

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 16 NOVEMBER 1915

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LEGISLATIVE ASSEMBLY.

TUESDAY, 16 NOVEMBER, 1915.

The SPEAKER (Hon. W. McCormack, *Cairns*) took the chair at half-past 3 o'clock.

PAPERS.

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

Regulations under the Public Service Acts, 1896 to 1901.

Regulation under the State Forests and National Parks Act of 1906.

Timber and quarry regulation under the Land Act of 1910.

QUESTIONS.

BRAN AND POLLARD.

Mr. MORGAN (*Murilla*) asked the Secretary for Public Lands—

“1. Is he aware that there are 4,000 bags of bran on the Brisbane wharves?”

“2. Is he aware that there is a bran and pollard famine in Brisbane, the Downs, and other parts of the State?”

“3. Will he ascertain who are the holders of this bran?”

“4. Will he endeavour to relieve the distress of dairymen and others by making this bran available?”

The SECRETARY FOR PUBLIC LANDS (Hon. J. M. Hunter, *Maranoa*) replied—

“1. No; but I understand that on the 8th and 10th November, 180 tons of bran was received on consignment by Brabant and Co.

“2. I understand bran and pollard, in common with other fodders necessary at the present time, are extremely scarce.

“3. See No. 1.

“4. I am informed that 80 tons of the bran above referred to has been put into consumption, and that the remaining 100 tons will be disposed of within a week. The bran is being sold at the proclaimed price.”

REDUCTION OF TRADING HOURS.

Mr. BAYLEY (*Pittsworth*) asked the Premier—

“In view of the proposed referendum on the question of the abolition of the Legislative Council, will the Government utilise the opportunity of submitting to the people at the same time the question of reducing trading hours in the liquor business?”

The PREMIER (Hon. T. J. Ryan, *Barcoo*) replied—

“The matter will be considered.”

MANUFACTURE OF MUNITIONS.

Mr. SWAYNE (*Mirani*) asked the Secretary for Railways—

“1. Did the State Munitions Committee receive from an engineering firm in Brisbane a letter, dated 9th September, 1915, stating they had already made a

body for an 18-pound high-explosive shell, and that they were in a position, if provided with suitable steel, to supply 500 such bodies per week, or have any other offers to supply shells or parts of shells been received from other firms in this State?

"2. Was this offer repeated in a letter, dated 8th October, in more explicit terms—namely, at a price of £1 Os. 6d. per body, this being the price to be charged by the State workshops; also advising that sixteen of their mechanics were volunteering for the front, and pointing out that these men would have been better employed in making of shell bodies if difficulties had not been created ever since this firm had moved in the matter?

"3. If so, why was this offer peremptorily turned down in a letter from the State Munitions Committee, dated 25th October, 1915?

"4. Also, did the State Munitions Committee state in a letter, dated 27th September, 1915, to the firm in question, the Town and Country Amalgamated Motors, Limited, that nothing definite would be done until it had been demonstrated what could be done in the State workshops?

"5. Is he aware that of the two working drawings of shell bodies submitted to this firm by the Munitions Committee, Professor Gibson stated that in the last there were two inaccuracies, but that these inaccuracies were not divulged so as to enable them to be rectified in the work?

"6. When will the new workshops being erected by the State for the manufacture of shell bodies be completed ready for such work?

"7. Is he aware that up to August last, Canadian firms had executed, or were executing, contracts for a supply of munitions totalling £46,000,000 worth, and that, in Great Britain, the largest proportion of war munitions are supplied by private firms?

"8. Does he consider the mechanics employed in the private workshops of this State less capable than those similarly employed in Canada?

"9. Does he not think that, in the Empire's present urgent need, it is absolutely necessary to take the fullest advantage of every opportunity for augmenting the supply of high-explosive shells, as well as other munitions of war?"

The SECRETARY FOR RAILWAYS (Hon. J. Adamson, *Rockhampton*) replied—

"1. Yes; the advisory committee received such a letter, but it was not passed on to the executive committee.

"2. Can find no trace of such a letter.

"3. No trace of this letter.

"4. Yes; as it was decided that the Government should become the sole tenderer for the making of shell bodies.

"5. No.

"6. In about a week's time.

"7. No. Such information has not been officially furnished.

"8. Certainly not.

"9. Yes; and Queensland is as far advanced as any other State in the Commonwealth in connection with the making of munitions."

EMPLOYMENT OF JAPANESE.

Mr. MCPHAIL (*Windsor*) asked the Chief Secretary—

"1. Has his attention been called to an account of a banquet held at Mackay to celebrate the coronation of the Japanese Emperor, at which a Mr. Eldridge Smith made certain statements with reference to the employment of Japanese?

"2. Has this person been given official knowledge of such matters which would enable him to make such statements?

"3. If not, will the Government endeavour to restrain irresponsible persons from making statements which are likely to cause racial trouble?"

The PREMIER replied—

"1. Yes.

"2. I do not think so.

"3. I shall bring the matter under the notice of the Commonwealth Government."

TOOWONG PARK BILL—BUILDING SOCIETIES ACT AMENDMENT BILL—BRANDS BILL—SUCCESSION AND PROBATE DUTIES ACTS AMENDMENT BILL—TRUSTEES AND EXECUTORS ACT AMENDMENT BILL.

ASSENT.

The SPEAKER announced the receipt of messages from His Excellency the Deputy Governor, assenting, in the name of His Majesty, to the above Bills.

MINING ACT AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. H. F. Hardacre, *Clermont*): I beg to move that this Bill be now read a second time. It is a very small measure which should not occupy very much time, as it can hardly be deemed to be a contentious measure. It does nothing more than amend the Mining Act in relation to the forfeiture of mineral leases under certain conditions, particularly in the way of removing certain technical difficulties which are an encumbrance, which cause delay, and which are unnecessary and serve no substantial purpose. In fact, they not only serve no substantial purpose, but sometimes they defeat the interests of the legitimate miner. The proposed amendments are included in clauses 2 and 3. One deals with gold-mining leases, and the second deals with the forfeiture of mineral leases other than gold. The existing law provides that a lease cannot be forfeited, although the conditions are not being fulfilled, until there has been a fine up to £100 for the first offence, and

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then once more a fine up to £100 for the second offence, and only in case of failure to pay that fine, or subsequently for a third offence, can the lease be declared forfeited. It is proposed to give the Minister power to either impose a penalty up to £100, or forfeit for the first or subsequent failure to fulfil the conditions. I do not think there is likely to be any danger in regard to the security of tenure under this measure, because undoubtedly the Minister will exercise careful discretion in a responsible manner. I am quite certain that no Minister will ever recklessly or carelessly forfeit any lease unless there is a substantial reason for doing so. The Minister will be exercising his jurisdiction in a responsible way, and besides having the interests of mining at heart, which, no doubt, in itself will be a considerable safeguard, he will be subject to criticism in Parliament for any unfair or undeserved forfeiture of any mineral lease. I think it will prevent any unfair or unreasonable forfeiture of any mining license unless for good and substantial reasons. The third clause of the Bill merely proposes to render more easy the resumption, or recovery, by the Crown of mining leases which are subject to forfeiture. At present, although a mining lease may be forfeited, it cannot be taken over by the Crown except by the circuitous and cumbrous process of sending the warden on to the ground and posting a notice, and it is proposed to obviate that and to provide that by issuing a certificate the recovery of a mining lease which has already been forfeited shall be secured by the Crown. I do not think that under this power there will be unreasonable forfeiture of any mining lease. I think we can be assured that any mining Minister responsible for the administration of this provision will take every care in regard to any forfeiture. This amendment will obviate unnecessary delay, which has often actually defeated the interests of the people concerned, because it has prevented forfeiture. In some cases where there has been a first offence, and a penalty has been imposed and paid, no further penalty is imposed, but there is a continuation of the hanging up of the mine that prevents the Minister forfeiting it when in the interests of the men it ought to be forfeited. I do not think there is anything further that I can say. I move that the Bill be read a second time.

HON. J. TOLMIE: I desire to say a word or two on the Bill before it goes through. Although I do not know very much about practical mining matters, nevertheless the principles that are here contained are not confined to mining matters. Under the law as it now stands with regard to forfeiture, if a man has taken up a lease, and has probably spent a certain amount of money on it, he gets a chance to fulfil the conditions before the lease is taken away from him, but the hon. gentleman is going to deprive him of that chance. He says that no Minister is likely to inflict an injury upon anyone, as the fear of Parliament will be a sufficient deterrent. But we have seen in this House that when a servile majority obtains, the Government can take away everything that a man has. All the work of his lifetime may be swept away simply because the majority is sufficiently subservient. There is legislation to that effect dealing with all the industries that are established, and are likely to be established, in Queens-

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land. They can be confiscated at the option of the Minister who has a sufficiently subservient following behind him to do it. We are passing legislation through the Chamber now for that purpose. The Minister must be very unsophisticated if he comes down and asks us to trust to a Minister or a member of the Cabinet or the party who is capable of doing these things, and saying "This man's interest is safe in our hands; you may rest assured that we are not going to do anything to hurt him," when we see that every day they are engaged in doing things which hurt people engaged in industrial enterprises. The law at the present time says that the man who is not carrying out the mining conditions will be fined up to £100 for a first offence, and fined for a second offence, and then, "if you persist in that line of conduct, we will take away your lease altogether." Is not that a reasonable thing? Is not that the way things are being done, and have been done, not only in this State but in the other States? We give a man an opportunity. Even the law gives an opportunity if a misdemeanour is committed. When a man does wrong for the first time, the law says, "We will treat you as a first offender; we are not going to punish you with the extreme punishment of the law, we will give you a chance. But whatever the position may be in regard to mining enterprises, if the work has not been carried out to the satisfaction of the Minister, he may take away the lease without any further consideration.

THE SECRETARY FOR PUBLIC INSTRUCTION: What Minister could sustain the confidence of the House if he did a thing like that?

HON. J. TOLMIE: Until the people of Queensland have an opportunity of saying something regarding the matter, any Minister can do it. The Ministers are doing it now, and they persist in doing it until people have an opportunity of passing judgment upon them. It is no use this House passing judgment on the Minister so long as he continues to have his servile following behind him. Whilst he has that following he can wreak his sweet will—whether for vengeance or any other purpose—upon the industrial community of Queensland, and it is idle for the hon. gentleman to come forward with a paltry excuse of that kind. I say the thing is being done. If the House was properly constituted, I would look at it from quite a different standpoint. We can punish the offender by fining him, and if he persists in that line of conduct forfeiture may follow, but a man may be so circumstanced that he cannot avoid committing an offence against the regulations. He may not be in a position on account of lack of capital to do the things that are required, and he ought to have an opportunity to turn round. If we are going to punish him, we should give him one chance. The law now gives him two chances. It is a fair thing to give him one chance, to say, "We will punish you with a fine, and if you do not carry out your conditions we will confiscate all you have put into this enterprise"; but to allow the Minister to do a thing of this sort, without giving a man one show at least, will open the way to the abuse of power. The hon. gentleman has not shown us any particular reason why the measure should be introduced, and in the clause dealing with the principle of obtaining possession of a mining lease there are conditions laid down which give the

man, at any rate, a sporting chance to show that he is doing the work. All the world over, ever since we have been Britons, the principle has been to give a man a sporting chance. We give the bird a sporting chance. Any man who did not give a bird a chance would earn the contempt of every true sportsman, and so it is with individuals; we all expect that an individual should get a chance. But under this Bill, before a man knows anything about it, the whole of his interest is confiscated. He cannot turn round and ask why it has been done. The warden has issued the certificate and has given no notice. We are now so amending the law that it is not necessary to give notice. It rests entirely in the hands of the wardens, who may be influenced by the Minister in charge of the department in any particular case, and the certificate may be issued and all a man's interest be lost. That is not in accordance with what we regard as British justice or fairplay. (Laughter.) I heard an hon. member over there laugh, but he is not a Briton. I do not know that there is any pressing need for the introduction of this Bill; at any rate, the Minister has not indicated that there is; but small and flimsy as it is, it is a measure like most of those which have been introduced with the intention of depriving the man who is spending his capital and putting his labour into enterprises of some safeguard as long as he is carrying out the law.

Mr. WINSTANLEY (*Queenton*): Before the Bill goes through I want to say one or two words upon it. I listened with attention to the introductory speech of the Minister, and also the speech of the leader of the Opposition. The hon. gentleman admitted that he did not know very much of practical mining, which shows that he does not know what he is talking about at the present time.

Hon. J. TOULME: Oh, yes. I advocated principles of justice.

Mr. WINSTANLEY: For the simple reason that he followed his usual course, and put up a lot of "Aunt Sallies" simply for the fun of knocking them down. It is well known in mining communities that there ought to be some change in the legislation which has been passed by preceding Governments so far as forfeiture is concerned. If there is one thing more than another which has taken place, it has been the delay in allowing the forfeiture of ground that men were not working themselves and which they would not allow anyone else to work.

GOVERNMENT MEMBERS: Hear, hear!

Mr. WINSTANLEY: Leases on which money has been expended and on which men have been doing work will not be interfered with. What the hon. member says is simply nonsense, and proves conclusively that he is unacquainted with the subject he is dealing with. It is quite a common practice on mining fields, where a man takes up a lease and gets anything encouraging in that lease, for half a dozen leases to be taken up on adjoining ground, and it is just as common a practice when these leases are given to grant six months' exemption, and quite frequently they get another six months' exemption—that is, twelve months' exemption—without spending a penny piece. Is it reasonable British justice—and it is a common thing—after that has taken place, by various methods to hold those leases for practically another six months and another

twelve months, and then forfeit them, and then one of their friends gets in first and takes them up again? The only reason they can assign, in quite a number of instances, in applying for exemptions is that they are awaiting developments in an adjoining place, which is neither a fair or a reasonable thing for anybody. The consequence is that it has been an impossibility for forfeitures to take place at all. Month after month and year after year ground has been kept out of use by people who were not working it, nor would they allow anyone else to work it, and the consequence is that, instead of mining being fostered, the very reverse has been done by people holding opinions which the leader of the Opposition advanced. Some change should be made whereby people who are not playing the game, who are not acting like Britishers and who are adopting a "dog-in-the-manger policy" should be made to work their ground or else give someone else an opportunity of doing so. I have known cases in times gone by where ground was liable to forfeiture and where the Minister himself could not forfeit it. It had to go before the Cabinet before it could be forfeited, and when that had taken place after it had been held for the extreme limit and was in the hands of the Cabinet, when something else cropped up on the adjoining ground which made it worth while they simply declined to forfeit it, and handed it back to the same people who had no real or tangible scheme in view, and deprived other people of what he called a "sporting chance." I do not think a sporting chance should be confined to one portion of the community to the detriment of the other portion. In nine cases out of ten, the legitimate prospecting miner is doing the work. That is the trouble, and for that reason I think the change which is proposed in the Bill is necessary; and while it is an important change, it will be admitted that nobody doing legitimate work on the lease would suffer—that is not what we intend—it is to provide that the people who are doing nothing on them, and who do not intend to do anything until somebody has proved the adjoining ground that gives them something to go on, shall not be able to hold these leases over too long a time to the detriment of the rest of the community. For that reason, I think the proposed amendment is both fair and reasonable, and does not infringe either British fairplay or British justice in any shape or form.

Mr. FORSYTH (*Murrumba*): I do not think that anybody would have the slightest objection to doing what the hon. member who has just sat down has spoken about. If a man takes land for purely speculative purposes, without having the slightest idea of spending any money upon it, I think that it should be taken from him, so long as somebody else wants it. But there is a great deal more in this Bill than that. The Act

at the present time states that a [4 p.m.] man must have committed two offences before his lease can be forfeited, and I certainly agree that anybody who has a lease, as stated by the hon. member, should be told at the end of six months that if he does not work his lease it will be forfeited. If a man has to sink a shaft, he must have a certain time to get things going. If there is no effort to work the land after six months, he should then get notice that unless he is prepared to start, his land will be forfeited. The

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hon. member knows well enough that it is difficult to raise money at the present time, more particularly in connection with mining leases, and especially in connection with goldmining leases. It is a fair deal that a man who is being kept back from mining because somebody else has land and will not use it should be able to apply to the Minister and take up a lease if he is prepared to spend money on it. But this Bill goes a bit too far. Instead of giving a man two notices that unless he does work the land it will be forfeited, it is proposed that he should get no notice at all, and that the Minister be given power to forfeit it straight away. I should say that it would be a fair thing to give him only one notice, and if, after six months' notice, he is prepared to show some reason why he should get further exemption for another six months, he should get consideration, but unless he is prepared to show that he intends to work the land, it will be forfeited, and somebody else, who is prepared to spend money, should get it. A great deal of mining land is held just now, but I know that some of it would not be taken up by anybody, and it is a great deal better that the Government should receive the revenue than lose it altogether. So long as anybody else is applying for the land, the Government would be entitled to forfeit it, but unless somebody else does want the land, I think that they are entitled to take the money for the lease. Under this Bill, where the Minister has discretion to forfeit the land straight away without notice, there would be no chance of a man getting a show, and I think that they should have at least one notice. The most important part of this Bill is that which repeals section 45 of the principal Act, and inserts a new clause. It says—

“In case any mining lease granted under the authority of this Act or the regulations, or of any Act authorising the granting of leases for mining purposes, is or is liable to be forfeited.”

The present Act says “shall be or be liable.” The next part is something which I do not think even the Minister will agree with, and it is this—

“or determined by any breach of condition or otherwise, or in case the term thereby granted has expired, possession of the land demised shall and may be taken on behalf of His Majesty immediately and without suit or process of any kind by posting a notice in the prescribed form outside the warden's or mining registrar's office.”

That is to say, a man's lease may be almost expired, and the Government have power to take it if they want it. That would be a most unfair thing. A man might have spent thousands of pounds on a lease, going on for years, and perhaps a year or two or six months before the termination of his lease of twenty-one years, he might have got gold, and the Government, according to this particular clause, might come in and say: “We have power under the Act to take your lease.” Under the present Act, that man would have power to renew his lease for another twenty-one years, but this clause, as it reads, does not give that power at all. I am not now dealing with leases held for speculative purposes at all, on which people have not spent money. I am speaking of men who have spent thousands of pounds in

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sinking shafts and cross-driving and on machinery. I do not know whether this is a slip in the drafting of the clause, and I do not think that the Minister, or anybody else who understands about mining, would dream of doing that sort of thing. The Minister, under the other clause, would have power to forfeit a block without giving even any notice in cases where land is not being worked, but this clause applies to any lease at all, simply because the lease is expiring. I think that is a most unfair thing, and I think that that provision should be eliminated.

THE SECRETARY FOR PUBLIC INSTRUCTION: That is in the existing Act.

Mr. FORSYTH: That is not taken from the old Act. Section 33 of the old Act states—

“The term shall not exceed twenty-one years, and shall be renewable for a further term of twenty-one years, on such conditions as the Minister deems equitable.”

I feel sure that the Minister does not believe that any man should have his lease forfeited when he has fulfilled all the conditions—employing one man to every 4 acres—and so on, and has spent money on machinery, just when he is coming to the end of his lease. If the hon. member will read the speech of the hon. member who introduced this Bill in another place, he will find that this point was raised, and he said that it was not the intention to do that. Then why have it in the Bill, because it is bound to lead to trouble and insecurity?

Mr. T. L. JONES: You misunderstood what the Minister said.

Mr. FORSYTH: I read the Minister's speech, but it is not so much a question of what the Minister says. I have not the slightest doubt that he is quite sympathetic, but I want to take what the Bill says, and it says most emphatically—

“or in case the term thereby granted has expired, possession of the land demised shall and may be taken on behalf of His Majesty immediately and without suit or process of any kind by posting a notice in the prescribed form outside the warden's or mining registrar's office.”

I think that when we are in Committee we might amend that provision, and by so doing we will certainly make it very much better, because the Minister would have ample powers under the prior clauses of the Bill to do exactly what he wants—that is, in the event of anybody holding leases or a considerable area of land and doing nothing whatever on it, and having no intention of doing anything. Under those circumstances, he has ample power to come in at once and take the land or fine the man £100. I do not think that anybody on this side, or on any other side, would dream of saying that anybody who had land and did not improve it, and had no intention of improving it—

Mr. FOLEY: There are any amount of them in Queensland.

Mr. FORSYTH: I am not so sure about that, because my impression is that, if land is good enough for anybody else to spend money on, it is good enough for the man who holds it to spend money on it; and when such a clause is put into operation, I am afraid it will be found that it will do a considerable

amount of damage. I trust that the Minister will see his way to amend that clause. I know of leases myself in some of the mineral fields which have been held for a good many years, but which nobody else has applied for, and I do not think that anybody would apply for them if they were thrown open to-morrow, so that in that case the Government might lose a good deal of revenue. But if the Government gets notice from anybody that so-and-so has a lease and he is not spending money on it, and the applicant would like to take it up, then the men who would like to take it up should be entitled to get it.

Mr. O'SULLIVAN: That is what we are after.

Mr. FORSYTH: I know that is the intention, but I would advise the Minister to be very careful how he deals with the matter, because he may take something that nobody else wants. He should make all reasonable inquiries before he causes forfeiture, because some new company might take up a lease, and in six months' time might not be able to go on for want of capital or some other reason. If the present holders are not prepared to spend money to develop the land, and some other people will do so, then those who spend the money should certainly get the lease. I hope that the Minister will leave no doubt as to the meaning of the Act, and in that respect he might accept amendments in Committee.

Mr. APPEL (*Albert*): I desire to say a word or two on this Bill, and I propose to speak from the standpoint of my six odd years' experience as the administrative head of the Mines Department. From that experience I have no hesitation in saying that sufficient power is not vested in the Minister in connection with certain leases wherein the conditions of those leases are not being fulfilled. Under the present law the method to be adopted in case of breaches is far too cumbersome. (Hear, hear!) The period that lapses is far too lengthy, as it enables lessees who have evaded the conditions to colourably fulfil those conditions without practically carrying them into effect. On different occasions, if I could have forfeited leases I would have done so, yet, owing to the conditions of the law and the colourable way in which those conditions might be carried out by lessees who evaded their obligations, companies who were prepared to spend money to carry out those conditions were not able to get a show in. I remember one case in which the local people believed the show to be a good one, but whether it was so or not I do not know. The company which held the leases failed to carry out their obligations, and an attempt was made to forfeit the lease. As those interested in mining know, it sometimes takes the expenditure of a lot of money to get evidence, but at last the evidence was obtained. What was the effect? I, as Minister, inflicted a fine, but I had no power to forfeit. By a colourable carrying out of the conditions, that lease is still in the possession of the lessees, and they are not carrying out that development which the miners residing there locally think should be justified. Under those conditions I must confess that I welcome this measure, because it is an amendment of the law which will have a very good effect. (Hear, hear!) There is a condition of the lease making a provision that on the lessee failing

to carry out his obligation, then power will be vested in the Minister to take the action which is provided in this measure. We have got to realise that the Minister invariably follows the advice given to him by the permanent officers of his department. I do not know any case in connection with the Mines Department where any harshness has been shown by the department itself to those who possess leases and who are striving to carry out the conditions. We all know that in certain parts of Queensland conditions may arise which render it impossible in certain seasons to carry out all the conditions and obligations, but I do not think that any lessee can ever say that the officers of the Mines Department went out of their way to deal harshly with him. In many cases the officers of the department have reported to the Minister—I am speaking now of myself when I was Minister—their opinion of the action which should be taken, but owing to the existing provisions in the law that action will not be taken. From their expert knowledge and from the reports of the district inspectors, they knew that the conditions were not being fulfilled, yet the department was helpless and unable to do anything. Knowing from experience that nothing in the way of harshness is likely to take place, I think that this power should be vested in the Minister. It is a very excellent amendment. There is the last proviso of the amendment which the hon. member for Murrumba referred to as being too drastic. The hon. member pointed out that a mine might be worked for a number of years, and finally, just as the company were striking gold or some other mineral, the department might step in, and having this power of forfeiture, they might exercise it. Unless the Minister went outside the opinion of the officers of the Mines Department, I do not think such a thing would be possible. If he did, he would be going in direct contradiction to the reports of his officers. Of course, public opinion, after all, is the final court of appeal, and I do not think that any Minister for Mines would so act contrary to the opinion of his officers. We have got to realise that officers of our public departments are men who are not likely to do all that the Minister wants if it is opposed to their views of what is just and right. That is my experience, at any rate. I know they are prepared to stand for what they think is just and right in any reports which they may make to the administrative head of the department. At the same time, perhaps it might be well if the last amendment received some slight amendment, so that those lessees who are carrying out their obligations might get some reward for their expenditure of large sums of money whilst carrying out their work in a bonâ fide manner.

