and why should he be treated in a manner different from men in cities and towns? I am objecting to the discrimination between the two sets of people. If the unemployment relief tax was discontinued Queensland would be in a better position and able to provide continuous work. The people of the State would have £2,600,000 to spend instead of paying it to a Government to spend, and our manufacturers would be able to compete on better terms.

The PREMIER: Unemployment existed before the Bill was introduced.

Mr. MOORE: It existed because we experienced a drop in the prices of our products sent overseas. The price of wool fell considerably. I heard you, Mr. Speaker, account for the record unemployment figures in Queensland by the low price of wool. If the price of wool is reduced by 50 per cent. there must be unemployment, because less money is coming into the State. I do not say that because the worker has 2s. a week left in his pocket he personally will employ someone. It means that the worker will have more money to spend, and the spending of money means the employment of more people in the aggregate. It must be recognised that high taxation has a detrimental effect upon industry and employment. The Premier, himself, said that he recognised that principle. The Deputy Premier, at Innisfail last year, said that this State was the highest taxed in Australia and that taxation has reached its limit. There would, of course, be no limit to taxation if taxation were not detrimental. Taxation is crippling industry. In support of that statement I should like to read a paragraph that appeared in the "Courier-Mail" at the beginning of this week.

A GOVERNMENT MEMBER: What did the Governor say?

Mr. MOORE: I prefer a statement from somebody more reliable and more experienced as regards the industries in this State. The statement I was about to refer to was made by Mr. Simpson, who said—

"That there is room for improvement is clear when it is remembered that last year we in Queensland bought nearly £7,000,000 worth of products more than we sold to other States of the Commonwealth. If the value of raw sugar exported were deducted the difference would be nearly £13,000,000.

"There is thus tremendous room for expansion in Queensland's home market. Manufacturers are sparing no effort to increase their share of the local trade. All Queensland should be keenly interested in the development of the secondary industries, for all Queensland will benefit by their expansion.

"TAXATION RELIEF.

"We know that the people are actively sympathetic. We know also that the Government wishes us well. Nevertheless, high taxation and industrial laws make our costs higher than in the other States, and we trust that the time is not far distant when some relief in this direction will enable us to compete on a more equitable basis with competitors in the South."

We are not able to compete on satisfactory terms with our competitors in the South on account of the high taxation.

Mr. GLEDSON: Is Mr. Simpson an authority?

Mr. MOORE: He has had experience in the carrying on of a large industry in Queensland. He does do something. He is conducting a business and employing many hands. He pointed out that he could employ more if he was placed in an equitable position to meet competition. If more money is left in the pockets of the people they have so much more to spend, and that means that they will buy more, and in the manufacture of the articles they buy employment will be given.

The same principle applies in regard to the tax paid by the people in the country. If that money were left in their pockets they would be able to spend it on improvements to their properties and increasing the carrying capacity of their lands. The end is always the same—if you take too much money out of the pockets of the people unemployment increases and the Government have to get more and more revenue to enable them to meet it.

A GOVERNMENT MEMBER: Who told you all this?

Mr. MOORE: I have no need to be told it; anyone can read it. Why is it that between 1904 and 1915 Queensland showed the greatest expansion of all the States in secondary industries? We had people with confidence, competent workmen, and the necessary capital. But why is it that the number of people employed in secondary industries in this State fell from 46,476 in 1925-26 to 1,348 less in 1935-36, despite the increased population in that period? And why is it that the rest of Australia, over the same period, had 381,578 people employed in secondary industries in 1925-26 and 447,643 in 1935-36? Why have they increased by 65,000 whilst we have gone back by 1,348? Is there not a reason for that? The other States are in no better natural position and they have no more competent workmen. There must be a reason, and the reason is, as Mr. Simpson points out, that we are placing the people at a disadvantage in competition with the South, and that consequently we have to buy £13,000,000 worth of products, most of which could be produced in Queensland if the people were given an opportunity. Any hon. member opposite knows that if he had a certain amount of money to invest in industry he would go to the place where he would get the best return, not where he would have to pay the largest amount to the Government.

The PREMIER: He would go where there was the largest market.

Mr. MOORE: I admit that that would have some bearing on the question, but

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after all the largest market does not necessarily mean that they are going to secure—

The PREMIER: Do you say that Queensland bought £7,000,000 worth more than she sold? That is not so.

