

titled to practise in the High Court or any Federal Court."

Put and passed, and the clause added to the Bill.

Bill again reported with further amendments.

Report adopted.

Ordered—That the Bill, as amended, be forwarded to the Legislative Assembly and their concurrence desired therein.

#### ADJOURNMENT.

The Council adjourned at 10:10 p.m. until next day.

## Legislative Assembly,

*Tuesday, 24th August, 1897.*

Address-in-Reply: Presentation—Question: Metropolitan Water Supply and Additional Reservoir—Question: Hainault Mining Lease Particulars—Treasury Bills Act Amendment Bill: second reading; in Committee—Chairman of Committees: Appointment—Message: Temporary Supply; Ways and Means—Supply Bill, £850,000: all stages—Commonwealth Bill; in Committee—Adjournment.

THE SPEAKER took the Chair at 4:30 o'clock p.m.

#### PRAYERS.

#### ADDRESS-IN-REPLY—PRESENTATION.

At twenty minutes to five o'clock, Mr. SPEAKER, accompanied by hon. members, proceeded to Government House to present the Address-in-Reply to the Speech of His Excellency; and, having returned,

MR. SPEAKER reported that he had, with members of the House, waited on His Excellency and presented to him the Address of the Legislative Assembly, in reply to the Speech agreed to by the House on Monday last, and that His

Excellency had been pleased to reply as follows:—

MR. SPEAKER AND GENTLEMEN OF THE LEGISLATIVE ASSEMBLY,—

I thank you for your Address in reply to the Speech with which I opened Parliament, and for the assurance that you will give the most careful consideration to all questions that may be submitted to you, so that your labours may tend to beneficial results and the welfare of this colony.

Government House, Perth,  
24th August, 1897.

#### QUESTION—METROPOLITAN WATER SUPPLY AND ADDITIONAL RESERVOIR.

MR. ILLINGWORTH (for Mr. JAMES), in accordance with notice, asked the Premier Whether he was aware that the present reservoir, on the Canning Hills, of the Metropolitan Waterworks Board, was insufficient to meet the demands of the present population of Perth; if so, did he know whether any, and if so what, steps had been taken to obtain a site for a new reservoir, and to carry out the necessary works?

THE PREMIER (Right Hon. Sir J. Forrest) replied: The present reservoir is, with care and economy, capable of supplying the wants of Perth during next summer, but the question of increasing the supply must soon be faced. A site for a new reservoir has been selected, and plans and estimates are now being prepared.

#### QUESTION—HAINAULT MINING LEASE PARTICULARS.

MR. MORAN, in accordance with notice, asked the Premier:—(1.) At what office, and at what exact date, the payment of the rent for the Hainault lease was made. (2.) Whether it was made by cheque or cash. (3.) The name of the officer who received it, and that of the payer. (4.) Whether all the entries in the books of the department relating to this matter were in proper order. The word "payee," he explained, was a misprint for "payer," in the Notice Paper.

THE PREMIER (Right Hon. Sir J. Forrest) replied:—(1.) The rent was paid at the Coolgardie Office on the 30th March, 1896. (2.) The rent was paid on this

lease, with 18 others, by cheque. (3.) One of the registrars, but which cannot be ascertained without inquiry. The *payee* was the general revenue. (4.) All entries in the registers here were in order relating to this lease, which bears No. 81E (late 223, Coolgardie). The latter office was informed that the lease had been transferred to the East Coolgardie Goldfield. Lease No. 223E (late 605, Coolgardie) was forfeited on the 5th June, 1895, but only the Kalgoorlie books showed this, and the registrar receiving rent at Coolgardie accepted Mr. Norman's cheque without demur, supposing it to be all in order and to Mr. Norman's satisfaction.

### TREASURY BILLS ACT AMENDMENT BILL.

#### SECOND READING.

THE PREMIER, in moving the second reading, said: It is a very simple measure, but important in regard to financing. Hon. members will recollect that the Treasury Bills Act, which was passed in 1893, gave power to raise £500,000 by Treasury bills, and provided that the £500,000 should be used only for the purpose of works authorised by some Loan Act. That Bill has been found useful. From 1893 till the present time we have availed ourselves of it to the fullest extent, but it is not big enough this year to meet the financial requirements of this colony as it was in 1893. The object of the present amending Bill is to give greater powers to the Government of the day, whoever they may be, to obtain money on account of loans which have been authorised by Parliament and for works that have been authorised by Parliament, and no other; to enable the Government of the day to obtain temporary advances from financial institutions, failing the placing of the ordinary inscribed stock. Everyone will acknowledge at once that it is not always opportune to go upon the market with a loan. Many reasons occur almost certainly every year—sometimes many times in a year—which make it inexpedient for those who are entrusted with the raising of money by loan to go on the market. Wars and rumours of war occur; political complications arise which affect the market; and those who have the control of the finances of any country