THE SECRETARY FOR PUBLIC INSTRUCTION: This Bill does not make the slightest alteration in regard to that.

Mr. APPEL: I am referring to the remarks made by the hon. member for Murrumba, as I have not gone into the matter in detail myself. It is a Committee Bill, and there is really no policy involved. It is simply a matter of administration, and it gives the Minister power which he does not possess to-day. If in Committee it should be found necessary to give some assurance that those who fulfil their obligations should receive their reward for so

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carrying out those obligations, then I have no doubt that the Minister will be agreeable to accept an amendment to that effect.

Mr. WALKER (*Cooroora*): While I recognise that an amendment like this might be advantageous to mining, I recognise that, so far as mining in Gympie is concerned, no amendment of the Mining Act will help it. We are giving the Minister greater powers now than were ever given to a Minister before. We have heard a great deal about dummying land this afternoon, but so far as Gympie is concerned, it has been particularly free from it.

Mr. MAY: We cannot say the same of other places.

Mr. WALKER: Then it was a matter for members of Parliament to draw the attention of the warden of the district to see that the provisions of the Act were carried out. So far as the proposal to forfeit leases was concerned, I think the common-sense way is to leave it to the opinion of the warden. Very often the Act is not strictly carried out for a variety of reasons, and exemptions are required for reasons such as an influx of water, absence of capital, and the formation of a company. All these things cannot be attended to at once, and under this Bill the Minister will have power to forfeit any lease without further inquiry. I would like to know from the Minister if the same procedure will take place as at present. Is he going to get the opinion of the warden or will he go by the reports of the inspectors only?

The SECRETARY FOR PUBLIC INSTRUCTION: The same process of inquiry will be adopted as at present.

Mr. WALKER: I am very glad to hear that. That makes the position much better. We know that some of the inspectors are interested in mines. They are speculators themselves, and it is best to leave it to the warden to make inquiries.

Mr. WINSTANLEY: Is that on Gympie?

Mr. WALKER: That is in Queensland. Under the present law we can impose a fine on two occasions, and then forfeit. As far as Gympie is concerned, that was drastic enough, and I do not think any hon. member can cite any case which has not been dealt with by the Minister in the way that it deserves. As far as the amendment is concerned, I would like to see a compromise. It would

be a fair thing to give one [4.30 p.m.] warning. Fine up to £200 if you like, but make it one warning so as to stop any corruption on the other side. We know there are speculators inside a mine and speculators outside who want to get in, and the chances are you may create a greater crime by allowing leases to be forfeited in the way proposed. I hope the Minister will think twice over this amendment, because it is one of great importance. I have been wondering whether it has been brought in on account of tributaries. We know there has been a cry at the present time that men cannot get tributaries. I can say that if any men come forward with straight-out offers, the mineowners are prepared to meet them in the spirit in which they should be met—that is, give them every facility to work the mine. On no account should the whole area be forfeited and the large amount of money invested in machinery thrown aside. We know the Act has been

[*Mr. Appel.*

evaded in that direction. They have exempted in some cases the whole of the area excluding an acre or two on which the machinery is placed. There are two sides to that question, and it is only the absence of gold that makes people go to these extreme steps in evading the Act. I hope the Minister will accept an amendment to give the owners an opportunity of working the mine before final forfeiture takes place.

The SECRETARY FOR PUBLIC INSTRUCTION (in reply): I have been impressed by the criticisms which have fallen from hon. members, but I must confess that I think the Bill is to some extent misunderstood, and that the fears expressed are ungrounded. If any Minister desired to administer the Mines Department in a harsh way, he could harass almost every mining lease in Queensland at the present time. Everyone will admit that the Mines Department is a long-suffering department, and never has recourse to extreme measures unless it be an extreme case. Everyone knows that on both sides of the House there are members who are keenly interested in the mining industry, and they would not submit to any unreasonable action on the part of the Minister, no matter who he may be, or under what Government. The difficulty is to define what is a second offence. The first offence may be a long and continued offence and it may be very difficult to prove it. As the hon. member for Albert has said, the offence may be proved up to the hilt, and then all the Minister can do is to impose a penalty of £100, and the lessee can go on again in the same way; the same kind of delay takes place, and in that way hampers the action of the Minister and interferes with legitimate mining. It is not proposed to do anything of a drastic nature, and I feel sure that any Minister will only take action in extraordinary circumstances, and after having submitted to him reports from the warden and inspectors.

Mr. MURPHY: According to you, things will remain as they are.

The SECRETARY FOR PUBLIC INSTRUCTION: No, they will not remain as they are. Where it is distinctly proved that the lessee has not fulfilled the conditions and does not intend to fulfil the conditions, then without having to inflict a penalty of £100 in the first instance, and another penalty of £100 in the second instance, and then later on forfeit, the Minister will be able to take action immediately. Then, with regard to the amendment in connection with the recovery of possession of mining leases, after forfeiture, the amendment is almost identical with the existing Act. Clause 45 of the Act reads—

“Or in the case the term thereby granted has expired.”

That is identical with the terms of the amendment. The substantial difference between the amendment and the existing Act is the insertion of a proviso that recovery of the mining lease may take place without the necessity of having to send somebody on to the mining lease to post a notice. When hon. members realise that in some parts of Queensland there are mineral leases hundreds of miles away from the warden's office, they can see that it is altogether unnecessary to compel him either to go or send someone on to the mineral lease to post up a notice before possession can be taken. I do not think

there is any substantial reason to believe that any drastic action will be taken under the Bill, and, therefore, I think it can fairly be allowed to pass.

Question—That the Bill be now read a second time—put and passed.

The consideration of the Bill in Committee was made an Order of the Day for tomorrow.

PUBLIC WORKS BILL.

COMMITTEE.

(*Mr. Coyne, Warrego, in the chair.*)

Clause 1—"Short title"—put and passed.

On clause 2—"Interpretation"—

HON. J. TOLMIE said the interpretation of "member" was limited to a member of the Legislative Assembly. He moved the insertion, after the word "Assembly," on line 5, of the words "and Legislative Council." He did not know why the Bill had been drafted in its present form, although he was certainly aware that the Government had threatened to abolish the Council; but they could only deal with legislation as conditions existed to-day. The preamble of the Bill invoked the aid of the Legislative Council and the Legislative Assembly in passing the legislation. That was quite in keeping with the Constitution of Queensland, as a Bill of that kind could not become law until it had the sanction of the Legislative Council and the Legislative Assembly.

THE SECRETARY FOR RAILWAYS: Are we to go on the lines of the Medes and Persians?

HON. J. TOLMIE: He hoped the Constitution would remain on the lines of the laws of the Medes and Persians, and that for all time there would be two Chambers. All committees arranged by the Assembly dealing with legislation affecting the interests of the people of the State were usually joint ones, and the Legislative Council had an opportunity of appointing members on the committees. Why that rule was departed from now hon. members on the other side could best explain. There had been no explanation made by the hon. gentleman who introduced the Bill, as the hon. gentleman confined himself to reasons why he thought the Bill should be introduced. The measure dealt with matters in which the Legislative Council was as vitally interested as the Assembly, and why should there be any differentiation such as provided in the Bill? It had been the invariable practice of members of the Upper House to investigate railways when the proposals were laid on the table, and they had been in the habit of appointing a committee of inquiry of their own before a railway was passed through that Chamber. They sought information for the purpose of ascertaining whether it was desirable that the railway should be passed; and when the Assembly were appointing a committee to deal with that business they should provide representation from the Council on that committee. In a matter of great moment, such as that, the Council should be represented. They found also that emoluments were to be paid to members of the committee. Up till the present time, the Legislative Council had been doing the work without payment at all, and there should be no differentiation between members of the Legislative Council and members of the Assembly in that direction. Looking at it

from the point of view of the work which had been done on the New South Wales committee, it had been a very good position for those who were on that committee, and one eagerly sought after, and there was no reason why the same condition should not obtain here.

THE SECRETARY FOR RAILWAYS: That has nothing to do with this clause.

HON. J. TOLMIE: It had. He wanted the members of the Legislative Council to participate in the good things that were going to fall to the members of the Legislative Assembly, because they had to do work of a similar class, and their time was taken up just as the time of members of the Assembly was taken up. The business of the Chamber had been done by twenty-three members of the caucus. (Government dissent.) He took it that the Speaker was not a member of the caucus, as he was an officer appointed by both sides of the House, but the Chairman of Committees was appointed by the party. The voice of twenty-three members of the Labour caucus determined what the legislation was to be under the conditions which were now existing. The Minister in charge of the Bill had brought this matter up himself, but he was not going to waste his time in discussing it now. There should be joint representation on the committee. So long as they had the Constitution which they had at present, the spirit of that Constitution should be carried out. He had no right at the present stage to know what the intentions of the Government were with regard to the Constitution; they might be going to emasculate it and knock it about in every possible way that they could; but until they did so, the Constitution remained the same as it had been since the State was granted responsible government, and they had to honour the Constitution in every possible way. He proposed to honour it now, and he moved the insertion, after the word "Assembly," on page 2, line 5, of the words "and Legislative Council."

THE SECRETARY FOR RAILWAYS: He had no intention of accepting the amendment. It would have been more courteous if the hon. gentleman had had the amendments he wished to make printed, so that they could have been circulated amongst members. Of course, an amendment of this kind was not hard to follow; but to think that, after having given careful consideration to the matter which the hon. gentleman had introduced into his speech—the matter of the Constitution and the Legislative Council—they were going to back down on a matter of this kind, was altogether unwise on the part of members of the Opposition. They had thought this matter over carefully, and were going to stand by their decision, unless they found amendments were moved that were likely to improve the Bill. This amendment would not be an improvement. To say that they were always to go along on the same lines, and act as if things had to remain the same through all time, was to forget how the British Constitution had grown and been altered from time to time.

HON. J. TOLMIE: He wished to say two or three words with regard to the hon. gentleman's talk about courtesy. Hon. members on the other side had shown very scant courtesy to members on this side. They had passed legislation at 1 o'clock in the morning

Hon. J. Tolmie;

last week, and then gone on to the Committee stage in the same afternoon. Personally, his engagements were such that he had not the opportunity to give the amount of attention to many amendments that had to be given by this side. The hon. gentleman need not talk about courtesy, so far as he and his Ministry were concerned.

Mr. SWAYNE thought the title of the Bill would be a misnomer if the amendment was not adopted. The Bill was entitled "A Bill to provide for the establishment of a Parliamentary Standing Committee on Public Works," &c. How could it be a parliamentary committee if it only represented one House of Parliament?

The SECRETARY FOR AGRICULTURE: Don't you know that we are going to abolish the other one?

Mr. SWAYNE: There was an old saying that "You should not count your chickens before they are hatched." The other House was in existence under the Constitution, and it was a power to be dealt with. A more appropriate name for the Bill, in view of the refusal of the Minister to accept the amendment, would be "A Bill for the establishment of a Parliamentary Standing Committee on Public Works representing the Legislative Assembly."

The SECRETARY FOR RAILWAYS: What's in a name?

Mr. SWAYNE: Without the adoption of the amendment this Chamber would be the only Chamber provided for in the Bill, and therefore not representative of the Queensland Parliament. What he was most concerned about was that it was very doubtful whether the Bill would achieve the purposes set forth by the Minister, and do away as far as possible with parliamentary influence, party bias, log-rolling, and so on.

The SECRETARY FOR RAILWAYS: So it will.

Mr. SWAYNE: The Minister was carefully excluding that body in Parliament which was peculiarly free from party bias. Members of the Legislative Council did not owe their return to the popular vote, and they were in a more independent position as regarded party feeling than members of the Assembly. He noticed that, in New South Wales, where a similar Act was passed by the confrères of hon. members opposite, it included three members of the nominee Upper House, and, so far as he could judge in reading the report of the deliberations of that committee, it had had a most beneficial effect. It had not been shown that the inclusion of members of the Council would be detrimental to the committee in any way. It seemed to him that it would be helpful. It would be a great improvement to the Bill if the Minister would accept the amendment, and he hoped he would reconsider his decision. If the matter came to a division he should certainly vote for the amendment.

Mr. VOWLES desired to support the amendment of the leader of the Opposition. The Constitution of Queensland comprised two Houses of Parliament. He believed there was legislation foreshadowed to do away with one portion of the Legislature. He did not know whether such legislation was constitutional or otherwise, but they would not be able to discuss the matter at this juncture. As one who was opposed to such legislation, he would be wanting in his duty if he did not protest now, because this was an occasion on which the principle had

been sought to be introduced into the Chamber. They were asked to ignore the other body, which they termed "another place." All other Governments, whether Federal or State, in Bills of this sort, sought the advice and experience of both branches of the Legislature, and that was the case in New South Wales in particular. They had to recognise that the Legislative Council was a body of men who were there without election pledges. They were not subject to the turn of the political tide. They were very different from hon. members sitting on the opposite benches; they had to be judged by their actions in the past, by their character—

The CHAIRMAN: Order! The hon. member cannot discuss that question now. He may give reasons for members of the Legislative Council not being included in the Bill. The hon. member's arguments are entirely foreign to the question before the Committee.

Mr. VOWLES: He was giving the reasons why they should be included. He was showing why they should act in a special capacity such as this, on account of their suitability of character. They claimed that the men who were to occupy positions on the committee should be as experienced as they were. What he was about to say was that they were men who were judged on their actions in the past. With regard to the members in this Chamber, it would depend on whether they were rejected by the people or not as to whether they were going to be on the committee. There were to be eight members on the committee, three of whom were to be selected from the Opposition, and in the future it might be the other way round. What he wanted to emphasise was that the members of the other House remained there, and were not subject to political control, and they were therefore in a better position to give a free vote than men who were subject to political control. New South Wales adopted the principle embodied in the amendment, and why should not Queensland do it? They should not, as the Constitution stood at present, depart from the principle that had always been adhered to in joint committees, which contained members of both Chambers. If the amendment came to a vote he should support it. Notwithstanding the futility of opposing measures which were brought in, he hoped the Minister would see fit to accept the amendment. It did not matter what arguments they brought forward, they were up against a stone wall. It could not be the intention of hon. members to prevent men of such experience as those in the other Chamber having their say as to what money should be expended in the construction of large public works. Under the Bill, the works proposed must exceed £20,000 before the committee would be required to decide upon them. If hon. members opposite had a free will, they would recognise that it was necessary that men in the position and with the experience of those in the Upper Chamber should be given an opportunity of expressing their opinions on matters such as the committee would have to deal with.

Mr. MURPHY (*Burke*): So far as he could see, this Bill did not propose to interfere with the Constitution at all. It was no reflection upon the Legislative Council, as the members of that House still would be privileged to investigate—as they had done in the past—by the appointment of a Select

[*Hon. J. Tolmie.*

Committee, any railway or other public work that came before the Chamber. They would be able to send for papers and persons and make the fullest inquiry into all matters of that kind. They were honorary investigators, and the clause proposed that a certain amount of public money should be spent among members of the Legislative Assembly, who would be privileged to travel throughout the country, hold meetings, and obtain the fullest information regarding works in any particular district. He could not agree with hon. members of the Opposition that the absence of the Legislative Council from the clause was a reflection upon that Chamber. He took it that the Legislative Council had been left out of the clause because there was only a certain amount of money to be spent, and that money was to be distributed amongst eight members of the Legislative Assembly. Who those fortunate members would be was a question that he could not answer.

Hon. J. A. FIEHELLY: Are you a candidate?

Mr. MURPHY: Like the hon. member, I am always a candidate when there is money about. (Laughter.)

Hon. J. A. FIEHELLY: I am honorary.

Mr. MURPHY: The hon. member is honorary, but he draws the salary.

The CHAIRMAN: Order, order!

Mr. MURPHY: He would vote against the amendment, because, being of a friendly nature, he was desirous that this amount of money which the Government could afford for what he believed to be a totally unnecessary public works committee should be distributed amongst members of the popular Chamber.

Mr. FORSYTH said that, on looking over the last report of the New South Wales Public Works Committee, he found that there were on that committee no less than three members of the Legislative Council as well as four members of the Legislative Assembly. Hon. members on the other side of the House had again and again stated what splendid work the New South Wales committee had done, so that there must have been good men on the committee. Would the Minister in charge of the Bill say that they had not just as competent men in the Legislative Council as they had in the Legislative Assembly?

Mr. MAY: They are going to be abolished directly. Then, what's the good of the amendment?

Mr. FORSYTH: How did the hon. member know they were going to be abolished? Hon. members on the other side might think that the Legislative Council was going to be abolished, and they might desire its abolition, but somebody else would have to decide that. If the Council were going to be abolished, it would be necessary to bring in an amendment of the Act so as to fix the matter up. In any case they had in New South Wales members of the Legislative Council on a committee which had inspected public works costing between £50,000,000 and £60,000,000 since they started, some of which had been declined, but the majority had been approved of. The point he wished to raise was that as in New South Wales there were three members of the Council on the committee, why could not the Govern-

ment construct the committee proportionately—say two members of the Council and six members of the Legislative Assembly—and that would not be anything like the proportion in New South Wales? He believed that if they were going to have a public works committee they should have a public works committee consisting of experts, and not of men taken from the House at all. If they did not have a committee of experts it would be necessary even then for experts to be consulted, and if they had to pay for this expert advice they might just as well appoint experts straight away. He was inclined to think that they should take on the committee two or three men from the Upper House—men who were just as competent, in fact a great deal more competent, than a large number of members of the Legislative Assembly.

The SECRETARY FOR RAILWAYS: That is a matter of opinion.

Mr. FORSYTH: They had in the Legislative Council some men who had had enormous experience of all sorts of things, and he, therefore, said it was unwise that that body should be unrepresented on this committee. What they wanted to do was to get the best men, and he hoped they would get the best men in the Legislative Assembly and the best men in the Legislative Council. By doing that they would create a committee that would be of some benefit to the State. It was no use putting on men so as to satisfy the principle of "spoils to the victors." It might be that the Bill had been brought forward because some men had been growling and complaining.

Mr. KIRWAN: That is untrue, and you know it.

Mr. FORSYTH: I say it may be.

Mr. CARTER: You are judging other people by yourself.

Mr. FORSYTH: He declined to accept the statements of hon. members. If he had said that such was the case hon. members might take exception, but he said it might be the case. He hoped that that Government would appoint some members of the Legislative Council, and thus make the committee a real first-class committee. It was no good putting dummies on the committee. They wanted to get the very best men they could, because if these men were going to do good work and have the responsibility of bringing in reports of works of all descriptions it was necessary that they should be men of ability. They had had a Labour Government in New South Wales for four or five years, and they had not found it necessary to alter the composition of their Public Works Committee. The reason for this was that the men on that committee were doing good work. And so he thought that they should get the best wisdom and the best experienced men they could from all parts, from the Assembly and from the Legislative Council.

Mr. MAY (*Flinders*): The amendment proposed that members of the Upper House should be on the public works committee, but all appropriations of money that had ever been granted emanated from the Legislative Assembly, and he, therefore, did not see why they should have members of the Legislative Council on a committee of public works.

Mr. FORSYTH: The same thing applies to New South Wales.

Mr. May.]

Mr. MAY: He thought that the whole of the members of the public works committee should be members of the Legislative Assembly.

Question—That the words proposed to be inserted in clause 2 (*Mr. Tolmie's amendment*) be so inserted—put; and the Committee divided:—

AYES, 17.

| | |
|--------------|-----------|
| Mr. Appel | Mr. Moore |
| „ Armstrong | „ Morgan |
| „ Bayley | „ Petrie |
| „ Bebbington | „ Stodart |
| „ Bell | „ Swayne |
| „ Booker | „ Tolmie |
| „ Bridges | „ Towles |
| „ Corser | „ Walker |
| „ Forsyth | |

Tellers: Mr. Bebbington and Mr. Moore.

NOES, 35.

| | |
|----------------|---------------|
| Mr. Adamson | Mr. Larcombe |
| „ Armfield | „ Lennon |
| „ Barber | „ May |
| „ Bertram | „ McLachlan |
| „ Carter | „ McMinn |
| „ Collins | „ McPhail |
| „ Cooper | „ Murphy |
| „ Fihelly | „ O'Sullivan |
| „ Foley | „ Peterson |
| „ Free | „ Pollock |
| „ Gilday | „ Ryan, D. |
| „ Gillies | „ Ryan, H. J. |
| „ Hartley, W. | „ Ryan, T. J. |
| „ Hunter | „ Smith |
| „ Huxham | „ Stopford |
| „ Jones, T. L. | „ Theodore |
| „ Kirwan | „ Winstanley |
| „ Land | |

Tellers: Mr. T. L. Jones and Mr. McPhail.

PAIRS.

Ayes—Mr. Macartney, Mr. Grayson, Mr. Barnes, Mr. Somerset, Mr. Gunn, and Lieut.-Col. Rankin.

Noes—Mr. Bowman, Mr. Wellington, Mr. Gledson, Mr. Dunstan, Mr. A. J. Jones, and Mr. Lloyd.

Resolved in the negative.

Clause 2 put and passed.

On clause 3—“Constitution of standing committee”—

HON. J. TOLMIE: The clause provided that the committee should consist of eight members of the Assembly. He thought that five members were quite sufficient to make a report to that Chamber. They could preserve the proportion of members from both sides of the House by making it three members from the Government side and two members from the Opposition. That would still leave the Government in the majority in its representation of the committee. If they had a committee of eight with five members on the Government and three from the Opposition, the Government members would be able to carry everything. It was useless for hon. members opposite to say that the Government adopted “the spirit of sweet reasonableness” and fairplay. They had not done so at all, as they could see by the divisions which took place and by the discussions in the House. The Government did not adopt the same reasonableness and fairplay as the late Government did when they were on the Treasury benches.

Mr. T. L. JONES: Do you suggest you always did that?

HON. J. TOLMIE: Yes, and the party he represented would always endeavour to adopt that attitude, although hon. members like the hon. member for Oxley would like to destroy a vital principle of that kind. He thought five members would make a good

[*Mr. May.*

working committee. If they looked ahead they would see there was a clause which provided that three members of the committee would form a quorum. Three out of eight could form a quorum and deal with works costing over £20,000. If three were sufficient to form a quorum out of eight it showed that five members would be sufficient altogether, and they could still retain three for a quorum. He intended to move that the number be limited to five, and if that were carried he would move a further amendment. He moved the omission of the word “eight” from line 11, with the view of inserting “five.” Probably hon. members opposite would object to reducing the number, because they were desirous of being represented on the committee. He was not going to attribute any improper motive in their desire for representation on the committee, but five members would be quite sufficient. He drew attention to the fact that only three weeks ago the Federal Parliament passed a railway measure through the House in less than twenty-four hours without any reference whatever to the committee appointed for the purpose.

Mr. MURPHY: The Federal Public Works Committee also came to Queensland to inquire into a work which was nearly completed. (Laughter.)

HON. J. TOLMIE: That was characteristic of the way things were carried out by the Federal Government. The work would be completed before they began to realise that it had been started. If the Government wished to carry out any public works they would do it notwithstanding what the public works committee would think about it. The late Government put railway proposals on the table and they were not regarded as party measures at all. There was absolutely nothing of a partisan character with regard to them.

The CHAIRMAN: Order! The hon. gentleman must deal with this proposal to reduce the number of members on the standing works committee.

HON. J. TOLMIE: The question of partisanship also came into the question, and he was discriminating between the attitude of the two parties in the House. The clause stated—

“The Government party and His Majesty's Opposition shall have representation on such committee proportionate to their respective numerical strength in the Assembly.”

It laid down there that the committee should be of a partisan character. In all the railways introduced in the last score of years there was nothing of a partisan-ship nature about them. They became of a non-party character as soon as they were laid on the table of the House. Hon. members had only to turn back the pages of “Hansard,” and they would find that frequently there had been a difference of opinion in the Chamber and members sitting behind the Government had supported proposals coming from members in Opposition, and members sitting on the Opposition side went over and voted with the Government members on railway proposals. Under the present proposal all the elements of fairness were taken away because it would have to be a party measure and nothing else but a party measure.

The SECRETARY FOR RAILWAYS: You ought to be ashamed of yourself to say so.

HON. J. TOLMIE: It was all very well for the hon. member to say that he should be ashamed of himself. Could the hon. gentleman tell him when anyone on the Government side had supported the numerically weaker side on any question that had been brought forward this session. The law of the Government went forth, and it was like the law of the Medes and Persians and could not be altered.

The SECRETARY FOR RAILWAYS: The chickens are coming home to roost.