Mr. MOORE: I quoted Mr. Simpson as saying that we in Queensland bought nearly £7,000,000 worth of products more than we sold in the other States of the Commonwealth and if the value of raw sugar was deducted the difference would be nearly £13,000,000. I am referring to one particular industry that really enjoys a virtual monopoly in Australia.

The PREMIER: I think that was a very foolish statement.

Mr. MOORE: It may be foolish, but—

The PREMIER: If you deducted the lot there would be nothing at all.

Mr. MOORE: The hon. gentleman may be very humorous but he must recognise that the sugar industry is in an entirely different position from any other industry in Australia.

The PREMIER: Of course it is, and it has a certain value.

Mr. MOORE: It has been placed in that position because it is at a disadvantage, because it is conducted almost entirely within the tropics by white labour, and because the whole of the people of Australia are prepared to contribute towards its cost for special reasons.

The PREMIER: It is no different from the hide industry or the boot and shoe industry in the South.

Mr. MOORE: Of course it is.

The PREMIER: What nonsense!

Mr. MOORE: The boot and shoe industry in this State is in no different position from, say, the iron industry in New South Wales or Victoria, so far as the tariff is concerned.

The PREMIER: I ask you to look at the tariff.

Mr. MOORE: The tariff is exactly the same in Queensland as it is in New South Wales or Victoria.

The PREMIER: Do you suggest that the sugar industry is more favourably situated than the boot and shoe industry?

Mr. MOORE: The sugar industry is in a unique position because of many factors. Mr. Simpson has pointed out that many products that we import from the other States could be manufactured in this State if the manufacturers here could be placed on a fair competitive basis, but owing to our high taxation and certain industrial laws we are not in that position.

The PREMIER: Do you accept the statement that £7,000,000 as the balance of trade is true?

Mr. MOORE: I do not mind if you say that the figure is £6,999,000. The industries in Queensland are industries that cannot be moved, such as the sugar industry, the bacon industry, the dairying industry, the brick and cement industry, industries associated with the production of food, and gas and electric light companies. They must remain here, but industries engaged in the manufacture of textiles and boots and shoes, and similar things, are in a different position. And we cannot help the fact

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that they are in a different position because the Government over-weights them, but I am trying to point out that owing to the heavy burden of taxation—last year we collected £2,600,000 by way of unemployment relief tax—we are placing our industries at a disadvantage instead of giving them an opportunity of providing employment. Under the present system we are placing a heavy charge upon the community by depriving industry of the opportunity of providing the employment that is so necessary, thereby making it necessary for Governments to collect more and more money for purposes of unemployment relief. To my mind that is totally wrong. The more industries we can establish, the more incentive the Government give them to expand and the more assistance, the better it will be for the State. The burden of private industry does not fall on the State, but on the community.

The PREMIER: I don't accept Mr. Simpson's figures.

Mr. MOORE: The hon. gentleman has no need to.

The PREMIER: I don't accept yours, either.

Mr. MOORE: I do not care whether the hon. gentleman does so or not. Who wants to quibble over a nought or a pound?

The PREMIER: A million or two does not matter, eh?

Mr. MOORE: What I am trying to show is that industries in Queensland are under a disability to-day, notwithstanding what the Premier may say. If it is a question of the adverse trade balance being only £6,000,000 and not £7,000,000, the conclusion I have stated is not altered at all. The position is that the Government are taking a large amount of money from the people, which is being expended in intermittent relief and subsidy-loan work, to give employment to the unemployed. If this money was not taken from the pockets of the people but was allowed to remain in the pockets of the people to enable our industries to expand it would give more employment to our people. After all, the proof of the pudding is in the eating. Why is it that we have so many fewer people employed in secondary industries per 10,000 of the population than other States? Why is it that the number of our factory employees has decreased while the number in other States has increased by 65,000? If our people were given the same protection and opportunity as other States afforded, we should not have any unemployment to speak of.

Mr. TAYLOR: You tried it for three years on a low-wage longer-hours policy.

Mr. MOORE: The hon. member for Enoggera knows that at that time we had one of the greatest depressions that Australia has ever passed through. It has nothing to do with the position to-day. We are on the up-grade; we are recovering. We want to see Queensland share in that recovery as other States are doing in order to give our men an opportunity of obtaining regular employment. Why should they not have that opportunity? Why should they have to leave this State in order to get regular employment?

A GOVERNMENT MEMBER: They are coming here from other States.