have to wait till these wars or rumours of war pass away, and till the time comes when the market is favourable for placing their stock upon it. In all cases it is absolutely necessary that the government of a country should have power to obtain funds temporarily, pending the time when a favourable opportunity occurs. In this Bill we do not ask the House to in any way increase the burdens upon the people of the colony. It merely says that when you have authorised certain public works to be constructed, and authorised the raising of money by loan for the purpose of constructing those works, the Government of the day, if they wish, may obtain temporary advances on account of those loans, so as to commence the public works, or to carry them on when they have been commenced. At the present time I may say that it is necessary for the Government to be armed with the powers required by this Bill. I think that for all time, in the future, the provisions of this Bill will be found convenient for the carrying on of the business of the country; and it is impossible, so far as I can see, that any harm whatever can result to the country from its adoption. No Government entrusted with the raising of large sums of money by a legislature would think for a moment of raising money temporarily by Treasury bills, if they could obtain money by selling inscribed stock on terms advantageous to the country. It is only when it is undesirable to obtain money by placing a loan on the market that the great advantage comes in of having a tangible, negotiable security, to give to those who are willing to advance the money. In finance, now-a-days, everything is carried on upon a fixed principle. It does not matter how much credit you have, or how well off you are, very few people are willing to advance you money without security: not that they doubt your ability to repay them—that is far from their thoughts—but that they too might, if they required it, be able to obtain money again on the securities which they hold for the money they have advanced. The whole of the finance of the world now is carried on upon that principle. If you want half-a-million advanced by a financial institution, that financial institution wants something negotiable placed in its hands, so that during the currency of the bills it may

obtain money to carry it on until you repay it. This Bill is a very simple one. It merely says that the Colonial Treasurer may issue Treasury bills "for the purpose of raising any sum of money authorised by any loan Act, whether passed before or after this Act, and not already raised at the time of the issue of the said bills." Now we are authorised to borrow three and a half millions of money for certain public works—the Fremantle Harbour Works, the extension of the railway from Menzies, for the construction of railway rolling stock, and for many other works, such as the sewerage of Perth. All these are provided for in that Bill. We have put these works in hand, and are going on with them without having raised the money. We have raised only one million out of the three and a half millions we were authorised to raise. As the works are going on, we have sent orders to England, and we are anxious to raise the balance of this three and a half millions of money as soon as possible. The market may not be favourable at the present moment to place our inscribed stock loan on it—that is, on terms favourable to this colony. You can always get something; but we absolutely refuse to place our stock on the market unless we can get a good price for it. If the time is inopportune, instead of raising a million of money by the sale of inscribed stock, we can obtain an advance of a million by the sale of Treasury bills having any currency that the Government like up to five years. That is provided by the Bill. Under ordinary circumstances, the currency would not probably be more than for one or two years. By that means we should get money at a fairly good price—not quite so good, as a rule, as inscribed stock. Short-dated bills do not raise so much as long-dated and inscribed stock. Still we will be able to obtain money on favourable terms; and we will always be in this position, that when a favourable opportunity occurs we shall be able to take advantage of it, and shall thus be enabled to carry on the public works of the colony. Everywhere throughout the world Governments have the power of raising money by Treasury bills or Exchequer bills, or whatever they may happen to call them. That is the whole scope of this Bill. By Clause 3 we pro-