HON. J. TOLMIE: Members now in opposition had always voted independently, not only in matters of principle, but in matters of detail. He had said quite enough to put the issue clearly before [5.30 p.m.] the Committee: that it was absolutely a partisan clause, that the committee to be established was a partisan committee; and, that being so, the number should be reduced to five, and then the Opposition would only have to convince one member to get justice done to that side of the House, and if the proportion be five to three they would have to convince two members, which would be exceedingly difficult.

The SECRETARY FOR RAILWAYS: He had no intention of accepting the amendment. The hon. member objected to the clause first of all because the committee was too large. As he had stated before, in South Australia they had six, in Victoria they had thirteen, in New South Wales seven, and in the Commonwealth they had nine, so he thought the Government had selected a happy medium as far as Queensland was concerned. Then the hon. member said it was a partisan committee. It could not possibly be called a partisan committee, as it was based upon the proportion of members on either side of the House. He was surprised that any member could say that it was a partisan committee, as the Government had striven to be absolutely fair in the matter. They thought the whole matter out very carefully, and came to the conclusion that to give representation on the committee in proportion to the number on each side of the House was absolutely a fair thing.

Mr. BOOKER said he was supporting the amendment primarily from the economic point of view. Only that afternoon members of the Committee were handed resolutions indicating that the Government were going to penalise and blackmail the thrifty portion of the community.

The CHAIRMAN: Order!

The SECRETARY FOR RAILWAYS rose to a point of order. Was the hon. member in order in discussing the fees to be paid to members of the committee in connection with that clause?

The CHAIRMAN: I have already called the hon. member to order, not because of what the Secretary for Railways has stated, but because the hon. member is anticipating a discussion that may come up in the House later, which is entirely out of order.

Mr. BOOKER: People knew that there were certain proposals of the Government to deal with certain issues, and they were economic, and he was dealing with the amendment from the economic standpoint. Hon. members were asked by the Government to endorse a proposal for the appoint-

ment as against the amendment moved by the leader of the Opposition. The Government desired that there should be eight members on the public works committee, and the leader of the Opposition proposed that there should be only five. That raised a question of economy and at this time, taking into consideration all the bearings of the case, it was an obligation on the Parliament of Queensland to economise in every possible way. What doctrine did the hon. member preach? He was preaching economy all the time. He was telling men in his own service that they must wait and wait until money was available to give them higher wages and better conditions, and in the next breath he asked members of the Committee to involve the State in further and unnecessary expenditure. Whether it was a committee of eight or a committee of five, the view he had always taken in connection with the public works committee was that on it there should be equal representation, because of the very fact that the strength of the public works committee was that members went to the country and inquired into a proposed public work, and then when they returned to Parliament House they got into touch with different members. For instance, if the Secretary for Railways was a member of the committee and he went into different parts of Queensland investigating certain proposals, when he returned he got into touch with members of his own party and explained in a quiet and effective way certain advantages of the proposal. In the past, railway proposals had been submitted to the Chamber one night and passed the next day, and members had not an opportunity of quietly and calmly absorbing the personal knowledge that members could give them. If there were five members on the public works committee—three from the Government side and two from the Opposition side—the three members from the Government side would be quite as competent to enlighten hon. members as five; and two members on the Opposition side could disseminate their information and that information would be just as effective as stated by two members as it would be if stated by three members. Under present conditions it should be the policy of the Government to restrict expenditure, and more particularly unnecessary expenditure. The gospel of economy was being preached from one end of Australia to the other, and when the Government would not accept the amendment it showed their insincerity in the doctrine preached by hon. members opposite in regard to private economy or public economy. There was no business in it, and that was what had been worrying him ever since the war started. If the Government were sincere in regard to the necessity for economy, then they should accept the amendment. From the bottom to the top of it there was honesty of purpose. Then the question was raised as to the committee being a partisan committee. They did not want to be in the confidence of the Government to know that the Government were a caucus Government, and there was a splendidly united spirit in the caucus; they were brothers and comrades, and as brothers they must have a mutual knowledge. No one brother knew anything without the other brother knowing it, and all those brothers would know before they went out to investigate a proposal what was to be done. Every proposal had to be submitted to the

Mr. Booker.]

committee by the Government, as there was no initiative in the committee. The Government would instruct the committee to investigate the proposals, and before that the proposals would be discussed in caucus and the brothers have agreed upon a certain thing. What a farce subsequently to ask the committee to go to large expense, and travel over a large portion of the State to report upon the proposal that was already in the bag. That proposal was in the bag before the committee were asked to investigate one inch of it. Then the committee came back and drew up the report, and who was the chairman? The brother who had the biggest pull in the caucus party; and he was going to show his value to the party and to the State by the work he did, and he would have his instructions as to what his report was to be before the committee were asked to report. Therefore, the whole scheme was the biggest element of hypocrisy that they had ever had in parliamentary life.

Mr. FORSYTH said the amendment was a very good one. If the committee consisted of eight men or of fifty men, they would still have to get expert advice. Five men were quite sufficient, and in fact three would be ample, so long as they appointed men outside the House. No matter how many members were on the committee, if a railway was proposed, an engineer would have to go over the proposed route to find out all about it—find out whether the railway would pay, what the general traffic would be, and how much it would cost. Could they pick up eight men in the House who were competent to give that information? They must have expert advice all the time. The Minister said that if they wanted expert advice they could get it. They must get expert advice in regard to plans, and so on. Then, again, five men from the House would be ample to do the work; they would be just as good as eight or twelve men. They would have to get an expert engineer for railway work, and an architect for buildings. The members of the committee would not be able to tell what the cost of a line would be, and would have to get an estimate from an expert engineer. Then another official would have to give evidence with regard to what he thought would be the probable revenue and expenditure. All this was information which not a single member of the House could give.

Mr. FOLEY: How do you know?

Mr. FORSYTH: Did the hon. member for Mundingburra know how much a railway would cost?

Mr. FOLEY: I could tell better than you.

Mr. FORSYTH: He did not know anything at all about it.

Mr. FOLEY: I do.

Mr. FORSYTH: If the hon. member did, that was all right. (Laughter.) He would not go on the committee, for the simple reason that he did not know anything about these things. There were often two reports in connection with these matters—a majority and a minority report; and very likely they would have a considerable number of minority reports. The committee might work well together, and might give a unanimous report, but, in any case, he thought that five men were quite sufficient, as it would be necessary to get expert advice in

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any case. He did not know whether hon. members opposite knew anything about these matters.

Mr. FOLEY: They know more than you.

Mr. FORSYTH: He did not know whether the hon. member did.

Mr. FOLEY: I have worked on lines, and know something about them.

Mr. FORSYTH: The hon. member knew something about them, but they wanted men who knew everything about them. He knew a little about railways, too, but he could not tell what the revenue was likely to be. The hon. member for Mundingburra could tell all about it, as he was an expert, and the better plan would be to appoint the hon. member as sole member of the committee. (Laughter.) He knew a little, but a little would not do for the House. A little might spoil the whole thing. A little knowledge might be the means of a railway being built which would be a white elephant. They knew the old adage, "A little knowledge is a dangerous thing." No matter how many there were on the committee, they would have to call expert advice. They had had to call expert advice on the committee down South. They had large irrigation works in New South Wales, such as the Barron-Jack scheme. What on earth would be the use of hon. members in this House in connection with work of that sort? Some of those works ran into millions of pounds, and yet hon. members opposite thought they could tell all about it. In matters like that they must get men from outside, with special qualifications. He had no objection to the committee, but, instead of having it composed of members of the House, it would be better for the Government to appoint experts who were without bias.

The CHAIRMAN: Order! The question before the Committee is as to the number of members of the committee. The hon. member is dealing with experts outside the House.

Mr. FORSYTH: Yes, he was; and he thought that three experts would be better than eight men from the House. The caucus had decided that there must be eight members of the committee, and he was astonished at their modesty in only having eight. It was a wonder they did not make it a few more, because in the majority of counsellors there might be wisdom.

Mr. MURPHY: It was marvellous to see the amount of heat which was introduced into a little matter like this. The House had decided that this committee should consist of members of Parliament. The members of the Chamber believed that members appointed from themselves would be able to give them all the information which they deemed necessary in connection with public works. The leader of the Opposition considered that five members should be sufficient. He thought, when the late Sir J. R. Dickson introduced a similar proposal some years ago, eight members of Parliament were to form the committee. If he was incorrect, the Secretary for Public Instruction could point out where he was wrong, because, on that occasion the hon. gentleman took a very prominent part in opposing the appointment of the committee. He was not objecting to the hon. gentleman changing his opinion on that point, because all men were liable to

ment of a committee that would mean larger change their opinions. He himself had changed opinions, and he was no worse for it.

The SECRETARY FOR PUBLIC INSTRUCTION: The issue is not the same now as it was then.

Mr. MURPHY: Upon broad principles the Secretary for Public Instruction and himself had never changed their opinions. (Laughter.) What would be the duty of a public works committee? He wanted to deal with this phase of the question to show that it was desirable that it should consist of eight members instead of five. They would assume, for example, that the committee decided to build a railway to Smith's Crossing. They would bring the proposal down to the House, and the committee would be requested to report upon it, and he supposed that in Smith's Crossing, as in all other districts where it was proposed to construct a railway, there would be a diversity of opinion with regard to the particular route which the railway should take. One section of the community would be desirous of the railway running along Murphy's Gully, and another section would want it to go another way. The public works committee would call for evidence upon the routes. The residents interested in one particular route would place all the information at their disposal before the committee, and the people interested in the other route would bring all the information they could get in support of their contention that the construction of the line along the route mentioned by them was the only way that was likely to pay. The committee might possibly decide to go over the routes themselves after they had heard the evidence, and if there was a committee of eight members they could divide up, and part of the committee could go along one route, and part along the other. Then, when they returned, having all the information before them, and having gone over the routes for themselves and seen the great natural resources of the two areas, they could confer and finally come to a decision upon which route to recommend to the Government.

Mr. COLLINS: What was the result of the committee of which you were chairman?

Mr. MURPHY: It resulted in the passage of one of the best Mining Acts in Australia to-day.

OPPOSITION MEMBERS: Hear, hear!

Mr. MURPHY: But they were not dealing with those matters. It was because he had been a chairman of a committee that he was not objecting to other hon. members aspiring to the position of chairman to the public works committee. He had opposed the second reading of the Bill, but the House had agreed that a public works committee was desirable, and he was going to vote for the appointment of eight members, because he believed that eight members would be able to do the work more effectively than five. If there was a big loan policy, the Treasurer might be enabled to say to the various departments of the State: "We will push on with public works. The British and the Australian investors have come to the assistance of the Government with a huge loan, and we have plenty of money with which to proceed with the development of Queensland." A large public works policy would then be introduced,

and railways would have to be constructed in various parts of the State, perhaps including the Gulf country—(laughter)—and public buildings would have to be erected throughout Queensland, and it would be desirable that the public works committee should be able to make a report to Parliament upon the various works as speedily as possible. If there were only five members on the committee the work might be retarded, and the desire of the Government to assist in the development of the State kept back, because Parliament was unable to obtain a report from the committee. He certainly thought that in the interest of the country the committee should be large enough to enable it to be divided occasionally when urgent need arose for such a division. He presumed that that was the object in making the number of the committee eight—in order, when a bold and vigorous works policy had been decided upon, that the hands of the Cabinet and of Parliament would not be tied because Parliament was unable to obtain promptly a report upon the various matters which had been submitted to the committee for report. If the leader of the Opposition pressed his amendment to a division—and he sincerely hoped he would not—he would have to vote against it. Eight members of the Assembly would be able to do the work of the committee much better than five, and why should they consider the expenditure of a few pounds in connection with a committee of this description? Why confine the committee to five members when it was in the sphere of members to bring happiness to eight individuals? (Laughter.)

Mr. KIRWAN: That is a dangerous argument.

Mr. MURPHY: That was not a dangerous argument. Did not the hon. member for Brisbane stand up in this Chamber and state that he was desirous of bringing happiness to the whole community, as that was said to be the object of the Labour movement? His (Mr. Murphy's) object in supporting a committee of eight was that eight members should be made happy. (Laughter.) If the Government had decided that twelve members were necessary, he would cheerfully support the appointment of twelve. (Renewed laughter.)

Mr. MORGAN: Why not make all of us happy?

Mr. MURPHY: The only way in which you could make all members of Parliament happy at the present time was to increase their salaries. (Hear, hear!) Notwithstanding all the increased taxation proposals about which they had heard so much, a member of Parliament was not going to have his salary raised.

The CHAIRMAN: Order!

Mr. MURPHY: He hoped that the amendment would be defeated. A public works committee was a big change in the policy of the Labour party from what it was when Mr. Dickson wanted to pass legislation for a public works committee some years ago. "Hansard" would show that every Labour man was then opposed to the appointment of a public works committee; but, of course, as time went on people changed their opinions, and the time might come when he should be prepared to stand up and support the contention of the leader of

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the Opposition that a committee of five would be able to do the work properly. At present he did not think it would.

Question—That the word proposed to be omitted (*Mr. Tolmie's amendment*) stand part of the clause—put; and the Committee divided:—

AYES, 32.

| | |
|----------------|---------------|
| Mr. Adamson | Mr. Larcombe |
| " Arnfield | " Lennon |
| " Barber | " May |
| " Bertram | " McLachlan |
| " Carter | " McMinn |
| " Collins | " McPhail |
| " Cooper | " Murphy |
| " Fihelly | " Payne |
| " Free | " Pollock |
| " Gilday | " Ryan, D. |
| " Gillies | " Ryan, H. J. |
| " Hartley, W. | " Ryan, T. J. |
| " Huxham | " Smith |
| " Jones, T. L. | " Stopford |
| " Kirwan | " Theodore |
| " Land | " Winstanley |

Tellers: Mr. Pollock and Mr. H. J. Ryan.

NOES, 14.

| | |
|--------------|-----------|
| Mr. Appel | Mr. Moore |
| " Bayley | " Morgan |
| " Bebbington | " Petrie |
| " Bridges | " Stevens |
| " Corser | " Swayne |
| " Forsyth | " Tolmie |
| " Hodze | " Vowles |

Tellers: Mr. Moore and Mr. Morgan.

PAIRS.

Ayes—Mr. Bowman, Mr. Wellington, Mr. Gledson, Mr. Dunstan, Mr. A. J. Jones, and Mr. Lloyd.
Noes—Mr. Macartney, Mr. Grayson, Mr. Barnes, Mr. Somers, Mr. Gunn, and Lieut.-Col. Rankin.

Resolved in the affirmative.

HON. J. TOLMIE said that subsection (3) of the clause set forth—

"The Speaker and the Chairman of Committees and every Minister of the Crown shall not be eligible to be elected or appointed a member of the committee."

That did not seem clear to him, and he wished to know if, when the Chairman and Speaker should not be eligible, all Ministers of the Crown were struck out, or whether it was that some Ministers were eligible? He would like it to be clearly stated what Ministers were not eligible. When the clause was explained he proposed to move an amendment on it. He did not think that the clause as it stood carried out the wishes of the Government, because it looked as if the Speaker and Chairman were not eligible. Ministers of the Crown were eligible for appointment.

The House resumed. The CHAIRMAN reported progress, and the Committee obtained leave to sit again to-morrow.

WAYS AND MEANS.

RESUMPTION OF COMMITTEE.

(*Mr. Coyne, Warrego, in the chair.*)

The TREASURER, who was received with Government "Hear, hears." said: I desire to move the resolution dealing with the matter that has been circulated amongst members. I circulated copies of the resolutions in order to give members time to peruse the details before they were intro-

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duced. I desire to explain them, and before finishing I will move the resolution which members now have in their hands. I call attention more particularly to the altered incidence of the income tax under the proposed Bill as compared with the present Act. Under the present Act the scale of income tax on incomes derived from personal exertion is graduated to a small degree. It starts at 6d. in the £1 where incomes do not exceed £500, and rises gradually to 8d. in the £1 on incomes exceeding £1,500, which is the maximum tax under the old proposal. Under the new proposal the rates will be increased at every step, and there is an increase in the maximum under which the tax operates. Instead of starting at 6d. where the taxable income does not exceed £500, we will start at 7½d. in the £1, and the rate will be increased until it reaches a maximum of 1s. 6d. in the £1 where the income exceeds £3,000. For all other incomes at the present time the rate of tax is a flat rate. For instance, all incomes produced from property pay a tax of 9d. in the £1. In the proposal which has been circulated among hon. members, the tax payable on incomes produced from property will be graduated. It will start at 1s. in the £1 where the taxable amount does not exceed £500, and it will rise gradually until it reaches the maximum of 1s. 8d. in the £1 where the taxable income exceeds £3,000. In the case of absentees the present rate is 1s. in the £1. Under the new proposal the total income subject to tax is on a graduated scale. It starts at 1s. in the £1 where the taxable income does not exceed £500, and it will rise gradually until it reaches 2s. in the £1 on income which exceeds £3,000. In the case of income tax for companies, the present rate is 1s. in the £1 on all dividends and distributed profits, and 6d. on undistributed profits. In the present proposal we are adopting a graduated scale which will be paid in accordance with the rate of profit. Companies under the present proposal are divided into two classes—namely, ordinary companies and companies controlling public utilities and monopoly companies. For the latter class of companies the higher rate is charged. They will have to pay a higher rate of tax on all profits which exceed 6 per cent. on the capital. There is a graduated tax for all profits exceeding 6 per cent., and they rise gradually to 2s. in the £1 where the profits exceed 17 per cent. in the case of ordinary companies, while in the case of companies controlling public utilities and monopoly companies there will be a flat rate of 1s. in the £1 on all profits which do not exceed 6 per cent. on the capital; then the rate increases by 2d. in the £1 for each additional 1 per cent. increase in the rate of profit where the profits exceed 6 per cent., and it rises gradually until the tax reaches 3s. where the profits exceed 17 per cent. Under the present proposal, where the profits of the company remain undistributed the tax has been increased from 6d. to 9d. in the £1. I point out that under the new proposal care has been taken to ensure that the burden of taxation will be more evenly distributed than heretofore. The rates of income tax will be moderately small for individuals and companies where the income is small or the rate of profit is not high, and it will increase in greater ratio than under the present taxation system in force in Queensland until the

maximum is reached as set out in these schedules. The idea is to relieve as far as practicable those with small incomes, and to compel those with larger incomes to pay by far the heavier share towards the revenue required for this year and succeeding years. It will be noticed that under the proposed scale dealing with incomes from personal exertion, agriculturists are getting special consideration in order not to impose on those primary producers who are concerned with production from the land any heavy form of taxation. It will be noticed that it is intended to relieve such taxpayers who come within the definition of carrying on agricultural and dairying pursuits. The idea is that they should not be asked to contribute twice, by way of land tax and income tax also, upon the fruits of their industry as applied to the soil.

Hon. J. TOLMIE: Don't you think it better that they should be made to pay twice?

Mr. FOLEY: Don't be sarcastic.

Mr. BEBBINGTON: I think you should take the lot.

The CHAIRMAN: Order!

The TREASURER: Does the hon. member suggest that these individuals should be asked to contribute twice and pay both land tax and income tax?

Mr. BEBBINGTON: I suggest that you should take the whole farm.

The CHAIRMAN: Order! I ask hon. members to cease from interjecting. Interjections at all times are highly disorderly. We are dealing with a serious subject, and surely it is worth giving attention to. If hon. members will not pay attention to my call to order, I shall have to enforce it more drastically than I have been doing in the past.

HONOURABLE MEMBERS: Hear, hear!

The TREASURER: In order that there may be no misunderstanding as to the manner in which it is proposed to impose this tax, I might explain it in some detail. In the case of a farmer who has to pay income tax it is proposed to allow him to deduct the amount of his land tax first.

Mr. STEVENS: Will that include the shire council rates?

The TREASURER: The hon. gentleman cannot suggest that we should include in this proposal anything dealing with shire council rates.

Mr. STEVENS: That is a land tax.

The TREASURER: The payment of the land and income taxes will work out in this way: Supposing a farmer has a farm, the unimproved value of which is £1,000. The land tax payable on such farm would be £4 7s. 6d. under the proposals which I shall introduce later on in this Committee. Say his income from that farm is £400, the income tax payable on that would be £7 10s. He would be entitled to deduct the £4 7s. 6d. land tax, and all he would have to pay would be the balance of £3 2s. 6d. as income tax. If we did not allow him to make this deduction he would have to pay the full £7 10s. income tax.

Hon. J. TOLMIE: Suppose he has not got any income?

The TREASURER: If a man has a farm of the unimproved value of £1,000 and gets no income from it then he cannot be using it.

Mr. APPEL: There are plenty of them today not getting income from it.

The TREASURER: Well, there must be something wrong with the farm.

Mr. BEBBINGTON: It is because the price of food is too low and the drought in addition.

The TREASURER: Take the case of a small farm which has an unimproved value of £750. The land tax payable on that would be £1 17s. 6d. Suppose the income from that farm is £250. The income tax on that would be £1 17s. 6d. As the farmer would be entitled to deduct the amount of the land tax he would have no income tax at all to pay under this proposal. Everybody who owns land must pay a land tax, whether they use it or not. One of the chief reasons for the enforcement of a land tax is to compel the owner of the land to use it.

Mr. BEBBINGTON: The returns from the land do not pay expenses.

The TREASURER: It is proposed to continue the present exemption with respect to the liability to pay income tax. The present exemption of £200 will remain in force, but there is to be no exemption for absentees. Every absentee who earns income in Queensland will be liable to pay the full tax.

Mr. MORGAN: What about the deduction for members of a family?

The TREASURER: We propose to allow a deduction of £15 for each child dependent on the taxpayer. I may say that these are proposals which are being introduced at this stage first, and a Bill will be founded on the resolutions passed here. Hon. members see no reference to the proposal to allow £15 for each child in this resolution, but it will be contained in the Bill, and that is why I mention it now. It is also intended to exempt war pensions from the operation of the income tax. We are also introducing in these proposals an altered definition of income derived from personal exertion, because it was found under the operation of the old law that certain incomes were allowed to escape taxation. The definition has been broadened to make it clear that all profits accruing to the taxpayer through the sale of land or personal properties is to be included as income, and a tax will be payable on that accordingly. (Hear, hear!) There is also a consequential alteration consequent upon the altered scales of taxation in regard to the income of foreign companies. It is difficult to determine the incomes of these companies in Queensland. Provision is made under the present Act for the Commissioner to assess such companies under a certain scale. The ordinary profits of such companies are 5 per cent. upon the sales of such companies. He will be allowed under these proposals to increase the amount to

[7.30 p.m.] $7\frac{1}{2}$ per cent. upon the sales, thus increasing the income which is taxable under the new proposals. I do not want to make a long speech in regard to

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these proposals, because the details of the Bill itself no doubt will be explained. I want to make clear what the incidence of the alteration is, and I think I can do that by referring specifically to the schedule. It is anticipated that the increased revenue from the altered income tax will approximate £210,000 for this year, and the revenue is expected to benefit accordingly. I have gone to some trouble in preparing tables to show how this tax will operate in comparison with taxes in other countries, and particularly the amount of tax which a resident in Queensland will have to pay, by paying the Commonwealth tax and the State tax, as compared with the tax which a resident of the United Kingdom will have to pay during the present year. It is an interesting table, and it is one members should have regard to in calculating the relative burdens borne by people in Queensland and in other countries.

Hon. J. TOLMIE: Have you distinguished between the war tax and the income tax?