Mr. MOORE: Skilled men are not. Some may come here for a particular class of

job. The point I am trying to make is that we are making the unemployment relief tax a permanent tax. We are transferring interest from that fund to consolidated revenue, and when the Loan Fund runs short, the unemployment relief tax is being used, any excuse being put forward for the using of it. The excuse put forward that the money has been spent to reduce unemployment does not justify the continuation of such an excessively heavy tax. The sum of £234,000 was taken from the Unemployment Relief Fund to bolster up consolidated revenue, and a further £407,000 was transferred directly to consolidated revenue. Why, the Public Service Commissioner, Mr. Story, who appeared for the Government in the Industrial Court when the application for an increase in the basic wage was being argued, said that if it were not for the fact that £670,000 had been transferred from the Unemployment Relief Fund to consolidated revenue the deficit would have been £1,400,000. I want the ordinary man or woman in this State to see that it is to the advantage of the community to take off the unemployment relief tax. Permanent employment in industries that are controlled by awards made by the Industrial Court is preferable to subsidy-loan and intermittent relief work and rations. If the Government left the £2,600,000 now paid in unemployment relief tax in the pockets of the people, to be expended by them, would that not mean more employment for somebody? It must, and it would also assist the manufacturer. The Government would be only leaving it to the individual to give useful work instead of clinging to the right of spending it on useless work. Surely it is not difficult to imagine the reason for the Government's attitude! Surely there must be some reason why the Government are maintaining the tax at the present rate! I remember the Premier's saying in this House that no one would like to reduce taxation more than he. Surely, if he has a larger revenue, a larger share of loan money, and a larger sum of money coming into the trust funds, and a reduction of the unemployment figures from 19 per cent to 7 per cent., he has good reason for reducing the amount. From my point of view, there is good reason for wiping out the unemployment relief tax, because, in 1929 with the greater number of unemployed, we had no such tax at all. In my opinion, if the Government made the experiment of substantially reducing or wiping out the tax altogether, they would find that the people who contribute that tax will give a great deal of employment in productive occupations, and fewer workers would be dependent on relief work. I recognise that some people are unemployable. It always has been and always will be so. There are criminals and rogues, and people in all strata of society who are unemployable, but the great bulk of the people who are unemployed to-day are not unemployable; they are only too anxious to be employed. They would much rather be employed at useful work than be on relief work.

The whole position needs reviewing. It must be recognised that our industries are working at a disadvantage. When the Deputy Premier says that Queensland is the highest taxed State in the Commonwealth, he no doubt realises the disadvantages that high taxation places on the people, he sees that they have to compete at a disadvantage. Surely it is better to try the experi-

ment of carrying out the work in an ordinary way, meeting the conditions of trade as they ought to be met, than to have the Government distributing it in the form of an unemployment relief tax! Other States have recognised that. One of the worst features of the system is the encouragement it gives to a large number of people to depend upon the Government for their subsistence. I believe that evil could be remedied. There may be difficulties at the beginning, but there are always difficulties associated with any such problems. There may be adjustments to be made, but after all the adjustments will have to be made some time. It will be impossible for the Government to continue indefinitely extracting more money than is necessary from the pockets of the taxpayers by a special tax and treating it as an ordinary revenue. How long will our industries be able to stand up to it? In my opinion and in the opinion of the hon. members of this side of the House the time has come when the unemployment relief tax should be abolished, or if not abolished, substantially reduced, so that our industries may be better able to compete with Southern rivals. The people would then, too, be in a better position to spend their money on the improvement of Queensland than they are at present when they are forced to pay it into a fund for the Government to spend.

The PREMIER (Hon. W. Forgan Smith. *Mackay*) [4.41 p.m.], who, on rising, was received with Government cheers, said: Mr. Speaker, I listened with considerable attention to the Leader of the Opposition and his Deputy in moving and seconding this amendment to the Address in Reply. The speech of the seconder dealt more seriously with the subject than did that of the Leader. It is very interesting to note that the Leader of the Opposition goes about his business in this House in a very extraordinary manner. Here we have to-day a proposal that the Government have lost the confidence of this House: to-morrow an Appropriation Bill is to be listed, and that will offer the proper opportunity when a motion asserting that the House lacks confidence in the Government may be most effectively moved. The real test of a Government in a Parliament is their capacity to put through a Supply Bill. Furthermore, if to-morrow on the Appropriation Bill we apply the Standing Orders strictly it will not be possible to discuss all those financial subjects that ordinarily would be discussed on such a measure.