pose to alter the fourth section of the principal Act by making the bills amount to £10 or a multiple of £10. It was found recently that we had to issue £480,000 of Treasury bills; and the provision of the Act that no bill could exceed £1,000 gave rise to a great deal of unnecessary difficulty. If we borrow from an institution for a short time, say two or three hundred thousand pounds, and the institution simply intends to hold the bills and not negotiate them, it seems unnecessary to give so many bills when one would do just as well. I do not see the use of tying down the Government to any number of bills, so that we propose to be able to issue bills for whatever sum is convenient to the value named, which will simplify matters very considerably. Clause 4 provides that "Treasury bills intended to be sold beyond the limits of the colony may be signed by the Colonial Treasurer and the Under Treasurer, and registered in the Treasury and by the Auditor General, without the dates of issue or the times of currency being inserted; and such dates shall be inserted by the agent appointed to negotiate such sale on behalf of the Government when issuing such bills, and immediately after such issue such agent shall notify such dates and times to the Colonial Treasurer and to the Auditor General for registration." There may be some difficulty in the Auditor General inserting dates on his records when he registers the Treasury bills, if they have no dates to them; and I have, therefore, asked for authority that the bills may be signed by the Under Treasurer and registered by the Auditor General without dates, so that the dates can be inserted by the financial agent afterwards. The reason is that all bills under our Treasury Bills Act have to be signed in the colony. If you send them out of the colony to be sold, perhaps some three or four months may elapse before the bills are sold, and a difficulty exists with regard to the payment of interest on the coupons. It seems far better to have power to have them dated in the way proposed. I was advised that it was scarcely necessary to ask for power in the Bill—that we could do it without that power; but I thought it was much better to ask for power, so that hon. members would know exactly

what we were doing. I ask, therefore, for power to have the dates of the bills filled in when they are sold. These dates being afterwards sent back to the colony by the Agent General, who will be in London, or any other person duly authorised by the Government, it might be thought by some to be unnecessary; but there would be no harm, as it would clearly show to those who are dealing with these matters that we are able to give them a bill dated the very day that they pay the money. All the dates, then, will be in accord with the currency of the bill; and the coupons will have the proper dates. [A MEMBER: The drawing dates.] The coupons will have the due dates; otherwise we might have a bill issued here for one year, and it might not be sold for three or four months afterwards. That difficulty has already occurred, and has been found inconvenient, and I therefore propose to make provision in this Bill so as to avoid it.

MR. ILLINGWORTH: What becomes of the coupon?

THE PREMIER: The coupon is attached to each bill. It is forwarded duly signed to the financial agent of the Government, who fills in the date, and at once returns the bill to the Treasury, and the Auditor General registers it.

MR. ILLINGWORTH: What has been the custom in the past?

THE PREMIER: In the past the arrangement was that we paid the interest when it was due for the three or six months, and got a refund from the bank for the amount that was not due. It was a complicated and unnecessary operation, and I seek to avoid that for the future. I beg to move the second reading of the Bill.

Question put and passed.

Bill read a second time.

#### IN COMMITTEE.

MR. HARPER, having been elected Chairman of Committees (as reported later), took the Chair.

Clause 1—agreed to.

Clause 2—Repeal of Section 1, and substitution of new section:

MR. ILLINGWORTH expressed a hope that in using these Treasury bills the Government would confine themselves strictly to what was involved in the Loan

Act, as he supposed they would do as far as possible; because he took it for granted we should not be able to borrow two and a half millions for public works during the next year. By this Act it would be possible for the Government to borrow say a million on Treasury bills, and to start at once to spend a portion of that money in carrying on, for instance, the Coolgardie water scheme. There should be a sort of understanding, at any rate, that if this power were granted, the Government would deal with the moneys in the order in which Parliament had passed the votes. This loan would soon be absorbed, as there was an amount of half-a-million falling due in January, and the Government would require another half-million for the next year; and it was probable they would not be able to obtain all they wanted when they went on the market, and it might be necessary either to borrow another million at 4 per cent. on Treasury bills, or to stay the works. This House had passed certain loan proposals in a certain order, and he would like to understand that the Government would not issue Treasury bills for the whole sum which they would have power to do if this were carried. They would have power to raise money to the extent of five millions; and as they would probably raise the first million at once, then when that amount was in hand they might commence the later works authorised by Parliament. It was possible the Government would be unable to borrow the whole of the five millions of money, and they might commence certain works and be unable to finish them; and then certain other works—more urgent, or at any rate works that had been passed by Parliament earlier—would be without funds for completion, because the money would have been absorbed in commencing some other works. He would like to have an assurance from the Government that they would deal with the money obtained by the sale of these Treasury bills in the order in which the works had been passed by Parliament, and that they would not raise half-a-million of money, and commence half-a-dozen different works out of order, and find themselves unable to finish them.