The TREASURER: Yes. The Commonwealth tax is a war tax, and justified only on that ground. The Commonwealth tax is used for war purposes, and a proportion of the tax contributed in the old country is, no doubt, used in the old country for war purposes. This is how the table works out—

PERSONAL EXERTION.

| Taxable Income. | Resident of United Kingdom. | RESIDENT OF QUEENSLAND. | | | |
|-----------------|-----------------------------|-------------------------|--|------------|---------|
| | | Commonwealth Tax. | State Tax (including the proposed increase). | Total. | |
| | | | | £ s. d. | £ s. d. |
| £ 300 | £ s. d. | £ s. d. | £ s. d. | £ s. d. | |
| 300 | 31 10 0 | 5 3 1 | 9 7 6 | 14 10 7 | |
| 500 | 52 10 0 | 10 3 1 | 15 12 6 | 25 15 7 | |
| 1,000 | 105 0 0 | 28 2 6 | 37 10 0 | 65 12 6 | |
| 1,500 | 183 15 0 | 53 18 1 | 75 0 0 | 128 18 1 | |
| 2,000 | 280 0 0 | 87 10 0 | 125 0 0 | 212 10 0 | |
| 2,500 | 408 6 8 | 128 18 1 | 156 5 0 | 265 3 1 | |
| 3,000 | 525 0 0 | 178 2 6 | 187 10 0 | 365 12 6 | |
| 4,000 | 779 3 4 | 300 0 0 | 300 0 0 | 600 0 0 | |
| 5,000 | 1,029 3 4 | 453 2 6 | 375 0 0 | 828 2 6 | |
| 6,000 | 1,295 16 8 | 637 10 0 | 450 0 0 | 1,057 10 0 | |
| 7,500 | 1,729 3 4 | 934 7 6 | 562 10 0 | 1,546 17 6 | |
| 10,000 | 2,529 3 4 | 1,609 7 6 | 750 0 0 | 2,359 7 6 | |
| 15,000 | 4,279 3 4 | 2,859 7 6 | 1,125 0 0 | 3,984 7 6 | |
| 20,000 | 6,029 3 4 | 4,109 7 6 | 1,500 0 0 | 5,609 7 6 | |
| 30,000 | 9,529 3 4 | 6,609 7 6 | 2,250 0 0 | 8,859 7 6 | |

| Taxable Income. | PROPERTY. | | | |
|-----------------|-----------------|---------------|------------------|------------------------|
| | United Kingdom. | Commonwealth. | New South Wales. | Queensland (Proposed). |
| | | | | |
| £ 300 | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| 300 | 52 10 0 | 5 16 5 | 15 0 0 | 20 16 5 |
| 500 | 87 10 0 | 12 0 0 | 25 0 0 | 37 0 0 |
| 1,000 | 175 0 0 | 43 17 9 | 56 5 0 | 100 2 9 |
| 1,500 | 262 10 0 | 93 15 0 | 93 15 0 | 187 10 0 |
| 2,000 | 350 0 0 | 157 15 7 | 150 0 0 | 307 15 7 |
| 2,500 | 437 10 0 | 234 12 11 | 187 10 0 | 422 2 11 |
| 3,000 | 525 0 0 | 323 13 7 | 225 0 0 | 548 13 7 |
| 4,000 | 779 3 4 | 529 14 5 | 333 6 8 | 863 1 1 |
| 5,000 | 1,029 3 4 | 760 18 1 | 416 13 4 | 1,177 11 5 |
| 6,000 | 1,295 16 8 | 1,005 11 1 | 500 0 0 | 1,505 11 1 |
| 7,500 | 1,729 3 4 | 1,380 4 0 | 625 0 0 | 2,005 4 0 |
| 10,000 | 2,529 3 4 | 2,005 4 0 | 833 6 8 | 2,839 10 8 |
| 15,000 | 4,279 3 4 | 3,255 4 0 | 1,250 0 0 | 4,505 4 0 |
| 20,000 | 6,029 3 4 | 4,505 4 0 | 1,666 13 4 | 6,171 17 4 |
| 30,000 | 9,529 3 4 | 7,005 4 0 | 2,500 0 0 | 9,505 4 0 |

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PERSONAL EXERTION.

| Taxable Amount of Income. | United Kingdom. | Commonwealth. | New South Wales. | Queensland (Proposed). | | | | |
|---------------------------|-----------------|---------------|------------------|------------------------|---------|---------|---------|---------|
| | | | | | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| | | | | | £ 300 | £ s. d. | £ s. d. | £ s. d. |
| 300 | 31 10 0 | 5 3 1 | 10 0 0 | 9 7 6 | | | | |
| 500 | 52 10 0 | 10 3 1 | 16 13 4 | 15 12 6 | | | | |
| 1,000 | 105 0 0 | 28 2 6 | 34 11 8 | 37 10 0 | | | | |

| Taxable Amount of Income. | United Kingdom. | Commonwealth. | New South Wales. | Queensland (Proposed). | | | | |
|---------------------------|-----------------|---------------|------------------|------------------------|---------|---------|---------|---------|
| | | | | | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| | | | | | £ 1,500 | £ s. d. | £ s. d. | £ s. d. |
| 1,500 | 183 15 0 | 53 18 1 | 53 6 8 | 75 0 0 | | | | |
| 2,000 | 260 0 0 | 87 10 0 | 73 6 8 | 125 0 0 | | | | |
| 2,500 | 408 6 8 | 128 18 1 | 94 3 4 | 156 5 0 | | | | |
| 3,000 | 525 0 0 | 178 2 6 | 116 5 0 | 187 10 0 | | | | |
| 4,000 | 779 3 4 | 300 0 0 | 162 1 8 | 300 0 0 | | | | |
| 5,000 | 1,029 3 4 | 453 2 6 | 209 3 4 | 375 0 0 | | | | |

Hon. J. TOLMIE: That is, New South Wales is lower than Queensland?

The TREASURER: New South Wales in that grade is lower than Queensland. In the lower grades New South Wales is higher than Queensland. We have a lower rate in the lower grades and a higher rate in the higher grades.

| Taxable Amount of Income. | United Kingdom. | Commonwealth. | New South Wales. | Queensland (Proposed). | | | | |
|---------------------------|-----------------|---------------|------------------|------------------------|---------|---------|---------|---------|
| | | | | | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| | | | | | £ 1,500 | £ s. d. | £ s. d. | £ s. d. |
| 1,500 | 183 15 0 | 53 18 1 | 53 6 8 | 75 0 0 | | | | |
| 2,000 | 260 0 0 | 87 10 0 | 73 6 8 | 125 0 0 | | | | |
| 2,500 | 408 6 8 | 128 18 1 | 94 3 4 | 156 5 0 | | | | |
| 3,000 | 525 0 0 | 178 2 6 | 116 5 0 | 187 10 0 | | | | |
| 4,000 | 779 3 4 | 300 0 0 | 162 1 8 | 300 0 0 | | | | |
| 5,000 | 1,029 3 4 | 453 2 6 | 209 3 4 | 375 0 0 | | | | |

With regard to property, there is also a higher rate in Queensland than in New South Wales, but not so high a rate as the United Kingdom and not so high as the Commonwealth in the higher grades—

PROPERTY.

| Taxable Amount of Income. | United Kingdom. | Commonwealth. | New South Wales. | Queensland (Proposed). | | | | |
|---------------------------|-----------------|---------------|------------------|------------------------|---------|---------|---------|---------|
| | | | | | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| | | | | | £ 300 | £ s. d. | £ s. d. | £ s. d. |
| 300 | 52 10 0 | 5 16 5 | 13 6 8 | 15 0 0 | | | | |
| 500 | 87 10 0 | 12 0 0 | 22 4 5 | 25 0 0 | | | | |
| 1,000 | 175 0 0 | 43 17 9 | 46 2 2 | 56 5 0 | | | | |
| 1,500 | 262 10 0 | 93 15 0 | 71 2 2 | 93 15 0 | | | | |
| 2,000 | 350 0 0 | 157 15 7 | 97 15 6 | 150 0 0 | | | | |
| 2,500 | 437 10 0 | 234 12 11 | 125 11 1 | 187 10 0 | | | | |
| 3,000 | 525 0 0 | 323 13 7 | 156 0 0 | 225 0 0 | | | | |
| 4,000 | 779 3 4 | 529 14 5 | 216 2 2 | 333 6 8 | | | | |
| 5,000 | 1,029 3 4 | 760 18 1 | 278 17 9 | 416 13 4 | | | | |

I have no doubt this table will prove of interest to hon. members, as they will find from it exactly in what manner the tax will operate, as it shows the burden each taxpayer, according to the amount of income derived, will be called upon to bear.

Hon. J. TOLMIE: There are not many getting over £30,000 a year in this State.

The TREASURER: There are not many, but there are a few. The examples given are of incomes below £5,000. There are some incomes in Queensland of over £30,000 on which tax has been paid. That may be news to some hon. members.

Mr. FORSYTH: Is that of individuals or companies?

The TREASURER: Individuals. That is only last year. There are some very large incomes derived from the produce of property and otherwise, on which taxation is paid. Under this proposal it is sought to place the bulk of the burden on those earning large incomes and to let down as lightly as possible those earning small incomes. It will be noticed that the only increase on those in the lower grade is an increase in the rate of from 6d. in the £ to 7½d. in the £ where the taxable income does not exceed £500. That is only a small increase, at which it is expected that those entitled to pay will not cavil.

Hon. J. TOLMIE: Is there any exemption?

The TREASURER: There is an exemption of £200, so that a person who pays income tax on £500 must have an income of more than £700, because there are other deductions. He will be entitled to deduct £15 for every child dependent on him, as

well as other amounts. I have much pleasure in moving—

“That towards making good the Supplies necessary to defray His Majesty’s public expenses and making an addition to the public revenue—

“It is desirable—

“That there be charged, levied, collected, and paid for the use of His Majesty in aid of the Consolidated Revenue for each year an income tax in respect of the annual amount of the incomes of all persons at the rates following, that is to say—

(i.) On all income derived from personal exertion—

If the total income subject to the tax—

| | In each and every £. |
|--|----------------------|
| Does not exceed £500 | 7½d. |
| Exceeds £500 and does not exceed £1,000 | 9d. |
| Exceeds £1,000 and does not exceed £1,500 | 12d. |
| Exceeds £1,500 and does not exceed £3,000 | 15d. |
| Exceeds £3,000 | 18d. |

“Provided that, from the amount of the tax payable on the income of any taxpayer derived from any agricultural or grazing pursuits carried on by him, there may be deducted the amount of any land tax actually paid by the taxpayer in respect of the same year under any Act of the Parliament of Queensland on land on which such agricultural or grazing pursuits are carried on. For the purposes of this provision, ‘agricultural or grazing pursuits’ mean the grazing of stock or dairying on areas not in either case exceeding in the aggregate one thousand two hundred and eighty acres, or the cultivation and tillage of land for crops or other agricultural products.

“The following provision is added to the definition of ‘Income derived from personal exertion’ :—

The income subject to tax includes all gains or profits arising or accruing to the taxpayer from the sale of any real or personal property whatsoever, or accruing to the taxpayer as commission, fee, or other consideration whether arising out of a sale or not, notwithstanding that such profits have not arisen or accrued from or in connection with any business carried on in Queensland or elsewhere by the taxpayer.

(ii.) On all income derived from the produce of property—

If the total income subject to the tax—

| | In each and every £. |
|--|----------------------|
| Does not exceed £500 | 12d. |
| Exceeds £500 and does not exceed £1,000 | 13½d. |
| Exceeds £1,000 and does not exceed £1,500 | 15d. |
| Exceeds £1,500 and does not exceed £3,000 | 18d. |
| Exceeds £3,000 | 20d. |

Provided that—

(a) A person, not being a company or an absentee, whose total income, whether derived from personal exertion or from the produce of property, or partly from personal exertion and partly from the produce of property, during the year in respect of which the assessment is made, did not exceed £200, shall not be liable to tax ;

(b) In respect to any person, not being a company or an absentee, whose total assessable income, whether derived from personal exertion or from the produce of property or partly from personal exertion and partly from the produce of property, during the year in respect of which the assessment is made, amounted to more than £200, then £200 of such income shall not be deemed to be part of the total income subject to tax, and accordingly shall be exempt from tax ; and in deducting such £200 the income from personal exertion, if any, shall be first resorted to.

(iii.) On the incomes of all absentees—
If the total income subject to the tax—

| | In each and every £. |
|--|----------------------|
| Does not exceed £500 | 12d. |
| Exceeds £500 and does not exceed £1,000 | 14d. |
| Exceeds £1,000 and does not exceed £1,500 | 17d. |
| Exceeds £1,500 and does not exceed £3,000 | 20d. |
| Exceeds £3,000 | 24d. |

(iv.) On the incomes of all companies not being public utility companies or monopoly companies—

If the total profits do not exceed 6 per cent. on the capital 12d.

| | In each and every £ of the amount representing 6 per cent. as aforesaid. | In each and every £ over that amount. |
|---|--|---------------------------------------|
| If such profits— | | |
| Exceed 6 per cent. and do not exceed 7 per cent. | 12d. | 13d. |
| Exceed 7 per cent. and do not exceed 8 per cent. | 12d. | 14d. |
| Exceed 8 per cent. and do not exceed 9 per cent. | 12d. | 15d. |
| Exceed 9 per cent. and do not exceed 10 per cent. | 12d. | 16d. |
| Exceed 10 per cent. and do not exceed 11 per cent. | 12d. | 17d. |
| Exceed 11 per cent. and do not exceed 12 per cent. | 12d. | 18d. |
| Exceed 12 per cent. and do not exceed 13 per cent. | 12d. | 19d. |
| Exceed 13 per cent. and do not exceed 14 per cent. | 12d. | 20d. |
| Exceed 14 per cent. and do not exceed 15 per cent. | 12d. | 21d. |
| Exceed 15 per cent. and do not exceed 16 per cent. | 12d. | 22d. |
| Exceed 16 per cent. and do not exceed 17 per cent. | 12d. | 23d. |
| Exceed 17 per cent. | 12d. | 24d. |

(v.) On the incomes of all public utility companies and monopoly companies—

In each and every £.

If the total profits do not exceed 6 per cent. on the capital 12d.

| In each and every £ of the amount representing 6 per cent. as aforesaid. | In each and every £ over that amount. |
|--|---------------------------------------|
| 12d. | 14d. |
| 12d. | 16d. |
| 12d. | 18d. |
| 12d. | 20d. |
| 12d. | 22d. |
| 12d. | 24d. |
| 12d. | 26d. |
| 12d. | 28d. |
| 12d. | 30d. |
| 12d. | 32d. |
| 12d. | 34d. |
| 12d. | 36d. |

(vi.) Where any of the profits of any company remain undistributed amongst the members, then upon such undistributed profits only 9d. in each £ shall be payable as income tax; and should any part of such undistributed profits be afterwards distributed as dividends, the amount already paid as tax shall be allowed for in computing the amount of tax payable on such dividend.

When any undistributed profits of any company standing to the credit of profit and loss account or of reserves are transferred to capital in any way or applied in any way in reduction of assets, such transfer or application; or,

When the assets of any company are revalued, and on such revaluation such assets are increased in value, and shares whether fully or partly paid up or debentures (which term includes debentures or stock or any other instrument of value by whatever name

called), representing the whole or any part of such increase, are issued to its shareholders, as such, then the issue of such shares to the amount of the nominal value of such shares if issued fully paid up, or of such portion of such value as is deemed to be paid up if such shares are issued partly paid up, or the issue of such debentures to the amount of the sum stated or alleged to be secured thereby, and the payment of interest from time to time accruing on such debentures;

shall be and it is hereby declared that the same always has been a declaration of dividends and a distribution of dividends within the meaning of the two last preceding subsections.

When any company issues any of its shares at a premium, then all sums of money received by the company in respect of such premiums—that is to say, all sums so received in excess of the nominal value of all such shares allotted and issued by the company—shall, for the purposes of this Act, be profits of the company and assessable for income tax accordingly.

(vii.)—

“In paragraphs iv. and v. of section 31 and in subsection (1) of section 32 of the Income Tax Act of 1902, the words ‘five pounds’ be repealed, and the words ‘seven pounds ten shillings’ be inserted in lieu thereof.

“In the second paragraph of subsection (1) of section 33 of the Income Tax Act of 1902, the words ‘three pounds’ be repealed, and the words ‘five pounds’ be inserted in lieu thereof.”

GOVERNMENT MEMBERS: Hear, hear!

The CHAIRMAN: Is it the pleasure of the Committee that this motion be taken as read?

HONOURABLE MEMBERS: Hear, hear!

The CHAIRMAN: The question is—That the motion which has been proposed by the Treasurer be agreed to as read—

Mr. FORSYTH: I think the proposal outlined by the Treasurer is one of the most drastic which has ever been brought before this Parliament. We know that Great Britain is at the present time spending at the rate of £5,000,000 a day, and, of course, the income tax and the various other taxation proposals in Great Britain must be exceptionally heavy. There is another very cruel thing in connection with this matter. The hon. gentleman stated, when he was speaking in connection with the figures given—more especially in connection with the income tax—that it meant that the man with a big income would have to pay the big amount. The hon. gentleman never made a bigger mistake in his life. As a matter of fact, if we only do the same as the Federal Government are doing, we would be doing a fair thing to the smaller man. For instance, we have here an item providing that, if the profits of a company exceed 17 per cent., an income tax of 5s. in the £1 is imposed. That is in connection with any limited liability company, the profits of which may exceed 17 per cent. upon their capital invested. How do things work out in connection with that matter? Public companies are companies which are represented by a large number of shareholders. There are

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lots of companies in Queensland with thousands upon thousands of shares, and the shareholders get their proportion of the dividends declared. A man may have from a large trading company or bank, perhaps a small income of £100, £150, £200, or £500 a year. He may have a certain number of shares in a company, and because he has a few shares, he may have to pay an income tax of 3s. in the £1, although he has only a small income of, say, £100 a year.

Mr. H. J. RYAN: He is sure to have a lot of shares on a small income.

Mr. FORSYTH: The hon. gentleman's intelligence is wonderfully clear. Suppose he has 100 shares, and those shares are worth £1 each, that would be £100; and suppose he gets an income of £100 from the number of shares which he holds, the small man, in that case, would have to pay the full 3s. in the £1.

The TREASURER: No; the company would have to pay it.

Mr. FORSYTH: The company pays it out of their profits, which means that there will have to be a lesser dividend to the shareholders.

Mr. BERTRAM: Only when their profit exceeds 17 per cent.

Mr. FORSYTH: The hon. members says when the profit exceeds 17 per cent. That is, the maximum, and that means 3s. in the £. What is happening in connection with the income tax? Anyone who reads Mr. Tudor's speech on the Federal income tax will see that it is a most unfair thing to charge the full aggregate amount of profit of the companies, and that the charge should rather be paid by private individuals. What is the consequence? In connection with the Federal income tax, it is the individual who has to pay it. Supposing a man has £100 or £200 a year coming from a public company, he has not to pay 3s. in the £1, he has only to pay the rate based upon the particular dividend he receives, and that makes an enormous difference to a man who has only got a small income. I hear the Minister for Public Instruction interjecting.

The SECRETARY FOR PUBLIC INSTRUCTION: I was saying that that was on ordinary dividends. This is on excess double profits.

Mr. FORSYTH: This is on any profits over 17 per cent. Any public company which shows 17 per cent. of profit has to pay 3s. in the £.

The TREASURER: Only on the profits which exceed 17 per cent., not on the other part.

Mr. FORSYTH: But still you have a graduated scale, have you not?

The TREASURER: Yes; and they only pay 1s. on the first 6 per cent.

Mr. FORSYTH: Of course, it is a graduated scale, and it goes up to 3s. Does the hon. gentleman mean to say that, starting on the basis of 6 per cent., any individual will not have to pay a great deal more than if this amount was made payable by him individually? If a man receives £600 or £700 a year as a dividend, he would only pay, according to the Federal tax, upon the amount of money he receives as dividend, which would be a small amount—that is, on the undivided profit, no matter how much it may be, there is a flat rate of 1s. 6d. in the £1. That is the Federal Government's arrangement, and if you read Mr. Tudor's

statement, you will find that it is a most unfair thing to charge the aggregate amount on the total, because the small shareholder would be paying more than his proportion.

The SECRETARY FOR PUBLIC INSTRUCTION: If he gets 17 per cent. he ought to pay.

Mr. FORSYTH: It is not the 17 per cent. the man gets himself—it is on the aggregate amount. If you start with 6 per cent. and go up to 17 per cent., it stands to reason it would be very much better if you want to give the small man a chance to allow him to be paid on the basis of the amount he receives, on £200, £300, £400, or £500, or whatever it may be. In that case, he should be charged income tax on his income derivable from that company. But under this proposal the company has to pay in the first instance.

The TREASURER: We get a higher rate from the companies.

Mr. FORSYTH: Of course; but the small man who is only receiving a small income in the shape of dividends would have to get less. But the hon. gentleman does not worry about the small man. If he will read Mr. Hughes's speech upon the Federal income tax proposal, he would get some information which would do him good.

Mr. T. L. JONES: It is very edifying to hear you quote Mr. Hughes.

Mr. FORSYTH: I am always prepared to quote anybody who is worth quoting. If the hon. member will read this speech, he will find something to his advantage. This proposal is all right enough for the small man who is working for himself, because he will, then, if he goes over £300 a year, only have to pay upon that basis; but there are thousands of people who have shares in companies who live on the small income they receive in the shape of dividends, and the companies have to pay the tax. Of course, public companies have been in the habit of paying income tax, because the tax was comparatively small. Of course, they are forced under this Bill to pay it. It is not the individual who receives the dividend that has to pay the tax, the company has to pay it, and it means—and I challenge the hon. members opposite to contradict me—that because a company has to pay the aggregate amount, the private individual will have a less income if he is getting dividends from private companies.

The TREASURER: This only applies to companies which are earning a big dividend.

Mr. FORSYTH: The companies pay the income tax and do not feel it; but if it comes up to 3s. in the £1 it makes a big difference.

The TREASURER: Public utilities and monopoly companies are to be subject to the higher tax.

Mr. FORSYTH: Any companies?

The TREASURER: No.

Mr. FORSYTH: How are you going to define them? When you say public utility, I presume you mean gas companies, because they are in the nature of a monopoly. You also say "Monopoly companies," but where are they? What is the definition of "monopoly," and how is it going to apply?

The SECRETARY FOR PUBLIC INSTRUCTION: Any company that makes 17 per cent. is a monopoly, one way or another.

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Mr. FORSYTH: Well, I do not know.

A GOVERNMENT MEMBER: Shipping companies, for instance.

Mr. FORSYTH: I do not know of any shipping company that pays 17 per cent.

The TREASURER: Well, they won't pay the higher rate.

Mr. FORSYTH: I know shipping companies that for years and years have paid no dividend at all. I think the biggest local company in Queensland has never paid more than 8 per cent., so the hon. gentleman who interjected does not know much about shipping companies.

Mr. GILLIES: You will understand something about this taxation before long. (Government laughter.)

Mr. FORSYTH: I suppose I will understand it. At any rate, I will endeavour to understand it. There are a number of members laughing and interjecting who know as much about income tax as my boot. (Laughter.) Another aspect of these proposals is whether the payment of land tax will take off from the amount of income tax to be paid. It appears that that will only apply to land where the aggregate area does not exceed 1,280 acres. I presume that if a man has more than 1,280 acres, he will have to pay both land and income taxes, because the definition reads—

“Agricultural or grazing pursuits mean the grazing of stock or dairying on areas not in either case exceeding in the aggregate one thousand two hundred and eighty acres, or the cultivation and tillage of land for crops or other agricultural products.”

The TREASURER: There is no limitation to the area for ordinary agricultural purposes. For instance, a man might have a fruit farm of 5,000 acres.

Mr. FORSYTH: Will he have to pay both?

The TREASURER: He gets the relief.

Mr. FORSYTH: No matter what area there is?

The TREASURER: No matter what area there is.

Mr. FORSYTH: There is another item which seems to require explanation. In referring to the income derived from personal exertion, the resolution reads—

“notwithstanding that such profits have not arisen or accrued from or in connection with any business carried on in Queensland or elsewhere by the taxpayer.”

The TREASURER: For income derived somewhere else he has to pay the tax. He pays it wherever it is derived from. He pays it now.

Mr. FORSYTH: In connection with the Federal tax, it refers only to Australia.

The TREASURER: It refers to residents of Australia, no matter where the income may be derived. If he is a resident of the Commonwealth, and his income comes from America, it is liable to taxation.

Mr. FORSYTH: I do not think that refers to the Federal Government.

The TREASURER: Federal or State. The hon. member is mixing up the definition of absentee.

Mr. FORSYTH: Then a man may have to pay three income taxes—he may have to

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pay on income derived out of Australia; he may have to pay to the Federal Government, and he may have to pay to the State Government.

The TREASURER: If a man is a resident of the State, he does not pay income tax to the British Government.

Mr. FORSYTH: Then, what does this mean—

“notwithstanding that such profits have not arisen or accrued from or in connection with any business carried on in Queensland or elsewhere by the taxpayer.”

The TREASURER: It means that if a man sells a piece of land, and land selling is not his business, the money he gets for the land is regarded as income.

Mr. FORSYTH: I think that is a most ridiculous proposal.

The TREASURER: It is not any different to the present position regarding income derived out of Australia.

Mr. FORSYTH: We know that the people of Queensland, and that the people of Australia, have repeatedly asked to be relieved of that tax too. I feel it is an unfair thing to expect, and so far as taxation in Queensland is concerned the Government should be satisfied without that tax. In any case we shall be able to discuss this question later on. All I can say is that these taxes will be an enormous burden upon the people, because they will have to be paid notwithstanding the calls in connection with war, and more especially will they be a burden after the Federal land tax has been imposed. I know that if I were a young man and had to start business, I would no more think of starting in Queensland than I would think of starting in the moon.