In his indictment of the Government the Leader of the Opposition has three counts: the first dealing with the retention of the unemployment relief tax, the second with transfers from the Unemployment Relief Fund to consolidated revenue, and the third with the failure of the Government to encourage and assist wealth production in this State. The hon. gentleman made use of a remarkable set of figures. They were all difficult to follow, and in many cases were obviously wrong—just as wrong as many of the statements made by him during the recess. For example, during the course of a Northern tour the hon. gentleman made a statement to the effect that this Government had over £1,000,000 “up their sleeve” to splash about during the election year, and that amount could come from Treasury bills that the Government could take up at any time whatsoever. In the printed documents supplied

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to Parliament for the past three budgets I have made it as clear as it is possible to make the nature of a Treasury bill and the circumstances under which it is issued. Until the financial year 1935-36 Treasury bills were issued for Government deficits—they were issued also for Government public works—but that is no longer the case. The Treasury bills that were issued to this Government for public works have to be funded at some time or other in the national debt, and under the Financial Agreement that proportion of Treasury bills carries with it the sinking fund interest rate set out therein, i.e., 4 per cent., plus the percentage of interest that we are paying on the Treasury bills. The other type of Treasury bill is for a lag in revenue. There is a lag in revenue in the early months of the financial year in every country. At one time we had an overdraft in this State of £2,000,000 per annum with the Bank of England, but, unfortunately, under the Moore regime, that agreement was allowed to lapse. Therefore, any lag in revenue—and revenue is used for the payment of interest overseas to the extent of approximately £4,000,000—is made good by the issue of Treasury bills. But all these have to be liquidated from revenue during the currency of the financial year. Nevertheless, the Leader of the Opposition goes North and to other parts of the State and talks about “Treasury bills being up our sleeve.” What really happens is this: Whenever the Government have balances of a considerable size at their disposal those balances are used to retire Treasury bills temporarily. In that way a considerable amount of interest is saved annually. If the hon. gentleman would look up some of the speeches of his erstwhile leader when he was Premier he would find that the consolidated funds are not kept in the Treasury in separate watertight compartments. There is not a deficit in one till and a surplus in another. The cash balances, the nature of which are published in the “Government Gazette” monthly, are used for financing all the activities of the State during the period of the financial year. Therefore, it is sound finance to retire Treasury bills during any period of the year when they are not required, and so save the difference between current account interest and Treasury bill interest. That has been made clear. I repeat, on several occasions in the Budget tables and in the Budget itself.

Another statement by the Leader of the Opposition to which I take exception was based on his desire to separate the various sections of the community. I have told him, and every thoughtful person realises, that we are one people in Queensland, with a common interest and a single destiny. What affects one section of the people, whether we like it or not, affects all sections of the people; and it is consequently wrong to stir up sectional hatreds or sectional jealousies for political purposes. Every speech the Leader of the Opposition makes is along those lines. He said that the cities received greater advantages than did the country in the allocation of subsidy-loans, and he quoted figures designed to show that Brisbane received huge subsidies and had comparatively few loans at all. He used other large sections of population in the same way. What he suppressed, however, was the fact that the Brisbane City Council and many other local authorities make

arrangements for the loan portion of their public works expenditure directly through financial institutions.

Mr. MAHER: I have no record of that.

The PREMIER: The Leader of the Opposition knows that very well, because it has been stated in this House time and time again, and it has also been stated in the public Press. The amount of guaranteed loans to various local authorities represents a very considerable figure but the Leader of the Opposition suppresses it. During the period under review the Brisbane City Council has borrowed extensively and the subsidy, such as it is, is given by the Government against loan money raised from sources other than the Government. The same thing applies to Toowoomba, Rockhampton, and many other parts of the State. In his desire to stir up this party feeling in the community he quotes Brisbane subsidies without quoting the amount of Brisbane loans. He quotes the Rockhampton subsidies without quoting loans, and does the same thing with Toowoomba. There is no excuse for that form of malversation of facts at all. If hon. members would read the Treasury tables, the Budget and the documents associated with it, they would know all these things and would not require to ask so many questions from day to day.