THE PREMIER said the money raised by Treasury bills would be dealt with exactly in the same way as

if it were raised by inscribed stock. He was not aware that there was any particular order in which the works were to be commenced. The order on the schedule was no criterion. Similar works were generally grouped together. The hon. member (Mr. Illingworth) hoped the Government would not undertake works and leave them unfinished; but he (the Premier) did not think they were likely to do that, though he could not give any pledge as to the order in which works would be constructed, as the Government would have to judge for themselves. They were responsible to the House, and knew they were not free agents in this matter. Although they exercised great powers, they had to so expend the money placed at their disposal by Parliament that the mode of expending and the order of expenditure should be approved by the House. He thought the Government would not depart from that course in the future. If the hon. member wished any particular work to be got on with, to take precedence of other works, he (the Premier) could not promise that this would be done, unless a resolution of this House were passed giving instruction to that effect, and of course the Government would attend to it then. He did not know there was any desire on the part of the House to say what precedence should be given to any particular works. That had not been the method adopted in the past; and there had been no complaint that he knew of, so far, as to the way the works had been carried out. As to the six millions, they could raise it all to-morrow if they desired it, if they could get it on terms that would suit the colony. He did not see that it would be any easier to raise it by Treasury bills than by inscribed stock. The only advantage of raising money by Treasury bills was for temporary purposes.

MR. LEAKE said if hon. members took the trouble to compare this amending Bill with the Act of 1893, they would see there was a very considerable departure proposed. [THE PREMIER: I have explained that.] Yes, but he (Mr. Leake) wanted to emphasise the fact, and point out a grievance. In the Treasury Bills Act, power was given to raise only £500,000, but the Bill before the committee proposed to multiply that amount by ten, and to give a concurrent power,

as it were, to raise the same amount by Treasury bills.

MR. ILLINGWORTH: At 4 per cent.

MR. LEAKE: At 5 per cent.

THE PREMIER: Not exceeding 5 per cent.

MR. LEAKE: Not exceeding 5 per cent., according to Section 4 of the old Act. This Bill provided too great a power to give any Government, particularly a spending Government.

THE PREMIER said the Government could use the money only for the purposes set forth in the Loan Acts.

MR. LEAKE said there might be a difficulty in carrying out the objects for which the Loan Acts were passed, and when the Government got this Bill passed they could pledge the credit of the colony to any extent, and would not be able to back down. Of course the Government would back down over the Coolgardie water scheme, but if the credit of the colony were pledged to the extent of half a million of money, there would be no possible chance of getting out of such a bargain, even if the bargain were found to be a bad one.

THE PREMIER: You could not do that now.

MR. LEAKE: If the Government were given the power asked for under the Bill, the colony would be placed in a very awkward position.

THE PREMIER: This Bill, if passed, would not make any difference at all.

MR. LEAKE said 5 per cent. was too wide a limit, when the Government had already borrowed at 3 per cent., and £5,000,000 was a big increase on £500,000.

THE PREMIER: The money could be used only for the works authorised.

MR. LEAKE: But the present Government were not always going to be in power.

MR. ILLINGWORTH moved, as an amendment, to insert the words "not exceeding two millions" after the word "money." His reasons for submitting the amendment had already been given.

THE ATTORNEY GENERAL (Hon. S. Burt) said he could not see any necessity for the amendment.

MR. ILLINGWORTH: I did not suppose you would.

THE ATTORNEY GENERAL: Then the hon. member was not disappointed. Parliament had already authorised the

Government to raise the money in the usual way by the issue of inscribed stock; but at times there was a difficulty in effecting the sale of such stock on the London market. As the Premier explained the other evening, some of the last issue was still on the hands of the brokers, without whose assistance it was impossible to raise money by inscribed stock. A great deal of money could, however, be raised by Treasury bills, which means had been availed of throughout the colonies from time to time. [MR. SIMPSON: To this extent?] He was not prepared to say to what extent; but there was no danger in giving the Government power to raise the whole amount of £5,000,000 authorised by the Loan Act. In many of the colonies money had been raised by Treasury bills outside Loan Acts altogether; but this Government contemplated nothing of the sort. If the money were raised by loan in the usual way, none would be diverted from the purposes for which it was raised, and there was no cause for suspicion in the fact that the Government now sought to raise it by Treasury bills. If this Bill were not passed, works might have to be suspended because Parliament was not sitting. The country could not suffer by the passing of the clause, and the Government were advised in the step they were taking by their financial advisers in London.