The bell indicated that portion of the hon. member's time had expired.

Mr. FORSYTH: According to figures mentioned by the Treasurer, some of the rates will be less than in New South Wales, but others will be higher. It is just possible that he will get more money than he expects.

The TREASURER: £210,000 is my estimate.

Mr. FORSYTH: That is your estimate, but it is very hard to say how it will turn out. I am certain, however, that it is going to be a terrific burden upon the people, especially in the terrible times we are experiencing now, and it is going to harass them more because we have a Federal income tax as well as a State one. The present income tax brings in £450,000, exclusive of these increases, which are supposed to bring in £210,000. In other words, according to the hon. gentleman's statement, the income tax in this State will bring in something like £660,000, and I suppose we have also to find the same amount for the Federal Government. That will mean probably £1,200,000 that the people of Queensland will have to pay as income taxes to the State and Federal Governments. Of course, hon. members on the other side laugh. They think taxation is a nice thing. It does not trouble them, because they have not very much to pay. It has always been the policy of the Labour party to pass it on to the next man.

Several GOVERNMENT MEMBERS interjecting,

The CHAIRMAN: Order, order!

Mr. FORSYTH: They do not mind so long as it touches somebody else, more especially the producing industries of the State, because, according to the hon. member's figures the farmers will have to pay a good item. Hon. members opposite state in connection with the man on the land that if he does not cultivate his land he should be forced to do it. How many farmers in Queensland have cultivated their land, and have put crops in, but have got nothing at all? And, although they have not got anything, they still have to pay the land tax. That is the position. I hope to God that there never will be a Government that will impose upon the poor people taxation such as this! It is all very well to say it is fair taxation for the man who has got money to pay it. But it is a question of the taxation of people who have not got the money to pay. As a matter of fact the Labour party do not care for any industry. All they care about is raking in as much money as they want, and the poor farmer has to pay in order that they may carry out their policy in that particular way. But the time will come when they will repent of this, because the same people who have to bear this burden will remember it in time to come. If hon. gentlemen opposite lived on the land and had no crops—no return for their labour and output—they would realise the position. The Secretary for Lands knows the trouble of the farmers in his electorate. If a man has land worth £2,000, and it is mortgaged up to the hilt, he has still got to pay his land tax, no matter whether he has income tax or not.

The SECRETARY FOR PUBLIC LANDS: You do not know anything about my electorate.

Mr. FORSYTH: There are plenty of farmers in that position.

The SECRETARY FOR PUBLIC LANDS: There are none of them with £2,000 worth of land.

Mr. FORSYTH: There are some people with £2,000 worth of land.

The SECRETARY FOR PUBLIC LANDS: Not so many.

Mr. COLLINS: A good few in Queensland.

Mr. FORSYTH: Look at the Darling Downs! Many of them have not had a crop for the last four or five years, and yet these people, because they have bought land and tried to carry on a business in a fair way, have got to pay this taxation.

The SECRETARY FOR PUBLIC LANDS: No, they have not. Don't you think these big city properties should pay this tax?

Mr. FORSYTH: The hon. gentleman is shuffling this question altogether. The people of the city can probably afford to pay it. I am discussing the small man on the land, the man we all live by, because all wealth comes from the land. No one knows that more than the hon. gentleman.

The SECRETARY FOR PUBLIC LANDS: We have safeguarded the poor farmer.

Mr. FORSYTH: You have not safeguarded him. What you should do in regard to the graduation scale is to do what the Federal Government has done, that is, to allow a shareholder individually to pay the income tax. Then it would have been a fair deal. But you are making the company pay it. The company does not pay the

income tax in connection with the proposal of the Federal Government. Each individual shareholder has to pay it under the Federal income tax, whether he gets £200 or £2,000 a year. Under this proposal you aggregate the whole amount.

The SECRETARY FOR LANDS: That is what is troubling you, and not the poor farmer.

Mr. FORSYTH: It would be infinitely fairer to the small man if you allowed him to pay dividends, the same as the Federal Government. It is most unfair to make a corporation pay the full amount. The corporation may make £250,000 and they will have to pay on the higher rate, which goes up to 5s. in the £1.

The TREASURER: That does not apply here at all.

Mr. FORSYTH: It is the individual shareholder who pays the dividend tax, but in this case you are making the company pay it, and they will have to pay on the higher rate of 3s. in the £1, whereas if the individual shareholder was paying it he would only have to pay on the lower rate. That is the proposal here, and the hon. gentleman cannot deny it. If an individual shareholder only gets £200 a year he will not have to pay anything at all.

The TREASURER: So far as that is concerned, the position is not altered under this proposal.

The bell indicated that the hon. gentleman's full time had expired.

Mr. FORSYTH: Have I finished? Have I done? Is my time up?

The CHAIRMAN: Yes. The hon. member has exhausted his time.

Mr. FORSYTH: Then all I can say is that it is a very unfair tax.

Mr. BEBBINGTON (*Drayton*): Just returning, as I am, from a farming district, where they have been stricken by drought, these proposals really take away one's breath. It is all very well for hon. members opposite to sit there and laugh when they know nothing at all about it. Those who are acquainted with farming districts, and the returns which the farmers make, know how little it is, and these proposals really take away one's breath. We feel that the primary producers are to receive no consideration whatever.

Mr. FORSYTH: You cannot expect them to get any consideration from this Government.

Mr. BEBBINGTON: No, I never expect them to get any consideration at all. The hon. member for Bowen read out a list of farmers the other night, and he showed that only a very small percentage of them paid income tax. But if they have an area of land, as most of them have, it will bring them under this land tax. The returns from the farm do not guarantee any income tax, but they will certainly have to pay a very big land tax. I cannot understand the supposedly farmers' representatives who have sold their electorates like hon. members opposite have. I am sure the Treasurer is quite in earnest in his proposals, but he does not realise what these things mean. He has been led away by returns from farming districts over the average rainfall, and he has no idea of the conditions which exist to-day in those portions where they have no guaranteed rainfalls. He has not any idea of the value of land that a farmer has to have, because he has to have a sufficient

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quantity to at least make working expenses. Seeing that the returns from dairying are so small and the prices of dairy produce are so small, and seeing that the people are being fed too cheaply, they are getting all the benefit of the farmers' labour and he is not getting sufficient income to pay income tax, while he will be compelled to pay land tax.

Mr. BERTRAM: We are not dealing with the land tax now; we are dealing with the income tax.

Mr. BEBBINGTON: I am dealing with the land tax.

The CHAIRMAN: Order! The hon. member is out of order in dealing with the land tax.

Mr. BEBBINGTON: The Treasurer read both the income and land taxes, and I thought we would be allowed to discuss both taxes.

The CHAIRMAN: Order! The hon. gentleman is not correct in saying that the Treasurer read the land tax proposal. He only read the income tax proposal, but he incidentally referred to the land tax proposal where it was involved in the income tax.

Mr. BEBBINGTON: Well, the income tax troubles me very little. (Laughter.) The income tax troubles the farmer very little. So far as the income tax is concerned, I have very little to say, because it has been so ably dealt with by the hon. member who has just spoken. Other hon. members will be able to deal with it better than I can. When we come to the land tax proposals I should like to ask the Treasurer to accept some amendments in them. At the present time, the people are fed so cheaply that there is nothing in being on the land at all. There is nothing in it.

The SECRETARY FOR PUBLIC LANDS: You live on your losses.

Mr. BEBBINGTON: We live on hard work, and we feed the public cheaply as the result of our hard work. I will let the land tax proposals stand over.

Mr. MORGAN: It is to be regretted that the Treasurer thought it advisable to bring in an increased income tax at this particular stage, seeing that the country is suffering very severely from the effects of the drought, and certainly this is not the proper time to increase the burden of taxation on the people of Queensland. I intend to refer to that portion of the income tax which is exempted, where a farmer is liable to pay both income tax and land tax, and he is allowed to set one off against the other. In replying to an interjection from the hon. member for Murrumba, the Treasurer unintentionally misled the Committee by saying that those engaged in agricultural and grazing pursuits, who had more than 1,280 acres of land, would be exempt from taxation under both headings. I consulted with the Treasurer afterwards and learnt that that was not his intention at all, as the proposal is that only those who hold 1,280 acres of land should receive the benefit of the exemption and set one tax off against the other.

The TREASURER: It must not exceed 1,280 acres.

Mr. MORGAN: I want to show the Committee where an injustice would be done to one section of the community if we allowed the exemption to apply to holders of 1,280

acres of land. I admit that the exemption is the one bright spot in the whole of the proposals. It is proposed to exempt the small man, still a man holding 1,280 acres may have land worth £1,280, or it may be worth £10,000. In some places land is worth £10, £15, or £20 per acre, and a man holding 1,280 acres worth £20 an acre could not be called a small man. In the case of a man with 2,560 acres in my electorate or in the electorate of Maranoa, his land may not be worth more than 5s. per acre, yet he would have to pay land tax and also an income tax notwithstanding he is carrying on the industry of a grazier and agriculturist. Another man with 1,280 acres, with a more payable area, and situated closer to railway facilities, would only pay the higher of the two taxes. Instead of fixing the exemption according to the amount in area it would be better to fix it according to the amount in money. In this particular provision there is no encouragement for a man to go away from the cities into the bush at all. It is recognised by the Lands Department and by everyone else that in an electorate like mine an area of 2,560 acres is small enough for a man to make a living on, but if he takes up that area he will not receive any exemption under these proposals. It would be far better to alter the proposal to read that a man who has got an area which has an unimproved value no greater than £2,000 should receive the exemption, and not leave it to those who hold 1,280 acres of land.

The TREASURER: You want to bring in the small farmer and exempt the large land-owner.

Mr. MORGAN: No, I want to exempt the man carrying on the industry of agriculture and grazing on a piece of land which is of small value. It is the value of the land which should be taken into consideration. Right throughout Queensland there are a lot of men who took up areas of 2,560 acres each and they are struggling and suffering privations while men in more favourable localities are making a good living on 40 or 50 acres of land. Take the sugar-cane farms, this Bill will exempt the whole of the sugar fields, because there are very few sugar farms over 1,280 acres. Practically every sugar farm in Queensland [8.30 p.m.] will be exempt from paying one tax. They will only pay the higher of the two taxes. In my electorate and in the Maranoa electorate there are men on 2,560 acres of land which is not worth 10 acres of that sugar field, yet they will have to pay land tax and income tax.

The TREASURER: What do you want?

Mr. MORGAN: I want a fixed amount where exemption is made. Fix it on the unimproved value of the land and make it £2,000. If a man is carrying on grazing on land the unimproved value of which is not more than £2,000, he should be exempt and then everybody will be placed on the one footing.

Mr. H. L. HARTLEY: What is the size of your farm?

Mr. MORGAN: The size of my farm has nothing to do with it. I have got less than 2,000 acres as a prickly-pear selection, and as far as I am concerned I will probably not come into this tax at all if the unimproved value is taken into consideration.

The SECRETARY FOR PUBLIC LANDS: There are not many in the West who will come under it.

[Mr. Bebbington.]

Mr. MORGAN: There are many farmers in my electorate and in the Maranoa electorate who have 2,500 acres and there are others with 1,500 acres, and, although the 1,500 acres are not worth a quarter as much as 60 acres or 100 acres in a favoured locality, they are asked to pay both land tax and income tax, while the man with the 60 or 100 acres escapes. That is not right. I therefore move that the words "on areas not in either case exceeding in the aggregate 1,280 acres, or the cultivation and tillage of land for crops or other agricultural products," on lines 21 to 23, page 1, be omitted, with a view of inserting the words "and in no other case shall exceed in the aggregate land of the unimproved value of not more than £2,000." I move this amendment with a view of putting people right throughout Queensland on the one footing. If the amendment is carried, anyone carrying on farming or grazing on land the unimproved value of which is not more than £2,000, will only be called upon to pay the higher tax. They will be able to set off the income tax against the land tax or the land tax against the income tax. That will be a big improvement, and will be of help to people in my electorate who are now carrying on at a big disadvantage and who find it necessary to have at least 2,500 acres in order to make a living.

Mr. VOWLES: In speaking on this amendment, there appears to me to be some misunderstanding as to what is going to be exempt from taxation under the land tax. I understand that it is only freehold land that will be subject to the land tax.

The TREASURER: Only land held as freehold.

Mr. VOWLES: If that is so it appears to me that a good deal of the argument brought forward in support of this amendment falls to the ground. I was in doubt on the matter, because it might be land that is land capable of being made freehold. There is a very big distinction, because prickly-pear selections, agricultural farms, and lots of other classes of tenure are capable of being made freehold. If it is going to apply to them, then the argument of the hon. member holds good.

The TREASURER: It only applies to alienated land.

Mr. VOWLES: Land which is capable of being made freehold? Under the Local Authorities Act certain classes of land is land capable of being made freehold. That is the point. It is a case of whether it applies to actual freehold land or land capable of being made freehold.

The TREASURER: It does not apply to any land until a deed of grant in fee simple has been issued.

Mr. VOWLES: That makes a big difference. I just rose to get that matter cleared up, because I think there is a misunderstanding as far as that is concerned.

Amendment put and negatived.

HON. J. TOLMIE: I have listened with a great amount of interest to the Treasurer in introducing the taxation proposals in regard to the income tax. Naturally, we anticipated that he would go very fully into the necessity for the drastic legislation proposed here.

The SECRETARY FOR PUBLIC INSTRUCTION: We had that on the Financial Statement.

HON. J. TOLMIE: No, he did not go into it then.

The SECRETARY FOR PUBLIC INSTRUCTION: That would be the time.

HON. J. TOLMIE: Whether it was the time or not, he did not do it. We are very desirous of knowing exactly what the position in regard to the finances is that makes it necessary to raise all these funds. The hon. gentleman in the Financial Statement said that he required so much money in addition to the amount derived from the income tax. Just glancing cursorily through these proposals, I think the hon. gentleman is going to get a great deal more money than he anticipates.

The TREASURER: You are very optimistic.

HON. J. TOLMIE: I am optimistic in regard to the matter. At the same time, we recognise the fact that no more money should be taken out of the taxpayers' pockets than is essential for the carrying on of good government. If the public are asked to contribute more than is necessary to carry on good government, then they are going to give rise to avenues of extravagance, and we know that there has been a certain amount of extravagance even up to the present time. If this amount of money is voted to the Government, then the opportunities for extravagance are increased very much. I would like to point out that the Government are not serving the interests of Queensland in imposing taxation of this kind. Going through the item we find that the taxation is going to fall very heavily upon one class in the community.

The TREASURER: The wealthy class.

HON. J. TOLMIE: No, not the wealthy class; it is going to fall very heavily upon that class of persons who give employment to others. That is the class, and the only class in the community that is going to suffer from this taxation. If those persons are going to be taxed to the extent the Government propose to tax them, then some persons are not going to get employment. That is the position. The hon. gentleman who introduced these proposals went very carefully into the question as to how the taxation is going to affect quite a number of persons earning certain incomes, and he drew a comparison between the taxation that is being paid here and the taxation paid elsewhere. I would like to ask the hon. gentleman this question: In the statement he made referring to persons earning an income of £500, has he included all the taxation those persons pay?

The TREASURER: I was referring to the taxable income after deductions were made.

HON. J. TOLMIE: That does not include the taxation those persons pay through the Customs?

The TREASURER: Just the Commonwealth income tax and the State income tax.

HON. J. TOLMIE: The comparison is not altogether fair when the hon. gentleman contrasted it with what persons outside pay. When he stated the English taxation proposals, I gathered he included all the taxation.

The TREASURER: No; only the taxation on incomes.

[Hon. J. Tolmie.]

HON. J. TOLMIE: I want to have that point made as clear as possible, and that it is only a tax on income that the hon. gentleman has made reference to.

The TREASURER: Yes.

HON. J. TOLMIE: Not a tax on land.

The TREASURER: No, a direct tax upon income.

HON. J. TOLMIE: And no reference to the Commonwealth land tax proposals.

The TREASURER: No reference to them.

HON. J. TOLMIE: That comes under the taxation already spoken of.

The TREASURER: Yes.

HON. J. TOLMIE: We are getting the ground cleared somewhat. If the statement of taxation read out by the hon. gentleman, in some cases amounting from £14 upwards, is only taxation on income, and then on the top of that the Australian has to pay a land taxation to the Commonwealth and to the State Government as well, and also to pay through the Customs, then I think we will find that the man who is earning a small income in Queensland will pay a great deal.

The TREASURER: A man who is earning a small income in Queensland will not pay a land tax to the Commonwealth, because they commence at the unimproved value of £5,000.

HON. J. TOLMIE: There is another thing which I have already pointed out—the difficulties of these men who have an income of £300 to £500, and who will have to economise. As pointed out by the hon. gentleman the taxation will amount in some cases to £30. They will have to turn round and see if they cannot reduce their expenditure in some direction, and, if possible, it will have to be reduced in connection with persons they are employing, and whose services they can do without while the country remains in its present position. That means that through the taxation proposals of the Government we are going to force a lot of persons on the unemployed market. If you read the newspapers to-day you will see that so far as domestic servants are concerned, a good many persons are finding it difficult, under the conditions which prevail, to pay for domestic servants, and if on the top of the present difficulties you are going to add what is practically two-thirds of the wages of a domestic servant, you have reached the last straw which breaks the camel's back. A large number of persons give employment to this class of labour.

Mr. COLLINS: Do you refer to the 940 persons whose income was over £4,000,000?

HON. J. TOLMIE: I was not referring to any particular number, I am only dealing with that very large section of the community who find they are not in a position now to give employment to some classes of workers. Perhaps it may not be continuous employment, they may only pay a gardener two days a week, or three days a month. They may employ persons to do other work for a few days. This class of casual labour is going to suffer in consequence of the taxation which is being proposed by the Government. When the Bill is introduced, we shall probably have more information than we have at the present stage, but as far as we can see now there is going to be additional suffering imposed because the Government have shown no attempt to economise in any way. We have heard hon.

[*Hon. J. Tolmie.*

members opposite say that at such a time as this, when everyone is suffering more or less because of the war, there is a necessity to economise, but the Government do not economise.

Mr. KIRWAN: You advised them the other night to spend more money.

HON. J. TOLMIE: I advised them to spend more money reproductively, so that it would be returned to the State, and if the hon. member's Government would do that they would be doing something for the people, but what the hon. member wishes his Government to do is to spend perhaps £1 and bring back nothing in return to the State.

Mr. KIRWAN: He does nothing of the kind.

HON. J. TOLMIE: An injury is going to be done to the whole body politic. There are many ways in which the Government could economise, and many ways in which they could judiciously spend money in re-productive works, which would bring back to the State something over and above the money expended. Certainly I urge that money should be spent and any person who has the interest of the State at heart, will urge that the money should be spent. But here the Government comes down and endeavours to thwart the very persons who are thrifty and who are engaging in enterprises and to impede them in their endeavours, to prevent them by taxation proposed here to go in for reproductive works and give employment to the people. I am certain that these taxation proposals are going to have a very bad effect on the State. We are urging people to provide more than they are able to provide, and, as a result, they are going to get into difficulties. The hon. gentleman who introduced the taxation proposals drew the distinction where they are not going to tax a man twice. If a man earns an income then they are not going to impose a land tax on him, but will subtract his land tax from the amount of his income tax and he will have to pay the balance. I put the question to the Treasurer, "What about the man who has no income?" and he laughed to scorn the idea that a man could have land and not derive any income from it. If he went into the producing centres of Queensland to-day he would find that there is scarcely a man who is getting any income at all from his land. I travelled through the best part of the Darling Downs yesterday, from Toowoomba to Warwick, and it makes one's heart sore to see on every hand country absolutely barren, to see the stock dying, and to know that not one farmer from Warwick to Toowoomba is going to make any income at all out of his land this year.

The TREASURER: Then we will charge him no income tax.

HON. J. TOLMIE: I know he is not going to be charged income tax, because he has made no income, but what you are going to do is to charge a land tax, and to ask those men who have hypothecated their properties in order that they may pay the income tax—

The TREASURER: Are they always going to be in the condition you speak of?

HON. J. TOLMIE: They are going to be in that position this year, and the hon. gentleman said these were proposals for this year. He did not say that they were

proposals for all eternity, because he has not lost his senses altogether. He said they were proposals for this year, and that being so, they are going to affect the persons he had spoken of this year, who have derived no income from their land. He had filled up income tax returns for persons who have scarcely made £1 a week from their farms, and in some seasons scarcely anything at all. A great number of these men will be injured under the taxation proposals of the Government.

The bell indicated that the hon. member's time had expired.

THE SECRETARY FOR PUBLIC INSTRUCTION: What about the poll tax in 1902?

HON. J. TOLMIE: The man who is deriving an advantage from the State in which he is living certainly ought to contribute something towards its upkeep.

Mr. CORSER (*Burnett*): I do not think there are any members of the House who have any objection to taxation if it goes towards relieving the burden caused by the war and the drought, but we must object to taxation similar to that which has been outlined by the Treasurer. So much provision is made for taxation to increase the burdens of the people, and yet none of it is being made accountable for the contingencies caused by the war. All that is yet to be found, yet the field of taxation is being bled. I would like to know from the Treasurer whether it is the intention, by these proposals, to affect a number of people who are at the present time endeavouring not only to make some revenue for themselves and make it possible for them to carry on and gain some little wealth, but, at the same time, are freeing the country from pests such as pear. Is it the intention of the Government to include in these proposals such agricultural farms or prickly-pear selections as are in the course of alienation, which have been selected and the owners of which are in the course of acquiring the freehold?

THE TREASURER: They will not be subject to the land tax.

Mr. CORSER: Even if the proposal does not cover grazing land or land in the course of alienation, but for which the deeds have not been issued, the argument of the hon. member for Murilla holds good. Lands are not included here to the extent of 1,280 acres, but there might be 100 acres of lucerne land alienated for which the deeds are held, and which might be more valuable than 5,000 acres of other alienated land. Because the land is alienated, that does not say that it is valuable land. We know that all along our coast there are hundreds of thousands of acres which are not producing anything, and the people would starve if they were driven to try to make a living off those lands and to heavily improve them. The Minister must know that the tax should be calculated on the value of the land, and not on the aggregate area. It would be much better to estimate the value of the land; make it, say, £2,000, if you like.

THE SECRETARY FOR PUBLIC INSTRUCTION: We have disposed of that amendment.

Mr. CORSER: You have disposed of the amendment simply because it did not include grazing farms. The amendment was proposed and lost simply because of an

explanation by the Minister that it did not include grazing farms. The argument holds good, because there might be just as big a difference in the market value of freehold land as if part of it had been of a grazing lease. Fifty acres of strawberry land would be far more productive and beneficial to the man who owns it than 5,000 or 10,000 acres of inferior grazing land. It would be far better for the Government, putting party politics aside, to adopt the method of an equal value, never mind about the area. The Minister for Education, with his experience of the Land Act and of the conditions on the land in his own electorate, knows that it is not the quantity of land which is the important part—in Queensland we should not consider quantity but quality—we should consider the productiveness of the land and not the aggregate area. That is what is going to cause trouble, and it is going to hit the man who has cleared prickly-pear land and secured the deeds and the land is only inferior grazing land. Of course, if he has not more than 1,280 acres, he is exempt. There is another provision I would like to refer to in connection with public utility and monopoly companies. I would like to know if it is the intention of the Government to include trades unions under these monopoly companies?

THE SECRETARY FOR PUBLIC INSTRUCTION: They do not make 17 per cent. profit.

Mr. CORSER: I think they make 100 per cent. profit myself, and that is why I am so anxious to see that they are included and have to pay just taxation. Perhaps 100 per cent. profit is the excuse why the Government have stopped in their proposals at 17 per cent. Trade unions have a monopoly of the business. If the opportunity to amend the portion I speak of dealing with the value of agricultural lands is not availed of, I hope the Treasurer will see the advisability of making an amendment in the Bill at a later stage.