Another point I desire to draw attention to in the speech made by the Leader of the Opposition—and it is a very important one—is that there is a tendency by various sections of the community to adopt a new policy in relation to industry. It is that the Government should undertake the unprofitable phases of industry and that private enterprise and capitalism should receive all the profits. An example of that is shown to some extent in the report of the Royal Commission on Banking. There are many excellent features in that report, and many advantages are to be gained from putting into effect the recommendations contained in it. In their comprehensive report the commissioners suggest that all the costs and responsibilities of central banking, the control of credit, and so forth, should be assumed by the Commonwealth Government. There is to be a Commonwealth Bank—a bank of reserve—but private banks are to continue as under the existing system, possibly with a limitation of their profits. So that they picture a financial structure in which the Commonwealth takes the entire responsibility and risk for the whole of the financial pyramid, while private institutions are to continue to enjoy the profitable phases of the banking business. That objection could be overcome by so adjusting the banking system as to enable the Commonwealth Bank to enter into all phases of banking. Similar lines of reasoning were advanced by the Leader of the Opposition. He referred to the fact that there were fewer sheep in Queensland to-day than there were some years ago. He selected the year 1892 and compared it with the present year to prove his contention, but other years could have been chosen. Why did he select the year 1892? Because it was a year of peak production, and not a drought year. The losses in flocks in Queensland have been due to drought conditions and to the high cost of breeding ewes. The large financial institutions that are interested in sheep-raising properties take the view that they will not advance large sums of money for re-stocking purposes because the price of breeders is too

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high and that the grazier would be placing an intolerable burden on his shoulders by re-stocking at that price. They are making advances for the purchase of a limited number of breeders so that the grazier can stock up again for himself. What would be the use of advancing money that in the aggregate would place the grazier again in an intolerable financial position, with a heavy load of debt round his neck? That is the attitude of the financial institutions, and it is the attitude of the graziers themselves. Yet if the argument of the Leader of the Opposition means anything at all, it means that any losses incurred as a result of making advances should be made good by the State.

Mr. MAHER: Not at all. That is not my argument. I suggested that the parties should come together to solve the problem.

The PREMIER: If there is anything at all in the statement by the Leader of the Opposition it means that preliminary costs in industry—losses in industry—shall be met by the State, whereas profits shall go to individuals.

Mr. MAHER: That is not my argument at all.

The PREMIER: The hon. gentleman had better read his own speech. He does not know his own case. He also compared Queensland with other countries without giving figures relating to the carrying capacity of the respective lands. He compared this State with New Zealand, which has a regular rainfall and smaller pastures, and where the pastoralists make extensive use of fertilizers to increase the carrying capacity of their lands. He also compared this State with Great Britain, where in some areas they can carry a larger number of sheep to the acre. There is no basis of honesty in the comparison at all. We know the position in this industry as well as the Leader of the Opposition. He suggests that everything in the nature of pasture improvement, everything to increase carrying capacity, and everything in the nature of rehabilitation of the land shall be a charge on the State.

How are we going to get funds to do all these things? The Leader of the Opposition advocates at one stage that the State should undertake this work, which will involve fabulous sums of money, and then proceeds to argue that the revenue of the State should be reduced. The reason for the increased payments from the Unemployment Relief Fund is the fact that higher benefits are available to those who are unfortunate enough to have to seek relief work. The rate per day is the basic rate, which is considerably higher than the 10s. per day that was granted under the Moore Government. Single men, Mr. Speaker, are eligible for relief under this scheme, although they were not so eligible in its initial stages, and farmers and others have been brought into the scheme whereas they were denied anything at all under the Moore Government scheme.

GOVERNMENT MEMBERS: Hear, hear!

The PREMIER: That supplies the reason why costs have gone up. The basic wage rates of men employed by the Local Authorities Award were paid to all relief workers as from the 15th August, 1932, and the rate per day was further increased this year when the basic wage daily rate was increased. I will give the House some

figures in order that hon. members may realise just what that means. If we had continued to give relief at the scale of rates existing under the Moore Government we should have saved £643,000 during the last financial year and no less a sum than £2,372,015 since we have been in power. In other words, that figure annually and that figure for the period we have been in office represent the increases in benefits accorded to the unemployed.

GOVERNMENT MEMBERS: Hear, hear!

The PREMIER: Who will say it is wrong to do that? If the Opposition object to the Government's doing those things—and they have said they do—and if they say that the revenue that enables this to be done should disappear, and the Act should be repealed, it is reasonable to ask: What item of public expenditure is going to bridge the gap so made? It is purely a matter of policy.