Mr. STEVENS (*Rosewood*): It was only to be expected at the present time that the people would be asked to pay taxes on account of the expense of the war, and I am satisfied that every person would have cheerfully contributed to such a tax. But for that very reason, and because also at the present time we are suffering from a most severe drought, one would have thought that any State Government—no matter what its politics may be—would have refrained from imposing any extra taxation, especially as the revenue does not show any appreciable shrinkage, and, therefore, there is no real excuse for any extra taxation of this nature. It is utterly impossible for anyone to justify this taxation. At the present time the people would cheerfully meet the war tax of the Federal Government, but this tax, which the State Government intend to impose upon its people, is utterly unjustifiable. The conditions of farmers have been alluded to. All members must be aware that there are large numbers of farmers at the present time who are making absolutely no returns for all their labour, and, therefore, it is absolutely unjust to place this burden upon them. I maintain that these proposals are quite unnecessary especially just now, but I suppose we will have to put up with them. There was one plank on the Labour party's platform which they must give effect to, no matter what the others may be, and that is the one dealing with

Mr. Stevens.]

taxation. The people of Australia have had that experience already. Wherever the Labour party has obtained power, there extra taxation has been immediately imposed. There is just one case to which I wish to draw the Treasurer's attention, and that is with regard to our co-operative dairy companies. I have always maintained that these companies have been unjustly treated under the income tax legislation we have been living under for some years past. These companies are not formed for the purpose of making profits; they are merely formed by a number of farmers or dairymen, as the case might be, who combine for their mutual benefit, to do their business through a company, in a manner better than if they acted individually or through intermediate agents. But, owing to the nature of their business, and having to dispose of the bulk of their produce on the other side of the world, a considerable interval necessarily elapses between the time the advance payment is made to the dairyman and the time when they know what their produce actually realised. Therefore, in order to conduct their businesses on a safe basis, it is necessary that a monthly advance be made to the farmers, and it is comparatively low. If a rise takes place in the home market, there may be a fair amount of accumulation at the end of the year, and the Government regards this as taxable profits. I maintain that this is not profit in the strict sense of the term. It should be regarded as deferred payments to be distributed amongst those to whom it belongs, the company being freed of income tax and the tax to be paid by the individual farmers who receive the money. I hope that whatever the Treasurer does in regard to these proposals he will at least give the case due consideration, and, if possible, instruct the Income Tax Commissioner that these so-called profits of the company are not taxable except to the individual. That was the only point to which I wish to draw the Treasurer's attention at present.

* The SECRETARY FOR PUBLIC INSTRUCTION: I would like to say a few words with regard to these taxation proposals before the resolutions are put. First of all I must congratulate the Treasurer in bringing in such sound financial proposals.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: Everyone knows that we are in need of revenue. We have not only a war, but we also have a drought, and we have a falling revenue. Undoubtedly, the existence of the war affects not merely the Commonwealth but also the State finances as well, and revenue must be got somewhere. And I say the Treasurer is to be congratulated on the excellence of his proposals, which, in my opinion, are the most advanced taxation proposals that have ever been introduced into any Legislative Assembly in Australia.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: I believe we are setting the lead to every other State and to the Commonwealth in regard to the scientific character of these proposals.

GOVERNMENT MEMBERS: Hear, hear!

Mr. COLLINS: Queensland leads the way.

[Mr. Stevens.

The SECRETARY FOR PUBLIC INSTRUCTION: I believe it leads the way. In years to come these proposals will be looked back on as marking an epoch in taxation—of putting the tax upon those who not only are able to bear it, but those who ought to bear it. The excellence of the proposal is shown by the weakness of the attack on the part of the Opposition. Of course, we know they are bound to cry out, but they are absolutely ineffective in the case they make against the Government's proposals. Of course, they try to make a case by shrieking about crushing out industries, and so on, but anyone who follows their speeches will see that they have really no foundation whatever, and that they certainly misrepresented the whole position with regard to these taxation proposals. I can quite understand the surprise of members of the other side with regard to taxation proposals introduced by this Government, because they never dreamt of such moderate proposals in respect to ordinary income. (Hear, hear!) Just compare these proposals with those of the Government followed by members on the other side in the past. In 1902 or 1904, when there was a big drought, what did they do? They did not put a tax upon those who were capable of bearing it, but put a tax on the whole of the poor classes; they levied a poll tax of 10s., and they did not consider whether the people could afford to pay it or not. They did not impose taxation on the wealthy classes, but upon the man who could not afford to pay it.

Mr. CORSER: And did they pay it?

The SECRETARY FOR PUBLIC INSTRUCTION: They were made to pay it, and in some cases they were summoned for not paying it. Now, what do these proposals do? They propose to make practically no new taxation on any company or any person who is in any way in distress.

Mr. CORSER: This is increased taxation, is it not?

The SECRETARY FOR PUBLIC INSTRUCTION: It is increased taxation on those who ought to bear it, to enable the State to provide employment and carry on the administration of affairs, rather than retrench them, as would have been done by the last Government. If the Denham Government had been in power to-day there would not have been taxation in form; it would have been taxation in reality. There would have been retrenching in our railway service, and public offices, and they would have resorted to all kinds of devices, rather than putting taxation upon those who ought to bear it. These proposals do not propose to retrench or to put a tax upon men who have small incomes. It proposes to put a tax on three classes. Let me say that, so far as ordinary income is concerned, there is very little increased taxation. I am sure members of the Opposition will be astounded at the moderation of this party so far as the taxation of ordinary income is concerned. It scarcely increases this taxation, but it increases the taxation on those companies which are making super-profits—large and enormous profits, and pay large dividends, and, at the same time, put away big reserves. Anyone who perused "The Trustees' Quarterly Review" for last quarter and this quarter would find that there are a large number of companies which, even in this time of war

—even in this time of depression—even in this time when people have to go hungry—are making 12, 15, and 20 per cent., besides piling up huge reserves.

The SECRETARY FOR PUBLIC INSTRUCTION: The various gas companies all over Queensland are making big profits. The South Brisbane Gas Company and the Charters Towers Gas Company are making profits of 10 per cent., 11 per cent., and 12 per cent., besides carrying large sums to reserve. The Brisbane Tramways Company is another company which has a monopoly in Brisbane. What are they doing at the present time? Out of a small nominal capital on which the company started, they have made so much money that to-day they have a property worth over £1,000,000 in value. In the past, this company has been paying very little taxation, but we propose to make them pay something out of that monopolistic value which they are getting. We propose to make them pay something for their huge monopolistic profits. We propose to make them pay something more than the ordinary people of this State have been asked to pay. During the discussion on the Financial Statement, I made an interjection that the Brisbane Tramways Company made a profit of something like 25 per cent. I have since gone over the figures, and including the shares, bonuses, and reserves, I am well within the mark when I say they are earning something like 25 per cent. profit. Do members on the Opposition side mean to say that we ought not to tax people like these in these times? We are calling upon them to contribute something to the revenue. I consider that this is the most fair and scientific form of taxation that has ever been introduced into Parliament, and it will go down to history as a credit to the Labour party for the way they tried to meet the difficulties in these hard times, and, instead of putting the taxation on people who could not afford to pay, they put it upon those who are making huge profits in time of war and drought at the expense of the rest of the people of the community. (Hear, hear!) Let me point out one other thing. We propose to exempt from income the tax which those who have to pay Commonwealth income tax pay on income derived in this State. That exemption has been asked for over and over again in times past by various deputations to the State Treasurer, but it has never been granted. We propose to grant it, because we consider it a reasonable thing. For the first time, we propose to make those persons who are reaping huge profits out of the sale of properties pay income tax on the money derived in that way. I tried to get Mr. Denham to include that as income under the Income Tax Act over and over again. I asked him to bring in an amendment, in order to place the tax on his rich friends, but he would never do anything in the matter. In my own district a man bought a property for £6,000, and in two years he sold it for £40,000. He went away from Queensland, and never paid a single penny out of that sum towards the revenue of this State.

MR. FREE and other GOVERNMENT MEMBERS: Shame, shame!

The SECRETARY FOR PUBLIC INSTRUCTION: Anyone who knows the

fabulous sums that have been made in this way will know the enormous number who have escaped taxation. I know a gentleman in this town who bought from the Crown an acre of land for £10 four years ago; three years afterwards he sold one-third of that land for £300. That was at the rate of £1,200 per acre, for which he only paid £10. We propose to make money earned in that way come under the heading of income, and be liable to income tax, as it is only a fair thing. At times like these, it is only right they should pay their share of taxation. Take another exemption which we are allowing under these proposals. We are always told that we are taxing the farmer. This party has shown that, instead of being the enemies of the farmer, we are the friends of the farmer, as we are giving him special consideration under these proposals. We are giving an exemption to those farmers who do not own more than 1,280 acres of land. Those small farmers will be allowed exemption to the amount of the land tax which they have paid. It is only right we should give them special consideration in times like these. There are many other aspects of these taxation proposals which, I say, should commend themselves, not only to members of this House, but to every citizen in Queensland who likes to see fair taxation imposed in a proper economic form. Instead of crushing out industry or enterprise, this tax will fall on the excessive profits which indicate monopoly. When a company makes 12, 13, 14, 15, 16, and 17 per cent. profit and more, it is only right that they should be made to pay taxation in some shape or form. The attack made by the Opposition on these proposals shows the excellence of the proposals. Hon. members opposite could make no case at all except by misrepresenting them. When the people outside realised the full details of these proposals, they would not only be surprised at our moderation, but they would say that the Labour party, who have always been considered as the enemies of the farmers, have set a splendid example to those former Governments who were supposed to know so much, but who proved that they knew very little. I have much pleasure in supporting the proposals moved by the Treasurer. (Hear, hear!)

MR. BAYLEY (*Pittsworth*): Generally speaking, I think that an income tax is a fair tax. Generally speaking, the man who can afford to pay should pay. The man who has not got any income should not be asked to pay any taxation. I will go so far as to say that large companies and large combines which make big profits in the State can well afford to pay a fair income tax. (Hear, hear!) But there must be fairness in all things. At the present time there are a class of citizens in Queensland who will be compelled to pay a land tax when they are not in a position to pay. I am speaking of the producers throughout the country. During the last year many hundreds of them have not made a penny profit. They have not had any income at all.

The TREASURER: Then they will not pay any income tax.

MR. BAYLEY: They have lost hundreds and in some cases thousands of pounds, but, in spite of this, they will be compelled to pay a land tax. The Hon. the Minister for

Mr. Bayley.]

Education referred to the fact that in the past the Liberal Government imposed the poll tax. He was very indignant because this poll tax was imposed on a class of men who had nothing to pay—men who had no income. This Government are going to do something far worse than that. Not only are they going to penalise the men with no income, but they are going to penalise the men who have lost hundreds and perhaps thousands of pounds during the year. The Treasurer said that if a man has a farm of the unimproved value of £1,000 and he makes no profit, there must be something seriously wrong in the way he works it. There are hundreds and hundreds of farms which in the past twelve months, owing to the drought, have not made a shilling profit. Their operations have resulted in no profit whatever. I think that the exemption to be granted for each child is a step in the right direction. The fathers and mothers who have a number of children are already paying a large sum of money in the form of indirect taxation through the Customs and in other ways, and the Government must be commended for granting this exemption. It is only a reasonable thing that men with families should be helped in this way. Children are assets to the State. There is one matter we would like to be a little clearer on, and that is with reference to the exemption, to a certain extent, from income tax of those who hold less than 1,280 acres of land. It seems to me that the matter wants a little more consideration. Is it to apply to grazing farms, agricultural farms, and prickly-pear selections?

The TREASURER: Prickly-pear selections will not be subject to the tax.

Mr. BAYLEY: The hon. member for Burnett referred to the fact that in some localities land is worth perhaps 10s. per acre, whilst in other localities land is worth very much more than that. In some parts it might be worth £40 or £50 per acre, while in other parts it is only worth 5s., or perhaps 1s., per acre, unimproved value, still the man who has the rich orchard and a small area of land would be exempt from the income tax, while the man who has the second-class grazing land will get no exemption at all. That shows the unfairness of this proposal. Why should not all land be included if the land is used? No matter what the land is used for—grazing, farming, dairy, or orchard—that land will make a profit in ordinary years to the owner, and he will have to pay the income tax accordingly. If the land is not being used, but is simply being held for speculative purposes, the owner will still have to pay in the form of a land tax. I fail to see the fairness of imposing a land tax and an income tax in that way. If business men in town make big profits from their businesses or professions, they have to pay income tax, but it is one tax, and that is all. Why should the farmers, graziers, orchardists, and squatters be forced to pay income tax and a land tax, too?

The TREASURER: The orchardist will not have to pay.

Mr. BAYLEY: I ask this Government is it considered a crime for a man to go out West and take up, say, 2,000 acres of grazing land? Is it a crime against the Commonwealth and against the citizens of Queensland? It appears to me that they think these men

[Mr. Bayley.]

have been doing something of which they should be ashamed. The Government have told us that they are anxious to give the producers generally a fair deal. They tell us that they are anxious to put [9.30 p.m.] the agriculturist, the grazier, and those engaged in kindred industries on a firm foundation, and, in spite of that fact, we have this anomaly. A man is forced to pay income tax in a good season, and if he holds more than 1,280 acres he is forced to pay a land tax in addition. In what way is the Government endeavouring to help the country? In what way is the Government trying to induce men to go out in the back blocks and open up this vast State of ours? I beg to move that all the words after the words "carried on" to the end of the paragraph be deleted.

The CHAIRMAN: Order! The hon. member is not in order in moving that amendment. There has been an amendment moved further on in the resolution, and we cannot now go back.

Mr. BAYLEY: This is somewhat on the same lines, but it is a different amendment to the one moved by the hon. member for Murilla.

The CHAIRMAN: The hon. member for Murilla moved an amendment on line 21, and I cannot allow the hon. member to move an amendment in an earlier part of the resolution.

Mr. BAYLEY: If you won't allow me to move this amendment—

The CHAIRMAN: The hon. member must know that I am acting according to the Standing Orders; it is not a question of whether I will allow it or not. Under the Standing Orders the hon. member cannot go back.

Question—That the resolution be agreed to—put and passed.

At twenty-five minutes to 10 o'clock p.m., Mr. BERTRAM relieved the Chairman in the chair.

LAND TAX.

The TREASURER: I now wish to move a resolution dealing with the land tax proposal. This resolution has also been circulated earlier in the evening so that hon. members could have an opportunity of becoming conversant with it. The proposal is simple enough. It really authorises the Government to impose a land tax on the unimproved value of land with an exemption of £300, and also makes provision for a similar tax with respect to all undeveloped land as defined by the resolution. Under this proposal, there will be no exemption for absentees or companies. If land of the unimproved value of £300 or over is owned by absentees or companies the tax must be paid on the whole parcel of land, without any deduction whatever. The schedule is set out in the resolution, and hon. members will see that the minimum rate of 1d. in the £1 is chargeable where the taxable value is less than £500, and it increases gradually until the tax reaches the point of 3d. in the £1 where the taxable value is £5,000 and less than £10,000; and then it goes on more gradually until it reaches the maximum of 6d. in the £1 where the taxable value of the estate is £75,000 or over. It is a rapid increase from £500 taxable value to £5,000 taxable value, but

thereafter on account of it being superimposed on the Federal land tax, it increases by more gradual steps until it reaches its maximum rate of 6d. in the £1 where the estate is of the unimproved value of £75,000. The undeveloped land tax will not operate this year, but it will stand in the taxation proposals as a warning to those who hold lands not in use to bring them into use, otherwise in future years they will be subject to the extra tax. The future tax for the first year the land remains unimproved will be 1d. in the £1; increasing, in the second year that the land remains undeveloped to 1½d. in the £1; and increasing in the third year that the land remains undeveloped to the maximum of 2d. supertax in the £1; which, of course, will apply in addition to the ordinary rate of tax.

Mr. BOOKER: How will the undeveloped land be defined?

The TREASURER: The hon. member will see that in the resolution it is defined as "all land which has not in or upon it improvements of the value of at least one-fourth of the unimproved value of the land, and in valuing improvements for this purpose, the value of all stock ordinarily depastured on the land may be taken into account as an improvement."

Mr. BEBBINGTON: Suppose country is carrying stock to its full capacity and the value does not equal one-fourth the value of the land.

The TREASURER: The farmer will be able to value all stock, fences, and other improvements, and if the total value reaches more than 25 per cent. of the unimproved value, then no undeveloped land tax will be imposed.

Mr. BOOKER: Agricultural land, pastoral land and arable land—how are you going to define that?

The TREASURER: We see no difficulty in applying it to all kinds of land whether it be country or urban lands.

Mr. BOOKER: The department may say certain land is suitable for agriculture whereas it may be used as grazing land. How are you going to define that?

The TREASURER: The unimproved value would be the basis as to whether the land was liable to the tax or not. Those lands suitable for agriculture will have a higher unimproved value than land only capable of being used for grazing purposes. Once the unimproved value is determined then it is easily calculated whether the land has upon it sufficient developments to bring it within the requirements of the tax. It is the simplest thing to operate, because the unimproved value must be known to the commissioner in order that he may assess the tax, and the improvements must be declared by the owner in order to show whether the land is fully developed or otherwise. If land is being properly used for grazing purposes, then 25 per cent. of its unimproved value should be on the land as improvements, taking into consideration the value of the stock. If there are cases where land which ordinarily depastures stock is not now or is not in some future year depasturing stock on account of dry seasons, then the commissioner can give exemption in such cases. I think hon. members will find that the whole situation is thoroughly well protected in

regard to the tax. The tax has been framed in such a way as to bring into the ordinary revenues a revenue which the Government should collect. A land tax is imposed in every State of the Commonwealth and in New Zealand, and is levied also by the Commonwealth itself, and there is no reason why landowners in Queensland should be exempt from this tax. As already stated when explaining the new income tax proposals, special consideration is given to the primary producer who follows the pursuit of agriculture or grazing. Special consideration is being given to him in order that he will not be asked to bear too big a burden, but with regard to all other landowners no exemption is being made; whether they are owners of country land, or owners of town lands, they are subject to the tax, subject, of course, to the usual exemptions and deductions which are permissible. The tax is made a graduated one in order that it would have a tendency to make it unprofitable to hold large aggregations of land in any part of the country. So far as the graduated scale applies to country lands, the idea is to prevent the aggregation of large country estates, and so far as the graduated scale applies to city lands the idea is to extract from the large landowners a revenue which they can afford to pay. I beg to move—

"That towards making good the Supplies necessary to defray His Majesty's public expenses and making an addition to the public revenue—

"It is desirable—

"That there be levied and paid land tax for this and each succeeding year upon the unimproved value of lands within Queensland which have been or shall hereafter be alienated from the Crown.

"That the rate of the land tax be as hereunder set out, that is to say—

"If the taxable value—

| | In each and every £. |
|---|----------------------|
| Is less than £500 | 1d. |
| Is £500 or over, but is less than £1,000 | 1½d. |
| Is £1,000 or over, but is less than £2,000 | 1¾d. |
| Is £2,000 or over, but is less than £2,500 | 2d. |
| Is £2,500 or over, but is less than £3,000 | 2¼d. |
| Is £3,000 or over, but is less than £4,000 | 2½d. |
| Is £4,000 or over, but is less than £5,000 | 2¾d. |
| Is £5,000 or over, but is less than £10,000 | 3d. |
| Is £10,000 or over, but is less than £20,000 | 3½d. |
| Is £20,000 or over, but is less than £30,000 | 4d. |
| Is £30,000 or over, but is less than £50,000 | 4½d. |
| Is £50,000 or over, but is less than £60,000 | 5d. |
| Is £60,000 or over, but is less than £75,000 | 5½d. |
| Is £75,000 or over | 6d. |

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“ And in addition—
On all undeveloped land—

| | In each and every £ of the taxable value. |
|---|---|
| In respect of the financial year beginning 1st July, 1915 ... | Nil. |
| In respect of the financial year beginning 1st July, 1916 ... | 1d. |
| In respect of the financial year beginning 1st July, 1917 ... | 1½d. |
| In respect of each financial year thereafter ... | 2d. |

“ For the purposes of this section, ‘ undeveloped land ’ means all land which has not in or upon it improvements of the value of at least one-fourth of the unimproved value of the land; and, in valuing improvements for this purpose, the value of all stock ordinarily depastured on the land may be taken into account as an improvement: Provided that any land may in any year be exempted from the said tax on undeveloped land by the commissioner if, owing to drought or other sufficient cause, he deems it just and proper so to do.

“ That land tax be payable by the owner of land upon the taxable value of all the land owned by him.

“ That the taxable value of all the land owned by a person be—

(a) In the case of an absentee or a company, the total sum of the unimproved value of each parcel of the land, if such total sum exceeds £300.

(b) In the case of an owner not being an absentee or a company, the balance of the total sum of the unimproved value of each parcel of the land, after deducting the sum of £300.”

The TEMPORARY CHAIRMAN: Is it the pleasure of the Committee that I put the resolution as read by the Treasurer?

HONOURABLE MEMBERS: Hear, hear!

The TEMPORARY CHAIRMAN: The question is—That the resolution moved by the Treasurer be agreed to.

HON. J. TOLMIE: Before the resolution is agreed to, I desire to say a word or two in connection with it. Personally, I cannot see my way to support this form of taxation. I believe in an income tax, because a man has a right to pay something for the purpose of maintaining the institutions of the country in which he is living, and which gives him protection. Every man is in duty bound to do something for the State in which he is living, but that duty is incumbent not on one section only but on all sections. A man ought to pay in proportion to the benefit he is receiving, which is shown by his income. I have never believed in a land tax, but have always believed in an income tax. Hon. members will find in the latest works on taxation that political economists are becoming single taxers, and the tax laid down by the economists of the new school is an income tax.

Mr. O’SULLIVAN: Who are the authors?

HON. J. TOLMIE: If the hon. member will consult the works in the library dealing with taxation, he will find that what I have set forth is correct. It has been pointed out by the Treasurer that all land over the value of £300 is taxable. £300 is deducted

from the value of the land, and the rest is taxable at a rate from 1d. to 6d. in the £1. Under these proposals the burden is so great that the persons who hold large areas of land will be compelled, even at a sacrifice of value, to dispose of their estates. That is what the hon. gentleman says the object of the resolution is. I have never believed in the principle of confiscation. This tax is one which will fall upon persons who have no income at all derivable from the land. The hon. gentleman, in dealing with the income tax proposals, laughed at the idea that a man could own £1,000 worth of land and not obtain any income from it. If he goes over the producing areas of the State he will find that there are some thousands of persons holding land valued at from £1,000 to perhaps £4,000 or £5,000, from which they have not derived a single penny of income during the present year. They have ploughed and planted seed themselves, and they have paid for labour also for that work, but this year they have received absolutely nothing. Notwithstanding that fact, the Treasurer comes along, and says, “ Because of the fact that you have no income, we have to get something out of you. You may have lost all the labour of yourselves and families for twelve months, the labour you paid for, and the value of the seed you put in, which may come to some hundreds of pounds, but, notwithstanding that, we are going to ask you to pay an additional tax.” Take a big property in the Lockyer district worth £3,500. They have 320-acre selections in the area I am speaking of, easily worth £10 an acre, and in some cases worth £40 an acre, but I am only quoting it at £10 an acre. In that case a man who this year has earned nothing at all, is called upon to pay a tax of £28 on the value of his land, notwithstanding that he has not earned a penny wherewith to pay the tax. Because of his inability the State comes along and says, “ We will extort something from you. You must go to some financial institution and hypothecate your land for the purpose of getting sufficient money in order that you may pay the land tax.” If this proposal becomes the law of the land that is the position in which some hundreds of farmers will find themselves this season. Then, on the top of that, the provision is laid down that if they do not cultivate, or otherwise improve their land that they are not at present cultivating, they are going to be called upon to pay a super-tax. Do you put a super-tax upon a person engaged as an artisan because he does not earn sufficient? No, on the contrary, you say to him, “ If you work long hours you will have to receive more for your labour ”; but the unfortunate farmer is in quite a different position. Although he owns land which he is not cultivating, he is to pay for it in the way of a super-tax. The only time he can get any relief is at such a time as this, because when there is a drought and all his stock are dead, we should grant him a concession. In other years, perhaps, he has not the capital to utilise the land that he possesses; perhaps he went on to that land without any capital. His progress is due to what he has earned and put into it, and year by year he is developing his land more, but he cannot develop it to the extent the Treasurer is asking, and because of that we are going to put this super-tax upon him. The proposal is confiscatory so far as the landowners are concerned. If you want to get at the absent landowner, introduce

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legislation of that kind, but why he should be penalised in that way I do not know. You have an opportunity of getting at him through his income, as you are going to take 15 per cent. from him if he makes a big income, 10 per cent. if his income is fairly large, and downwards in proportion to the amount of his income. That is a fair proposition, but to tax the producer when he is not earning an income at all is putting an unjust burden upon him, and will be detrimental to the best interests of the State. Men will not go on to the land under those circumstances. Hon. members opposite issued a circular to the people before they came into this Chamber, and since they have come into power they have been stating how they were going to settle people on the land.

The SECRETARY FOR PUBLIC INSTRUCTION: Hear, hear!