The proposal of the Maher Party, so far as I have followed the leader, is that the unemployment relief tax be abolished altogether.

Mr. NIMMO: Who said so?

The PREMIER: The Leader of the Opposition, the hon. member for West Moreton.

Mr. NIMMO: No, he did not.

The PREMIER: If that inference is not to be drawn from the amendment that is before the House, then the English language means nothing at all.

GOVERNMENT MEMBERS: Hear, hear!

The PREMIER: That is what it means. We have a proposal that the unemployment relief tax should disappear. The unemployment relief tax is used by the Government in various directions. If hon. members read the Lieutenant-Governor's Speech carefully they will find that the amount spent last year in various forms of employment, including expenditure on relief work and guarantees for loans raised directly by local authorities, was £7,825,239. That is the total works expenditure during the last financial year by the Government or semi-government bodies. It is about half the amount spent in New South Wales.

Do not hon. members opposite see in that policy a reason why the figures have been brought down from 23 per cent. to 6 per cent.? It is obvious that the spending of that money provides employment directly at award rates and wages for large numbers of men, and direct employment increases indirect employment. If you have an additional 7,000 men at work their wages represent increased spending power. The butcher, the baker, and everyone else engaged in useful industry, gets the benefit of that increase in money in circulation. Furthermore, the velocity of circulation is also increased. Who can say how many tradesmen are financed by the same £1 note? There is therefore a direct relation between the 23 per cent. unemployed under the Moore regime and the 6 per cent. represented in the latest figures. It is due to increased development of the country, and moneys are made available for that development through Government channels. If you desire to abolish the unemployment relief tax but to continue the same programme of works, you have to raise £3,000,000 more loan funds.

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Where are they going to be found? They are not available. They are not available, Mr. Speaker! And I say quite definitely that if we were to adopt the policy so glibly set forth by the Leader of the Opposition the unemployment figures would gradually ascend again until we got back to the figure of the Moore Government.

This Government's policy has reduced unemployment. This Government's policy has given large numbers of men work at award rates of wages and conditions that would not otherwise be obtained. It is also this Government's policy that has enabled local authorities to go on with undertakings that they would not be able to finance otherwise. Obviously activities of local governing bodies are limited by their power to raise revenue. They cannot spend without relation to the amount of revenue they can obtain annually, and consequently sometimes a matter of £200,000 in the nature of a subsidy means all the difference as to whether £1,500,000 worth of work may be begun. And hon. members opposite have the audacity to say that they would like to see that money devoted to "useful work." What more useful work is there than water-supply work, sewerage work and roads? All those things which are required for the development of the country are being financed in this fashion.

Mr. GODFREY MORGAN: Not forgetting the Story Bridge and the Mackay Harbour.

The PREMIER: The Mackay Harbour is doing excellently and so is the Story Bridge. I only wish I did not have to find £18,000 from revenue this year for the ill-fated super-annuation scheme the hon. member imposed on this country—where £100 of liability was undertaken for £40 of assets. Truly the hon. member is a wonderful authority on finance—£40 of asset and £100 of liability. I venture to say that even Micawber in all his glory was not equal unto Morgan. (Government laughter.)

The following figures reveal the expenditure on the Government's employment undertakings, under the various headings:—

	£	£
Intermittent relief work	1,519,033	
Ration relief assistance	233,530	
Special distributions—		
Christmas cheer and winter relief ...	110,644	
Other charitable assistance	42,880	
		1,906,087
Expenditure on projects		
Providing employment—		
Subsidies to local authorities and other full time employment work	384,030	
Country lands development and forestry ...	118,272	
Prospecting assistance	44,347	
Grant Story Bridge	40,000	
Grant Industries Assistance Board	30,000	
		616,649
Advances cotton growers and other farmers ...		16,526
Interest on subsidies to local authorities, etc. ...		407,002
Administrative expenses ...		113,700
		<u>£3,059,964</u>

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That is the position as it exists. That money was expended on actual employment or conditions creating employment.

Who can argue that it is unfair or unjust to devote these moneys to reproductive work! The alternative is putting men to chipping grass and to other activities upon which the hon. gentleman poured such contempt. Every penny of the unemployment relief tax is used for unemployment relief and the creation of employment.

GOVERNMENT MEMBERS: Hear, hear!

The PREMIER: That is one of the reasons why there are fewer unemployed to-day than there were when the Moore Government were in power.