HON. J. TOLMIE: The hon. gentleman says "Hear, hear!" As a result of the few months of the present Government's administration the people are going off the land as fast as they can go. Is this one of the means by which the Government are going to induce people to go on the land?

The SECRETARY FOR PUBLIC INSTRUCTION: Hear, hear!

HON. J. TOLMIE: The hon. gentleman must have great faith in himself and those associated with him if he says that this will encourage people to go on the land, when it is going to tax them out of house and home. If we were in such a position that it was absolutely necessary that this tax should be placed upon the farmer, the probability is that he would consent to it as cheerfully as he is consenting to other things being done. You cannot say that the man on the land is shirking his obligations and trying to get out of them. They are doing their duty to a greater extent than any other section of the community, and because of that they are supposed to be able to bear additional burdens. That is not a fair proposition. If this was a war tax, I have not the slightest doubt that the farmer would bear it, just the same as he would bear other burdens of the war. But this is not a war tax, the income tax is not a war tax, and there is no necessity to place all this additional taxation on the people of Queensland. The hon. member for Murrumba went through the financial proposals of the Treasurer. He showed how some thousands of pounds could be saved, and that in a year such as this there was no need to come down with any taxation proposals at all. However, if it is necessary to increase the income tax in some cases by 25 per cent., and in some cases by 200 per cent., and generally speaking by 50 per cent., do it if the money is required; but where there is no necessity to place burdens upon the people, and where such action can only be restrictive of development, the Government should not take such action. The action proposed by the Government will restrict the farmer, and will be injurious to the welfare of the State. It is because I believe that, that I shall vote against the proposal, and I believe that hon. members on this side feel the same as I do in regard to it. We are not averse to proposals to impose fair taxation, but where taxation is absolutely unjust and unfair in its incidence, then as men who believe in some degree of justice we oppose it.

Mr. BOOKER (*Wide Bay*): May I be permitted to ask the Treasurer whether it is the policy of the Government to bring the value of all private land back to prairie value?

The TREASURER: What is prairie value?

Mr. BOOKER: The value of the nearest Crown land.

The TREASURER: It will be the intention of the department to arrive at the true unimproved value of the land.

Mr. BOOKER: The Treasurer has made it quite clear in his address—an able one at that—that the owners of large areas are to be taxed out of the ownership of their land, so that the earning value of this land is to be brought down to a debit instead of a credit balance in the running of these particular estates. I want to say to the Treasurer, and to hon. members opposite, that, whether it is an estate of 5,000 acres, or an area of 5 acres, the value of that land is what the owner can make out of it. Then, if the Government is going to tax, say, the owner of 5,000 acres out of the ownership of his land, you reduce the value of his land to what I term "prairie value"; and as the value of a large estate is reduced, so it reduces the value of a small man's area. You cannot get away from that argument. The Treasurer apparently loses sight of that fact. Then, if by this taxation you are going to reduce the value of privately owned land, you are going to reduce the value of your Crown land. Further, if by your legislation you make it impossible for people to carry on a profitable industry on the land, what encouragement is there for other people to come in and enter into the same industry? I am a man who makes the bulk of my money—or I endeavour to—out of land, and every acre that I own I work to its full limit; and I say that, under these resolutions, I look with the gravest anxiety to the immediate future and to the distant future. I can quote an instance—and, perhaps, the Treasurer will understand it—with regard to a property I have on the Darling Downs. I purchased this property four years ago; there has not been one fall of rain over those four years, and what is the result? The junior member of the Ministry sits there smiling.

HON. J. A. FHELLY: I will tell you about those bullocks.

Mr. BOOKER: When we are dealing with a great issue, there is that sort of amused, casual smile about him. I am not only quoting my own individual case; I am quoting the case of ninety-nine out of every hundred landowners on the Darling Downs, and, more particularly, from Toowoomba west. In the number of years I mentioned, and in that particular area, there has not been a fall of rain aggregating an inch. Under these conditions, what is the position? Instead of having a value—instead of its having an increment, it is a great detriment. In the conditions that have prevailed over the last four or five years, the owner of every Darling Downs property—the man who owns 20,000 acres and the man who owns 20 acres—has eaten into any resources he might have had; first, into the savings of a lifetime, and, when these resources have been eaten up, it has involved him in financial obligations. That is the position of 95

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per cent. of the people who own land on the Darling Downs, from Toowoomba west; and the Minister for Agriculture and Stock should know it. If he does not know it, it is clear that he does not possess the qualifications fitting him for his position.

The SECRETARY FOR AGRICULTURE: What is the local authority value out there?

Mr. BOOKER: An hon. member occupying Cabinet rank should know all those things; and, when deliberations in the Cabinet are taking place, he should know the position, and help to guide the men who do not know into the proper state of mind. Few of the hon. members opposite own any land whatever, and it is the old human instinct of the man who has not been anxious to participate in what the other man has. That is at the bottom of it all. These resolutions indicate that it is the intention of the Government to levy blackmail upon the strenuous, earnest workers, who have a sense of thriftiness; for, after all, how can anyone acquire any land without thrift? Whether he is a man who owns 5,000 acres or owns a 16-perch allotment, he can acquire that land only out of his thriftiness. I cannot go to the Crown and say I want 1,000 acres of land, or 10 acres of land, for nothing; I have to pay the Crown what you term "the market value" of the land at the time I make the application, whether it is to a socialistic Government or to any other Government. I can acquire that land only by paying for it. And it is only through my thrift that I am able to make my application, whether it is 10 per cent. for a repurchased estate, or it is a piece of Crown land. I can acquire it only out of the results, probably, of a life's work. How many selectors who have come into Queensland since Queensland has become an attractive place for land settlers—since the time of Mr. Bell, who was a most progressive land settler—who would not pass back the land for the money they put into it?

Mr. H. L. HARTLEY: You do not mean the Germans, do you?

Mr. BOOKER: If I read your brains correctly, you are more German than any member of this Assembly for passing the remark.

OPPOSITION MEMBERS: Hear, hear!

Mr. BOOKER: This is an occasion when we are not discussing our enemies. I am discussing our friends, men whom we are deeply interested in—men, who, by industry and thriftiness, have cleared the land and made homes for themselves. These are the men we are concerned about, and I do not care a "tinker's tuppence" what the hon. member thinks. The hon. member refers to the Germans. Before the war broke out, no section of people from any country—whether from Roumania, Bulgaria, Germany, Turkey, or anywhere else—made better citizens in this State than the Germans; and, if every hon. member in this Chamber were to be honest about it, no one member, prior to the war, would have questioned the right of Germans acquiring a bit of land in Queensland. But certain circumstances, which every hon. member in this Chamber regrets as deeply as his nature permits him to regret, prevail now, but it is no reflection upon the German people.

Mr. H. L. HARTLEY: It is a reflection on past Governments, though.

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Mr. BOOKER: Before the war the German people were permitted to settle in any part of the world, and they came to Queensland and settled.

Mr. H. L. HARTLEY: In preference to Australians.

Mr. BOOKER: These people came to this country and settled under the law, and they had no knowledge of the circumstances that have materialised, and it ill-becomes the hon. member to raise the question. The point I want to raise is whether or not it is the policy of the Labour Government to penalise the thrifty people?

The SECRETARY FOR PUBLIC INSTRUCTION: No.

Mr. BOOKER: Like the leader of the Opposition, I did not speak on the income tax resolution, because I say distinctly and emphatically that people in a country who are making an income out of the resources of the country should meet their obligations. Everybody should meet their obligations. A man of £3 per week should pay his proportion to the Government of the country just as the man who is making £3,000 a year. But in regard to this second resolution there is a resentful feeling in the hearts of the men who are carrying on the great industrial life of the community. What these men feel about it, I feel about it—that is, that the enterprising, earnest worker of the community is to be blackmailed for the placation of another section of the community, who are here to-day and gone to-morrow. They go out of the community after they load the community up with this taxation.

The bell indicated that portion of the hon. member's time had expired.

Mr. BOOKER: What about the poor unfortunate man who carries the burden of the land tax and the other obligations? No man can put years of energy—the best years of his life—into his work on the land, without rendering some service to the people of the country and the State generally. When he holds the deeds of his land, he is a much happier man than he was the day before. It is the general instinct of the human being to own his own land, whether it be a small area or a large estate. The Treasurer has lost sight of the fact that every £1 he draws out of the man on the land by way of taxation is preventing the development of the lands of the State, because he is withdrawing from individuals the power of finding employment for the people to further improve the lands of the State. The Treasurer will realise that at no very distant date. Assume that the Treasurer is under an obligation to a financial institution. Of course, he will not be, because he has got a much softer job on. But assuming that the Treasurer is under an obligation to any financial institution on freehold land, and under his proposal there is a very heavy levy upon his land. His banker will probably advise him to reduce his expenditure or his overdraft. His first reduction will be in his expenditure. In what direction must that be made? It must be a reduction in wages. Then the owner has to consider how he can meet his obligations. It is probably by paying off a very good employee. He might have to

pay off a man he regards very much. He has to meet his obligations or go out of ownership. He will have to reduce his daily wages, and that is what the Treasurer is anxious to do. That is the policy of the Government. The Government have got a party of forty-five or forty-seven as against a party in opposition of twenty-five or twenty-seven. No matter what is said or how earnestly or how clearly it is said, members on the front Treasury bench must realise what the immediate future is going to be. It will mean unemployment and many other disasters which the Treasurer, as Treasurer, will have to carry. As Treasurer he will have to do his best to meet the difficulties which come along, more particularly the difficulties of unemployment, and he will have to carry them.

The bell indicated that a further portion of the hon. member's time had expired.

Mr. BOOKER: No matter what the opinion of members on the front Treasury bench is, they know that that is what is going to happen. No matter what their personal opinions may be, there is a force outside which will lay down the opinions of the Government.

Mr. KIRWAN: What about the caucus in the "Courier" building the other day?

Mr. BOOKER: Members on this side are under no obligation whatever to any force, except the force of common sense. (Government laughter.)

Mr. COLLINS: You are here to carry out the dictation of the Employers' Federation and Pastoralists' Association.

Mr. BOOKER: The greatest compliment that can be paid to me is the various retorts coming from the back benches, occupied by that element that I am particularly referring to.

The TEMPORARY CHAIRMAN: Order!

Mr. BOOKER: These interjections are the best compliment I can get. The party on this side, either individually or collectively, are under no obligation to anyone or any set of persons, or any caucus other than their own common sense and their own conscience, as to what should be or should not be. Members opposite are not free at all. They owe their political berths to persons outside, and they have to record on the statute-books the determinations of irresponsible persons outside, who are not responsible to the electors at all, but are just coteries.

The TEMPORARY CHAIRMAN: Order! I hope that the hon. member will deal with the question before the Committee.

Mr. BOOKER: I am dealing with a great issue, and I want to put before the people the true facts of the case. This kind of legislation is so far-reaching that it can only have one result. It will bring about unemployment in the ranks of the people. These resolutions will mean that people will have to reduce their daily wages. I do not want anyone to accept that statement as a threat. It is plain simple fact. These resolutions will be the means of bringing about a lot of unemployment in Queensland.

Mr. APPEL: I realise, in rising to say a few words on the subject of the resolutions, that no argument, however forcible, will have any effect so far as the result is

concerned. (Hear, hear!) I simply rise for the purpose of voicing my protest against the proposals which have been made by the Treasurer. It would be useless, on my part, to enter upon the subject as to whether it was necessary that this increased taxation should be placed on a certain section of the community at the present time. More eloquent speakers than myself have directed the attention of members to this point: that at the present time a large section of the freeholders of Queensland are suffering from the most disastrous drought in the memory of man.

Mr. COLLINS: You do not hold us responsible for that?

Mr. APPEL: I hold you responsible for placing fresh burdens on them, and I marvel that some of them are able to survive it. Men have practically lost their all. All their savings for the future are gone. In spite of all the grain they have sown, they have not been able to reap any harvest. I realise, with other hon. members, that all we say will be merely beating our wings against the wall. I know that one of the principal planks in the platform of members opposite is the confiscation of all freehold land.

GOVERNMENT MEMBERS: No, no!

Mr. APPEL: What more evidence can you have of that than the proposals of the Treasurer.

Mr. KIRWAN: Mr. Ballance imposed the land tax in New Zealand twenty-five years ago.

Mr. APPEL: They only have two taxes in New Zealand—the land and income taxes—but here we have the Commonwealth income tax, the State income tax, and here we have land tax proposals heavier than have been proposed in any State in Australia. It will mean the confiscation of all freehold land from the owner's point of view. It is indicated that the Government propose to enlarge the franchise for the local authorities. The limit of local authority taxation is to be taken off, so that more taxation in that direction may be anticipated. Already in some local authorities the taxation is heavy. What is the effect of the imposition of burdensome taxation on the [10.30 p.m.] land? It reduces the value of the land. And who is the largest landowner in Queensland? The State, and the fact of the imposition of this land tax means that the estate of the largest landowner will be depreciated.

The SECRETARY FOR PUBLIC INSTRUCTION: Not at all.

Mr. APPEL: The hon. gentleman may think he knows all about land and the men interested in land, but I do not think he does. Referring once more to the objective of hon. members sitting on that side of the House, what they have always stated to be the purpose of imposing a land tax was to compel land to be improved, and yet we find that the land which is most highly improved will have to bear the greatest burden of taxation.

The SECRETARY FOR PUBLIC INSTRUCTION: No, undeveloped land will have to bear the biggest burden.

Mr. APPEL: I repeat again that land which is most highly improved will be the land which will have to bear the heaviest burden. Take any of our farming or dairying

Mr. Appel.]

districts, and you will find that owing to the improvements which have been effected in connection with those areas, the unimproved value stands at a higher rate than in other localities where no improvements have been effected, and these men, by their enterprise, will be forced to pay the greatest portion of this additional burden, which is being placed upon them at this time when they are unable to bear it. Yet hon. members on the other side are good enough to jeer. Is it a crime to own land in the State?

Mr. H. L. HARTLEY: It is a crime to monopolise land and not use it.

Mr. APPEL: I have already pointed out that the most highly improved land will have to bear the greatest burden of this additional taxation. Hon. members on the other side have made up their minds that, now they have the power, they are going to put into effect this particular plank of their platform, whatever the effect may be on those who have settled on the lands of the State—whether they are ruined or not. They have no interest in them. They have never ventured to expend any of their savings in the settlement of land, or in the development of land, and they have no interest or concern with it, but those who have settled on the land are to be penalised and punished for taking up land and making the State what it is to-day. I agree with the leader of the Opposition that a legitimate form of taxation is by way of the income tax, and, if the necessities require it, by an increased income tax, but it has been pointed out conclusively that those who have no income—who owing to the conditions existing at the present time have practically lost their all—are to be penalised. Hon. gentlemen on the Treasury bench should have realised that, with the imposition of the Federal taxation, to-day was not the time to impose further taxation by the State. If there had been wise administration in the departments, if the Government had not indulged in wild-cat political adventures, then we might have got on without additional taxation, and I can only hope that the electors of the State will realise that the late Administration managed, while improving the condition of those employed in the State, to conduct the affairs of the State without imposing additional taxation. Yet, to-day, when the great majority of the people are in a deplorable condition, hon. members on the other side of the House have no care for their welfare, but are prepared to load them down with additional burdens. I voice my protest, and I can only hope that the electors of the State will realise what they have done in the change that they effected at the last general elections; that they will regret it I have no manner of doubt.

* The SECRETARY FOR PUBLIC INSTRUCTION: In this financial proposal we are putting to the test on which side of the House true statesmanship exists. There is an old statement that finance is Government and Government is finance, and on this occasion we are showing that the despised Labour party are raising revenue in this country, not only in a just way, but in such a way as will be of benefit to Queensland instead of injuring it. When this Parliament ceases to exist, when all the legislation passed by this Government is perhaps forgotten, the memory of this particular piece of legislation will live in history as one of the wisest

and most courageous and most statesman-like pieces of legislation ever passed in Queensland.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: It will shine in the future like a brilliant star in a time of difficulty and trouble in our history. Members on the Opposition side are showing what character they bear. There is an old saying, "Scratch a Russian, and you will find a Tartar." Scratch the Liberal party and you will find that under the surface there is that ultra-Toryism that is one of the worst enemies in the old country. In this legislation we are following the noble example of Great Britain. Three or four years ago they passed there what was called the People's Budget, proposed by one of the foremost statesmen of Great Britain, Lloyd George, and when he carried out that battle against the wealth of Great Britain his name went throughout the length and breadth of the world as that of one of the foremost and wisest of modern times. I maintain that we are simply at this time passing the People's Budget, and members opposite are showing that they are political relations, of the same political kindred, with those who battled for the wealthy classes against the poorer classes in the old land. They are like the old politicians who never learned anything and never forgot anything.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: No wonder that the people, at the last election, turned them out of office. They were justified. They could get no measure of progress from them.

Mr. BEBBINGTON: Who stole our butter? (Laughter.)

The SECRETARY FOR PUBLIC INSTRUCTION: It is perhaps better to steal the farmers' butter than to let the farmers steal the people's money. Hon. members opposite have been living, not in modern times, but in the world of fifty years ago, when old obsolete arguments were put forward which have been superseded by those of scientific thinkers.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: The leader of the Opposition made the allegation that we were opposed to all the rules of political economy. I say that this proposal is based on absolutely the soundest lines of political economy, and supported by every economic standard. It will be the most beneficial of any financial proposals that have been passed in our history. Let me just point out how it has been sustained by authorities and thinkers in political economy. Take, for instance, John Stuart Mill. His is a name that stands out amongst political economists, although he wrote perhaps three-quarters of a century ago now. I remember that he wrote about 1845.

Mr. BEBBINGTON: John Stuart Mill never worked a farm. (Laughter.)

The SECRETARY FOR PUBLIC INSTRUCTION: He stood for the farmer—for the man who used his land. The hon. member stands for the man who does not use his land, for the land monopolist, the man who prevents the farmer getting his land. I want to quote from what is regarded by many as absolutely the finest work that has been written on political economy in the English

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language by one whose name stands out today as that of a foremost thinker in that branch of science. Dealing with this proposal for a land tax, he said—

“Suppose that there is an income which constantly tends to increase without any exertion or sacrifice on the part of the owners—those owners constituting a class in the community whom the natural course of things progressively enriches consistent with complete passiveness on their part. In such a case it would be no violation of the principle on which private property is grounded if the State should appropriate this increase of wealth or part of it as it arises.

“Now, this is actually the case with rent (or land values). The ordinary progress of society which increases in wealth is at all times tending to augment the increase of landowners. They grow rich, as it were, in their sleep, without risking or economising. What claim have they on the general principle of social justice to this accession of riches?”

I say that that is the principle, first of all, on which this proposal is based. The leader of the Opposition and some of his lugubrious followers gave us a sample of their arguments. They said, “It is all very well to put a tax on income, but what about the man who has land and has got no income from it this year?” I know some landowners in Queensland who have had no income from their land for fifty years. Why? Because they got that land, not for use and production, but for speculation, and to-day they have got no income because they are holding it, dog in the manger like, and will not allow other people to use it, and so are preventing them from getting a living. It is an absurdity to tell us that we are going to tax a man who has no income, because when he gets the land he has value given to it, not by his own exertions, but by the exertions of the rest of the community.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: They also say that it is unfair to tax a man on what he has not got. I say that that is untrue. I say that the landowner who has got value—and not all of them have got land value—has got something to tax. They have got value. They have got value that they did not make; they have got value that the community made. The community have rendered them great service in giving them something that they did not make, and a land tax under those circumstances is just a tribute demanded of them for something rendered to them, for services rendered to them by the State. It is nothing more nor less than a charge for services rendered.

Hon. J. TOLMIE: And yet you chucked up your selection.

At 10.48 p.m.,

The CHAIRMAN resumed the chair.

The SECRETARY FOR PUBLIC INSTRUCTION: I took up the land in time of drought, when it had no value. (Uproar.) I say that this proposal is based on absolute justice. We propose to tax only the land which has value. And that value has been made by the State. When we come to look at the progress of this country and remember that we have spent thirty or forty or fifty

millions on our railways and other works, and have brought people into this country, all of which has enhanced the value of that land, and we try to make them pay something for the value that they did not make, we find the Opposition opposing it as some unfair imposition put upon them.

Mr. BEBBINGTON: Don't your railways pay?

The SECRETARY FOR PUBLIC INSTRUCTION: Yes; but we make our travellers pay something for riding on them, and the merchant something for using them, and the service that they render is increasing the value of land that is owned by many persons who pay nothing whatever. We propose to make them pay for the services rendered to them just as other citizens pay. It has been pointed out by a distinguished writer that there is an entire distinction between incomes earned by enterprise and exertion and the production of wealth, as against the increase in land values that now goes into the pockets of the landowner without himself producing anything at all. Professor Cairns, writing on that question, said this—

“A bale of cloth, a machine, a house owes its value to the labour expended upon it, and belongs (of right) to the person who expends or employs the labour. A piece of land owes its value not to the labour expended upon it but to that expended upon something else—to the labour expended in making a railroad or building a house in an adjoining town. And the value thus added belongs not to the persons who have made the railway or built the house but to someone else, who may not even have been aware that these operations were being carried on—nay, who perhaps has exerted all his efforts to prevent them being carried on. . . . How many landlords have had their rent rolls doubled in their despite?”

That quotation, which is made with regard to England, applies to this country as well. When we build a railway, it increases the value of the land, and we propose to make those people pay something to the State for the services rendered to them by the State. As far as the farmers are concerned, these are going to be the most efficient taxation proposals ever introduced in this House. Instead of taxing the farmer off the land, it is going to make land available for him; it is going to increase settlement.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: I have some very important examples which I would commend to the hon. member for Drayton and other people in the Darling Downs district. Some time ago the “Brisbane Courier” sent a commissioner up to the Darling Downs to report on the state of things there. The commissioner reported that in the Jondaryan Shire Council area there was room for hundreds of additional families. There was no less than 500,000 acres lying idle there fit for the plough and for the most intense cultivation.

The bell indicated that portion of the hon. member's time had expired.

Mr. VOWLES: Where was it?

The SECRETARY FOR PUBLIC INSTRUCTION: The hon. member for Dalby only two years ago came down to the

Hon. H. F. Hardacre.]

Minister for Public Lands on a deputation, and pleaded that something should be done to break up the big freeholds around Dalby, because he declared that there was a land monopoly on the Darling Downs, and settlement was blocked in that district.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: Within the boundaries of the Jondaryan Shire Council are the following large holdings:—

| | Acres. |
|---------------------------------|---------|
| Jondaryan Station | 109,000 |
| Cecil Plains | 124,000 |
| Kurrowah Station | 53,000 |
| Condamine Plains | 33,000 |
| Yandilla Station | 50,000 |
| St. Ronans Station | 25,000 |
| Brookstead Station | 12,000 |
| St. Ruth Station | 13,000 |
| Westralian Creek Station | 15,000 |
| Lemmon Tree Station | 12,000 |
| Pine Creek Station | 16,000 |
| Lisilican Station | 12,000 |
| St. Helen's Station | 18,000 |
| Pellon Station | 20,000 |

Mr. ROBERTS: What is the date of that?

The SECRETARY FOR PUBLIC INSTRUCTION: I quite admit that in some few instances some had been cut up, but I am giving these as typical cases which exist all over Queensland to-day. Land monopoly in big estates has been the biggest curse in Queensland, but we now propose to make these freeholds available for the small farmer. There are estates in my district of 120,000 acres in extent which are locked up, and which include the eyes of the country, both in the Springsure and the Peak Downs district. This is not only going to do something to break up big estates, but to carry out our election pledges. This will decrease the cost of living. Hon. members opposite have admitted that this will lessen the price of land, and, if so, it is going to make land easily obtainable by the man who wanted to get it. I have in my mind's eye the Buderim district, which I visited some years ago, which is splendid for fruit growing, and where men can make a living on 5 acres of land, and which was then selling at £25 an acre, but to-day you cannot get that land at £100 an acre. This proposal is doing to do something to help to reduce rents. It is going to utilise vacant spaces around suburban areas, which ought to be used for homes. It is going to utilise vacant land around Brisbane held idle in order to levy toll and blackmail on the workman who wanted to get a piece of land for a home. In various ways it is going to reduce the cost of living, and instead of being a tax on enterprise, it is going to encourage enterprise; it is not going to be a tax on wealth or production, but on monopoly. There is a vacant allotment in Elizabeth street, within a stone's throw of this building, lying idle, but no one can get it without paying thousands of pounds for it. In another way this is going to help the country.

The bell indicated that a further portion of the hon. member's time had expired.

The SECRETARY FOR PUBLIC INSTRUCTION: It gives a small farmer £100 exemption, and other concessions, and it is going to fall heaviest on the cities.

Hon. J. TOLMIE: Nonsense! Where are the £300 allotments in the cities?

[Hon. H. F. Hardacre.

The SECRETARY FOR PUBLIC INSTRUCTION: I have a map here showing the allotment on which Finney, Isles' establishment is built. That piece of land, which is worth to-day not less than £30,000, was bought originally for £25 10s. On the same side of the street, from Edward street to Albert street, I suppose it was bought for £200, and you would not get it to-day for £500,000, perhaps not for £1,000,000. That value has been created, not by the owner's exertions—it has been made by the workers of the country; and, instead of allowing the present holders to put that value into their own pockets, we intend to divert some of it into the coffers of the Treasury, in order to carry on the government of the country. This tax is going to fall heaviest on the cities, and not on the country lands at all, because the population is in the cities. It is not in the sparsely populated districts that it will be felt at all. If a magnificent building were burnt to the ground, the land would still have enormous value. This tax ought to commend itself to hon. members opposite, because it will fall heaviest on the cities. Another thing which ought to commend itself to hon. members opposite is the fact that we intend to put a super tax on the man who keeps his land idle—who does not use it at all. The farmers are singing out for land for their sons, and they ought to view with appreciation the action of this party. At the present time, the sons of farmers rush to the ballot in hundreds in order to get a block of land, but are unable to do so. This proposal will give them the land they require, and they will be able to use it. Future generations will look back to this day and be pleased to see that the Labour party had the courage and wisdom, and showed the statesmanship to come down with these proposals to get revenue, and, at the same time tax one of the greatest evils that ever existed.

GOVERNMENT MEMBERS: Hear, hear!

The SECRETARY FOR PUBLIC INSTRUCTION: In these difficult times we are placing the taxation on the shoulders best able to bear it, and we are getting something back in return for services rendered to them.

The bell indicated that the hon. member's time had expired.

Mr. MORGAN: The imposition of this land tax is evidently only the thin end of the wedge in the direction of confiscating the whole of the freehold lands of Queensland without compensation. The Minister said it was going to reduce the cost of living, but it will not affect it one bit. Did the imposition of the land tax in Victoria reduce the cost of living? Did the imposition of the land tax in any country reduce the cost of living? Not at all. Just compare the development and enterprise of Queensland for the last five years with New Zealand, where they have had a land tax for some years, and the advantage will be with Queensland. The Minister says it will give cheap land to farmers, but does he know any country where it has resulted in cheap land being given to farmers? It has not made land 1s. an acre cheaper in any State where a land tax exists. What happened when the Federal land tax was imposed? The landlord immediately put on 1s. a week rent to his tenants. He raised the rents in some cases from 9s. to 10s. a week; in others, from 11s. to 12s., and so on. The

land tax did not come to 1s. a week, but the owner or the landlord put that much on to the rent, and the working classes had to pay it. It was the tenant in the cottage and the little shopkeeper who had to pay the land tax, and not the owner of the land at all. This land tax is going to result in increased rentals in Brisbane and other towns in Queensland. It will not have any effect in cutting up the big estates. In Queensland we have only 6 per cent. of the land alienated. How is it going to have any effect on the land that is not alienated, which amounts to 93 or 94 per cent. of the total lands of the State? It belongs to the Government to-day. The Government are putting a land tax on 6 per cent. of the land, and a certain amount of that will escape; so that, after all said and done, not 4 per cent. of the land in Queensland will pay a land tax under this scheme. Yet we are told that it is going to throw open land for settlement—that it is going to reduce the cost of living. How is it we have managed to make more headway, in comparison, than any other State of the Commonwealth, when we have had no land tax up to the present time? Is this the time that the people can stand a land tax? A land tax should be the very last tax to impose on the people at the present moment. It has been admitted by the Secretary for Agriculture that the men who have improved their land are the men who are going to suffer under this proposition. He talks about the land in Queen street being bought for £10 an acre, and being worth so much to-day; but he forgot to state that all the profit is not made by one individual. That land may have been sold for £500, and then resold again and again, and the present owner may have paid £20,000 in cash for it, and the Government are taxing his golden sovereigns. I ask the Secretary for Public Instruction, who has made the value of the agricultural lands in Queensland?

Mr. FOLEY: The people.

Mr. MORGAN: I ask the hon. member for Mundingburra: What has he done to improve the value of land in Queensland? Nothing. The man who shoulders his axe and goes out into the bush to fell the scrubs and shows that the land is capable of growing certain crops; the man who makes the land grow two blades of grass where one grew previously, is the man who has created the value of the land. The hon. member for Mundingburra has had nothing to do with that. He sits at home in the cities or towns and reaps the benefit of the work of the man who goes out and does the pioneering work. Members opposite say that the people who have comfortable homes in the cities are the men who have made the value of the lands on the Darling Downs, the value of the lands in the Burnett, the value of the lands in Beaudesert, and in other localities; they are the people who are responsible for the high values being reaped at the present time. That is a wrong argument. What are the Government going to do with the taxation, imposed on the people when it is not necessary? It is placed on the people simply to give them money to burn. They do not want the money. They are taking off taxation in the way of the guarantee on railways and they are imposing it in another direction by means of a land tax. They are taking it out of one pocket and putting it in the other pocket,

and then they will say to the people, "Look at what we have done for you. We have relieved you of the guarantee on the railway," but they will not tell them that they have imposed a further burden by means of a land tax. For eleven years Queensland has had a surplus under Liberal administration, and the State is well able to carry on for a further twelve months without additional taxation, but the Labour party are bringing forward this tax to satisfy the people who have no land. They are not sending their sons into the country. I notice the hon. member for Leichhardt had a selection at one time. What did he do with it? He allowed it to go by the board because he recognised that it was far better to live in the city than to slave and toil on the land. He prefers other people's sons to go out into the country and take up land. I do not hear hon. members opposite talking about sending their sons out into the country. They sit in some comfortable office in town and tell the farmers they don't know how to cultivate their land. They tell the farmer he ought to irrigate his land, but they never demonstrate how it should be done. They say the farmer is responsible for the disastrous effects of the drought, but they never make any attempt to carry out anything that is likely to benefit the man struggling on the land. The hon. member for Bowen, by his smiling countenance, appears to be the most satisfied man in the House simply because the "Courier" is going to pay a big tax. The "Courier" is evidently an enemy of his. He will go home and draw a picture of the "Courier" disgorging a certain amount of land taxation. He is the most pleased man in this House, because he recognises that now the Labour party is in the whole of their programme will be placed on the statute-book, and the people taxed out of existence and everybody ruined. We will have the Labour blight in addition to the drought and other evils. At one time we had the Berry blight in Victoria, but that was nothing compared to the Labour blight in Queensland. In the past we have gone ahead by leaps and bounds, but now we are being injured in every shape and form, and we are likely to go on in this manner, I am sorry to say, for the next two and a-half years. If there was any necessity for this taxation, the people would be willing to pay it, but there is no reason for it other than that it is part of the Labour platform; no reason other than revenge on those who do not believe in the Labour platform. It is a policy absolutely of revenge, to injure those who are not supporters of the party opposite. I am pleased to say that we still have

[11 p.m.] an opportunity of defeating the land tax, and although this party is not numerically strong enough to defeat it here, I hope that they will oppose it to the bitter end. I hope that we will be able to prevent it from being placed on the statute-book for this year, at all events. There are hundreds of people who will come under this taxation, although in the year 1915 they did not make any income whatever. Some of these people have been almost ruined, and yet at the end of the year they will be called upon to pay £3 or £4 or £30 or £40—after a year in which they have actually lost money, have not had sufficient to keep them in food, and have had to go to the banks to get advances on their land. It is going to come into operation although it is a well-known fact that not 10 per cent.

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of the farmers who will come under it have even had any revenue from the soil this year. I say that it is a cruel shame, it is unjust, it is not right. We should protest to the bitter end. It is far better to go down fighting than to allow taxation of this sort to be willingly placed on the shoulders of the struggling settlers, a great many of whom will have nothing to pay it with.

Mr. BEBBINGTON: I have just returned from a district which, perhaps, is more interested in this taxation than any other, and I can hardly realise that anybody would put such a burden on such a body of men. The Minister for Education said that this was a tax that he was proud of. I went to see one farmer last Sunday. He had drawn practically all his money out of the bank to buy food for his cattle during the drought. His wife was ill and some of his children were ill, too. There was one dead cow in a paddock near the front of the house and another at the back, and he was looking after others just as if they were sick children. He had to help many of them to get up.

THE SECRETARY FOR PUBLIC INSTRUCTION: What was the value of his land?

Mr. BEBBINGTON: About £4 per acre, unimproved. That man has no income, and not only has no income, but also has spent all the savings that he had. It took him from the last drought to the present time to build up his herd. Does it give the Minister for Education pleasure to collect a tax from that man?

The TREASURER: Does he not pay his local authority rates?

Mr. BEBBINGTON: He has not, and he has not money to pay them.

The SECRETARY FOR AGRICULTURE: Do they assess him?

Mr. BEBBINGTON: Here is a Minister for Agriculture who asks whether a local authority assesses a man with 300 acres of freehold land. Was ever such a contemptible silly question asked in this Assembly? I am not going to answer such a silly question. I say that if the Treasurer were earnest in his desire to assist agriculture, he would reduce the tax to 1d. in the £1 up to about £2,300. In many cases, a man has a farm like the one I have been speaking of, and a farm adjoining him is for sale. He has a family growing up and he is desirous of putting them on the land, and if he buys that other farm for the purpose of saving it for his family, he is to be taxed.

The SECRETARY FOR PUBLIC INSTRUCTION: What is the value?

Mr. BEBBINGTON: The value is anything from £1,000 to £3,000 or £4,000. A dairyman at the present time has to put so much into his land—

The SECRETARY FOR PUBLIC INSTRUCTION: This is going to make it cheaper for him.

Mr. BEBBINGTON: You will take it all from him. You will steal his land just as you stole his butter. That is the policy of hon. members opposite. Their policy is robbery and confiscation, and in this Bill is confiscation from the very hardest working class of people in the community, the man who has made Queensland what it is to-day. And they talk about sympathy. Fancy farmers having a man to represent them like the hon. member for Mackay! I can hardly

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realise such a catastrophe. (Laughter.) Better send the parrots they have on the verandas to represent them. They would know something about corn.

Mr. SMITH: You have seen a good bit of corn in your time.

Mr. BEBBINGTON: I have, and I have grown it, and that is more than you have. The Minister also said that this was going to reduce the cost of living. Does he think that men in the stores are not business men enough to put the extra cost on to the goods they sell?

The SECRETARY FOR PUBLIC INSTRUCTION: They cannot.

Mr. BEBBINGTON: Will they not tot up the whole of their expenditure and then add their profits? Have hon. members opposite made any attempt to prevent them? Do they not know that the profit on drapery is 100 per cent.? They know that there is a difference of 100 per cent. between the invoice cost and the selling price. They can find that out in any place in Brisbane if they take the trouble to look up the books. They have made no attempt to do that, but they have made an attempt to rob the hardest worked class in the community in order to satisfy their own political supporters.

The SECRETARY FOR PUBLIC INSTRUCTION: Do you not think it is going to reduce the cost of living?

Mr. BEBBINGTON: No, it is going to increase it.

The SECRETARY FOR PUBLIC INSTRUCTION: Then what are you singing out about?

Mr. BEBBINGTON: Because we object to being robbed of the results of our work. They talk about land tax and income tax, and only a short time ago we had a special commission inquiring into the land on Jimbour. The men there hold land worth thousands of pounds, for which they had to pay £8 an acre, unimproved. They have made nothing from their land, as [11.30 p.m.] the commissioners admitted. The settlers there are not able to pay their storekeepers' bills or the local authority rates, and yet the Government impose another tax on the top of that. That is the kind of sympathy the Government show to the producer. They say, "We will get at you some way, and make you pay a land tax." Is it honest dealing? I will tell you why we are getting this tax. A good many people here formed a union, and the land tax was in their platform. They knew absolutely nothing about land. That plank had been handed down from one year to another, and the Trades Hall to-day are forcing them to carry it out. Coming down from the Downs on Monday night, I asked a railway man, "Have you and your railway men been a party to robbing our people? Were you behind the Government? Did you, as a railway man, push the Government to rob our settlers as they have done, and were you a party to it?" He said, "No, we were not. We would scorn to eat food produced under such circumstances." He said, "There are a few people at the Trades Hall, and they are running everything." Those are the men who are forcing this cruel measure in to tax the people who now cannot pay the local authority rates. All the sympathy they have with the producer is for what he has got. I myself have ploughed land four or five times, and sown

land three times over, and I have had no crops from it. We have spent in different things about three times as much as our income, and yet we will be compelled to pay a land tax. We do not mind an income tax, because if you get an income you can afford to pay the tax; but when you have no income and your funds are taken out of the bank, they impose a land tax. They talk about what Germany has done to Belgium; but I say that, barring murder and outrage, the Germans have treated Belgium no worse than the Government have treated our producers. You have robbed us of the results of our labour. I am one of those who have suffered from it. Whatever measures are brought forward, I, for one, will certainly support anything at all.

Mr. SMITH: What about a civil war?

Mr. BEBBINGTON: I would support anything. (Laughter.)

Mr. CORSER: It is my intention to oppose the introduction of proposals to raise revenue by means of a land tax, which makes possible the collecting of revenue so as to provide spoils for the victors. We find that the next plank of the Government's platform is no freehold tenure of land, but now they want freehold for taxing purposes. Yet they are pleased to scoop some revenue by means of land taxation of freehold tenures. For every one of the large estates which the Government will burst up, thousands of farmers who are unable to pay the land tax will be compelled to sacrifice something which they should have for their wives and children.

Mr. KIRWAN: Can you give us the experience of New Zealand?

Mr. CORSER: The hon. member has only to go to certain districts there to-day to see the troubles the people are suffering from.

Mr. H. L. HARTLEY: Can you tell us where there are any farms available?

Mr. CORSER: I can find the hon. member as many farms as he likes to get nominations for within twenty-four hours, which are available for selection—good scrub agricultural land.

Mr. H. L. HARTLEY: On an ironstone ridge.

Mr. CORSER: Not an ironstone ridge, but a place where the Government are trying to induce settlers to go to to-day. That land is served by the railway proposals passed by the late Government. When men go 40 miles from a railway, and establish a freehold, then the Government come along and steal his profits by imposing a land tax.

The SECRETARY FOR PUBLIC INSTRUCTION: We want to prevent them going 40 miles away, and let them get within 20 miles of a railway.

Mr. CORSER: I went 26 miles from a railway to start a farm. Members opposite want the land because it is something that the other man holds. Fortunately, when I took up the land first I did not have to pay a land tax to provide big billets for unionists in Brisbane, and the railways were provided the same as the bulk of the railways in the State, without a guarantee. That is my reason for wishing for other settlers to have the same advantage as I had myself. I have always opposed the guarantee principle in connection with our railways, but this is something worse. The land tax is one that the farmers will have to pay for all time,

but under the guarantee proposals of the Railways Act the guarantee only had to be paid until the railway was a paying proposition and then the people in the district were relieved of it altogether. So the land tax is far worse, and it is to be kept on for ever, so far as the Government are concerned, but only until next election so far as the Opposition are concerned. The farmers will have to pay a land tax under this proposal although they already pay a land tax to the local authorities.

Mr. COOPER: Look at what they get in return. They get good roads.

Mr. CORSER: The union agitator who goes round all the farms roll-stuffing also uses the roads, and he does not pay anything towards them, so why should not the farmer have the use of the roads also?

Mr. KIRWAN: If we proposed a grant for roads you would oppose it?

Mr. CORSER: We would support anything that would be productive of some good, but this proposal will only mean that the land will be thrown out of cultivation. The Trades Hall Council in Melbourne considered the question of unemployment, and they also met to see how they could feed those who were unemployed and did not want to be employed. They recommended that Parliament be compelled to introduce a compulsory cultivation law. The farmers cannot make use of their land without capital, yet they are trying to bring in the compulsory cultivation law here. They cannot cultivate their lands without water and without assistance from the bank, and without assistance for clearing prickly-pear. These people secured land in good faith, but they cannot fulfil the conditions owing to the drought. The present Government wish to drive the settlers from the land, so that they can secure the land which the other fellow hoped to make freehold. We know that all the public buildings must be renovated in order to provide employment for the supporters of hon. members opposite. We know that the Treasurer was nearly going to repaint Parliament House and refurnish it so as to provide employment for the supporters of the party in Brisbane. Fancy going on with works of this kind in times like the present, and providing land taxes to find the money! The Government know very well that they cannot carry out these proposals without fresh taxation. They are putting the taxation on to the other fellow—the farmer. They are putting a land tax on to him, and he belongs to the class which is the least able to bear it.

Mr. MOORE (*Aubigny*): I cannot let this proposal go through without a word or two of protest. The agriculturist in Southern Queensland is not in a position to pay this tax. We know that only 2,000 odd farmers in Queensland paid income tax last year, and the exemption is pretty low. In my own district I know a farmer who has sown over 4,000 acres of different crops during the last two years, and got no return whatever. When the Minister was up in that district in connection with the opening of the Mount Russell Railway, he saw the fearful state of the country, and all he asked was why the farmers did not lay up stacks of fodder. It was impossible to do it because of the drought. They have grown nothing to make into fodder. There are only two trains a week on that line, and there has been practically nothing at all

Mr. Moore.}

sent from the terminus, because there is nothing there. It is nothing but desolation; and on top of it we have this land tax. The Mount Russell Estate would have been all right if we had sufficient rainfall, but it is absolutely impossible for the people there to pay a land tax. The land was sold by the Government at £3 to £3 10s. an acre, unimproved; and it will mean a land tax of £15 or £16, at least, for most of the farmers. The seasons have been abnormal, and they have got nothing out of it, so they cannot pay at all. The people are crippled now, but they will be more crippled when these proposals are brought into force. Many of them came up here from Victoria and South Australia eighteen years ago when I did, and they are in a worse position to-day than when they came here, owing to the bad seasons. Now, a land tax is to be imposed on them, and how they are going to pay it I do not know. I know the difficulties they have in paying the shire council rates, and the land tax will be very much higher than the shire council rate. Last year the shire council I live in issued 370 distress warrants in order to get the rates in.

A GOVERNMENT MEMBER: Did you sell them up?

Mr. MOORE: We have to distrain on some of them. We were as lenient as we could possibly be, but the rates had to be paid—the Local Authorities Act makes it mandatory—and now a land tax is being imposed.

Mr. McMINN: Poor farmer.

Mr. MOORE: It is all very well for the hon. member to sit on a bench and sneer, and say, "Poor farmer."

Mr. McMINN: I would not sell him up, at any rate.

Mr. MOORE: No; but you will steal his produce and sell it at a less value than he should get for it, and then impose a land tax. I could not let this go through without protest, because it is unjust, unfair, and it will be impossible for the people to pay it.

Mr. BAYLEY: I think this is one of the worst of a number of very bad and iniquitous proposals brought before this House of late. The Government have told us that the object of bringing forward a land tax is to force land into use. If the Government were consistent in this respect, we could show them some consideration, but we see nothing but the greatest inconsistency. Here we have the spectacle of the whole of the freehold land of the State being made subject to a land tax, whether the land is being used to its utmost advantage or whether it is lying idle. Certainly, we find a super-tax is being imposed where land is not being utilised to a reasonable extent, but, relatively speaking, the super-tax is very much lighter than the tax on land used for farming and agricultural purposes. The Secretary for Public Instruction gave us a list of large estates comprising many hundreds of thousands of acres which he said should be made available to those who wish to make use of the land. Quite a number of the estates he mentioned have already been divided. I happened to speculate on one of those estates which the Minister said had not been divided up. I strongly object to large areas of land being held in idleness by companies or private individuals until the price goes up, and they are able to make huge profits at the expense of the man who finally settles on the land; at the same time, I do not think the Government have approached

[Mr. Moore.

this matter in the right spirit, seeing that they intend to impose a very heavy tax on the land whether it is put into use or not. Hon. members know the treatment the Turkish Government meted out to some of the countries under their jurisdiction. We know that in Palestine and in various parts of North Africa they imposed a tax on every date palm grown, and we ridicule their efforts in that direction.

The SECRETARY FOR PUBLIC INSTRUCTION: And they took it off the date palms and put it on the land.

Mr. BAYLEY: We know that a few hundred years ago in England they imposed a window tax—every window in a house was taxed—and that led to bad ventilation. The window tax and the date palm tax were against the best interests of the nation, and the actions of the British Government and the Turkish Government in that respect are eclipsed by the action of the present Government in imposing this land tax. The land tax is absolutely bad for the owners of land, and it is equally bad for the employees. Because of this taxation the labour of a lifetime will in a great many cases be lost, and unemployment will be rife. It is impossible to get blood out of a stone, and owing to the severe drought it will be impossible for the farmers to pay any land tax. It has taken them all their time to live, and many of them have borrowed as much as possible in order to keep their stock alive and to keep their farms, and it shows very little sympathy on the part of the Government to impose this extra burden on men so ill-fitted to bear it at the present time. The trouble was that the great majority of members on the Government

benches had no land to speak of, [12 p.m.] so that they had no sympathy with agriculturists. He was speaking to one of the leading supporters of the Government only that evening, and he said: "I do not own any land; the only soil I possess it what you will find under my finger nails." Men who were in that position felt no sympathy for the people on the land upon whom they were imposing this additional taxation at a time when their stock was starving and their losses were very heavy. It was all very well for Ministers, with their Ministerial allowances and State motor-cars to take them out for an airing, to laugh at members representing farming districts when they spoke about the hardships farmers had to endure; but they would find that this proposed legislation would stop production, reduce the price of land, impair the credit of the State, increase the price of foodstuffs, and reduce the revenue from the railways, because, where production was interfered with—and this land tax would interfere with production—there would not be so much produce to carry on the railways. With regard to the income tax, that was a fair tax, because, where there was no income, no tax would be payable, but the land tax would have to be paid whether the farmer received any return from his land or not, and that was where the injustice came in. He hoped that even at this late hour the Government would reconsider the matter, and see that no rank injustice was perpetrated upon the producers of the State.

Question—That the resolutions be agreed to—put and passed.

The House resumed. The CHAIRMAN reported that the Committee had agreed to

certain resolutions, and the Committee obtained leave to sit again at the next sitting of the House.

Ordered that the resolutions be received at the next sitting of the House.

COMMON LAW PRACTICE ACT
AMENDMENT BILL.

RETURN FROM COUNCIL.

The SPEAKER announced the receipt of a message from the Legislative Council, returning this Bill without amendment.

DEATH OF ASSISTANT PARLIAMEN-
TARY LIBRARIAN.

MOTION OF SYMPATHY.

The PREMIER: I desire to move a motion without notice.

The SPEAKER: Is it the pleasure of the House that the Premier be allowed to move a motion without notice?

HONOURABLE MEMBERS: Hear, hear!

The PREMIER: I desire, prior to the adjournment, to make reference to the lamented death of the late Mr. Cornelius Moynihan, who was assistant librarian for many years. I understand that he was appointed in July, 1883, and has therefore been in the service of this House for thirty-two years. He was possessed of very considerable talent as an author, and ranks as one of our Queensland poets. He was a man of genial and sunny disposition, and I am sure that I am expressing the sentiment of every hon. member when I say that we feel genuine sorrow at his sudden demise.

HONOURABLE MEMBERS: Hear, hear!

The PREMIER: I think it is only fitting that I should move—

“That this House desires to place on record its great sorrow at the death of Mr. Cornelius Moynihan, who faithfully served this Parliament for thirty-two years, and the high value they set on his assiduous discharge of his duties.”

And I move accordingly.

HONOURABLE MEMBERS: Hear, hear!

HON. J. TOLMIE: It is with very great regret that I second the motion which has been so feelingly proposed by the Chief Secretary. We who have been in this Chamber for many years have had an opportunity of learning something of the work of the deceased gentleman. Further than that, I think we all at one time or another have been able to avail ourselves of the great services he has been able to render, and when an opportunity was presented to him to assist a member of the House, he did it with a cheerfulness that made it a pleasure to be associated with him. I quite endorse all that has been said by the Chief Secretary with regard to the disposition of the deceased gentleman and the great assiduity he displayed in the discharge of his duties. He was a faithful servant of this House, and I quite agree that we should place on record our regret at his decease and our sympathy with his relatives.

Honourable members standing,

The motion was declared carried.

The House adjourned at sixteen minutes past 12 o'clock a.m.