The hon. member for Aubigny, who had the experience of office for three years, has some knowledge of public finances. He contends that if this tax were wiped out there would be the same velocity of circulation and consequently the same employment, that within a reasonable time at least the same number of men would be employed by private enterprise. We will examine that contention, if that were so I should say it should be done, but does one imagine that the Government would wait for the Opposition to suggest that we do it? (Government laughter.) If hon. members opposite deny to us humanitarian instincts they at least will not deny to us the capacity to exercise political strategy.

The hon. member for Aubigny leaves altogether out of consideration the fact that this unemployment was in existence before the unemployment relief tax was imposed. That, in itself, is a complete answer to the ex-Premier who imposed this taxation. Private enterprise could not or would not find employment for these people.

Mr. MAHER: You know the reasons why!

The PREMIER: Of course I do. Definitely I know the reasons, and I gave them at the time the hon. member's Government were smashing wages and voting for the reduction of payments for the maintenance of order. Mr. Speaker, if private enterprise could take up that amount of unemployment then it would be a good thing to do, but unemployment existed in its worst form when the Moore Government held office. The hon. member cannot get away from his own actions. I say this without any degree of bitterness or unkindness. The Leader of the Opposition knows that kindness of heart is my greatest drawback. It is even often necessary for me to check that natural gentleness. (Government laughter.) At the time the Moore Government were in office we had record unemployment, record business depression, and record low wages.

Mr. EDWARDS: And low prices.

The PREMIER: Hon. members of the Opposition are beginning to make excuses. They all, with one accord, begin to make excuses, but those excuses will not avail them, and did not avail them when the policy of having no Arbitration Court was tried and found wanting. When the policy of low wages, and no control of conditions of labour was in operation under the Moore Government, the conditions of the people were ever so much worse. Everything they have advocated this afternoon was done by the Moore Government with the result that

we saw record unemployment, record bankruptcy, and record stagnation in the country.

Mr. MAHER: Things have changed since.

The PREMIER: Yes, they have. (Government laughter.) The Leader of the Opposition says that things have changed since.

Mr. BRAND: All over Australia.

The PREMIER: Yes. I thank the hon. member for reminding me of that. The hon. member is very encouraging indeed. His leader says that things have changed, and he says "All over Australia." The reason for that is this very policy I am defending to-day.

GOVERNMENT MEMBERS: Hear, hear!

The PREMIER: The policy of all Governments changed in 1932. All the Moore Government could think of was economy cuts, and there was general stagnation.

Mr. BRAND: What about the Labour Government, too?

The PREMIER: We infused, as it were, new blood into the social system. We saw that funds were made available for the purpose of carrying on necessary works in Queensland and giving our people employment. Since the schemes under criticism were framed conditions have improved materially throughout Australia. Unemployment has been reduced in the State from 25.3 per cent. to 6 per cent.

We have no intention of reducing the benefits payable to the unemployed. That is the only way by which the ideas sponsored this afternoon by the Opposition could be carried out.

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

The SECRETARY FOR PUBLIC LANDS (Hon. P. Pease, *Herbert*) [5.21 p.m.]: I move—

"That the Hon. the Premier be granted an extension of time to enable him to complete his speech."

Mr. SPEAKER: Is it the pleasure of the House that the Premier be granted an extension of time to enable him to complete his speech?

HONOURABLE MEMBERS: Hear, hear!

The PREMIER: The hon. member for Aubigny painted a picture that is very unattractive from many points of view. He advocated, in effect, that liabilities owed to the Crown by farmers should be wiped out. The Leader of the Opposition and many of his party have been preaching that doctrine throughout the State during the recess. I say very definitely that if we once start to spread the idea that people can borrow to the limit without having to meet their liabilities later on, we shall have an Australia other than the one we know at the present time.

Mr. NIMMO: I am glad to hear you admit that.

The PREMIER: Glad to know that I admit that! It is a self-evident fact that cannot have escaped even the hon. member for Oxley.

The Government were criticised for transferring certain sums from the Unemployment Relief Fund to consolidated revenue

for the payment of interest. During the financial debate last year New South Wales was held up as the model Government, but their income from unemployment relief taxation was £5,274,475, all of which is paid into consolidated revenue, and the benefit to the New South Wales Budget for that financial year was £3,328,246, which represents approximately three-fifths of the total revenue from unemployment relief taxation. In other words, three-fifths of the proceeds of unemployment relief taxation in New South Wales is used for revenue purposes, probably to subsidise loans for local authorities and for other activities such as we carry on in this State. Taxation of other kinds is also paid into consolidated revenue in New South Wales, such as proceeds from the State lottery and childhood endowment taxation. All that is paid into consolidated revenue there and the advantage to the Budget is over £3,000,000. I think that I have said enough under these various headings completely to dispose of the case—such as it was—submitted by the Leader of the Opposition to-day. We have not said that we desire to maintain any form of taxation that exists at the present time, but we can justify our method of expenditure in our works policy, and we have done so.

One would think, to hear the speeches made by hon. members opposite, that this country is the worst country in the world, whereas it is the best. In proof I wish to quote from their own official newspaper, the "Courier-Mail."

Mr. GODFREY MORGAN: Is it our official newspaper, or your official newspaper? (Laughter.)

The PREMIER: The hon. member can talk to them about that. I propose to quote from the leading article in the issue 2nd August. Surely no one is going to argue that the "Courier-Mail" is a Labour paper?

Mr. EDWARDS: The "Telegraph" is.

The PREMIER: What has the hon. member got against the "Telegraph"? It is the "Premier Newspaper" is it not? (Laughter.)

Mr. MAHER: Times have changed.

The PREMIER: Of course times have changed; they are changing every day for the better. The "Courier-Mail," in its leading article, says—

"By June, 1936, using the latest available data, the retrogression had been practically retrieved and there has been further improvement in the last twelve months. Recorded unemployment in Queensland has now dropped from 20 per cent. to 7 per cent. in round figures, which means the reabsorption into industry of many thousands of wage-earners.

"Particulars of this recuperation among the secondary industries of Queensland, as set out in the supplement, must be gratifying and encouraging to all concerned, for there has been substantial improvement at a progressive rate. Factory owners in four years put £3,500,000 additional capital into their enterprises. They built new factories and enlarged others; they installed the latest machinery; they improved their technique. By these means they provided 9,329 more situations for operatives and increased the yearly distribution of wages by £2.2 millions, also

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raising the average standard of pay. They processed in their establishments raw materials showing an increased value of £6.9 millions. The gross value of factory output—that is, the value of goods supplied to the population by the secondary industries of the State—rose by £10.8 millions, reaching the impressive total of £47.7 millions.

“To record the development so clearly demonstrated in this issue is a real pleasure. The facts and movements are inspiring to all who are interested in the present and future welfare of the State.”

Now take the president of the Brisbane Stock Exchange, which is a very good barometer of the rise and fall of industrial conditions.

Mr. GODFREY MORGAN: Is that the man who has just gone insolvent?

The PREMIER: It is not. I do not think that Mr. Hoge will thank the hon. member for Dalby for making that suggestion. It is one which should not have been made. It was unfortunate indeed. I am quoting from the remarks of Mr. Hoge, the president of the Brisbane Stock Exchange, made at the annual meeting of that body—

“The published accounts of banks and public companies have reflected the improved trade conditions, and new capital issued has met with favourable reception by investors.”

That is the unsolicited testimony of the president of the Brisbane Stock Exchange.

These two quotations are a complete refutation of the case put forward by hon. members opposite. I claim to have proved that the policy we are carrying out is in the interests of the people. The improved unemployment position in this State is the result of it. Furthermore, we do not intend to increase the difficulties of those in receipt of unemployment relief by adopting the proposals made by the Leader of the Opposition and his colleague the Deputy Leader. The financial policy of the Government will be revealed from time to time in the proper way, that is, in the Budget each year; and we do not propose at any time to accept the policy of a discredited party who brought ruin and desolation in their train when they had control of the Government benches in this State.

GOVERNMENT MEMBERS: Hear, hear!

Mr. GODFREY MORGAN (*Dalby*): I move the adjournment of the debate.

Question put and passed.

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

EMPIRE PARLIAMENTARY ASSOCIATION.

The PREMIER (Hon. W. Forgan Smith, *Mackay*) [5.32 p.m.]: Hon. members on both sides of the House are invited to attend a meeting to-night of the Queensland Branch of the Empire Parliamentary Association. Every hon. member is de facto a member of that association. The Hon. R. Semple, the Minister for Public Works and Transport, of New Zealand, will be the principal speaker, and after his speech general debate may follow. I hope that all hon. members who can attend will do so.

The House adjourned at 5.33 p.m.

[*Hon. W. Forgan Smith.*]