MR. ILLINGWORTH said that on this point he was, perhaps, very careful, having had some rather painful experiences in the past. The financial conditions of the world might be such as to make it undesirable to borrow £5,000,000, and the House might have to face the question as to whether some of the public works authorised by the last Parliament should not be abandoned. Parliament only worked from year to year, and must meet again within nine months of the prorogation. During that nine months the Government would have power, under the amendment, to borrow £2,000,000 on Treasury bills. If the Government required to borrow a further £2,000,000 they could get authority from the succeeding Parliament. There was a growing tendency on the part of the Government to take into their own hands powers which properly belonged to Parliament. He would have spoken

much more strongly on the subject if there had not been an absolutely incorruptible Government on the Treasury benches; but still, in changes which might take place, it was possible there might not, in the future, be that care and consideration for the finances of the colony which marked the present administration. It must not be supposed that the colony's run of prosperity was going to be everlasting, because it was possible for the splendid financial conditions to change somewhat. If it became a question as to whether it would be better to continue the Fremantle harbour works, even at the cost of suspending some other work, Parliament ought to have a voice in the matter. Power to borrow £2,000,000 in recess was sufficient for the conditions in which the colony now stood. The House must endeavour to keep control over the finances of the country. [THE PREMIER: Hear, hear.] It was not even suggested that the Government would depart from the lines of rectitude. But it was the principle of the Bill that was being dealt with, and the question was whether this Parliament should give the Government power to borrow practically unlimited sums of money. The power to borrow £5,000,000 was given under two distinct Loan Acts; and had the Government accepted a suggestion to confine the borrowing to the first Act, he would not have moved the amendment. If the Government had given an assurance that they would not, without consulting Parliament, borrow any moneys under the second Loan Act, he would have raised no objection. When a public works Act was passed and authority given to borrow money at 3 per cent. for, say, 40 years or over—

THE PREMIER: The Bill did not fix the interest at 3 per cent.

MR. ILLINGWORTH reminded the Premier that when the Loan Estimates were before the House the calculations were based on 3 per cent., and the understanding was that the money should be borrowed at that rate. It would be a sad and sorry day for the Government if they attempted to borrow money at any other rate, without first consulting Parliament. The Bill before the Committee gave power to borrow at 5 per cent., and even if money could be raised at 4 per cent. it would be a question for Parliament

whether certain authorised works should be carried out, in the face of the under-  
standing as to 3 per cent.

**THE PREMIER:** Make the limit £3,000,000, and I will accept the amendment.

**MR. ILLINGWORTH** could not see his way to extend the limit beyond £2,000,000 as moved. If the right hon. gentleman sat in the Opposition, he would be the first to take the course indicated by the amendment.

**THE PREMIER** urged that the hon. member for Central Murchison was really fighting a shadow. The Government could not spend sixpence except in the way approved by Parliament in the Loan Acts. The Government had power to raise the money by loan, and the Bill only proposed another way of raising it. [**MR. ILLINGWORTH:** At 4 per cent.] It need not be 4 per cent.; but if it were, that might be compensated for by a corresponding increase in price, and probably by an issue at a premium. The hon. member would have us believe that if the rate were 3 per cent., authorised works would not be constructed; but it was rarely indeed that money was at 3 per cent., which rate generally got less than par.

**MR. ILLINGWORTH:** A 4 per cent. loan is worth about £125.

**THE PREMIER** joined issue with the hon. member. A 4 per cent. loan put upon the market to-morrow would perhaps realise £110. No doubt a 4 per cent. loan ought to be worth £125, but a 4 per cent. loan would not realise that price. The quotations of the 4 per cent. loans in London were nothing equivalent to the 3 per cent. loans in actual value. The Bill gave the Government no more power than they had at present. It merely enabled them to get money at short terms instead of at long terms. It was undesirable to every year be dealing with such financial measures as Treasury bills, and the present Bill was designed to last for always. But in order to meet the wishes of the House, he was quite willing to limit the amount to £3,000,000, because he did not suppose the Government would want that much. If the Government were asking for power to borrow more money, he could understand the objections of the hon. member for Central Murchison.

**MR. ILLINGWORTH:** Then they could not place a loan.

**THE PREMIER** said he did not say that was the state of the finances of the country. There was no doubt the Government would be able to place a loan on the market on good terms.

**A MEMBER:** Why get authority for £5,000,000?

**THE PREMIER** explained that the authority now sought was to be a continuous authority, and not merely for the present, and it might be necessary to raise £1,000,000 or £2,000,000 before a loan was floated. To fix the limit in the Bill was not necessary, in his opinion; but if the committee saw any advantage in that course, he would fall in with their views to the extent of £3,000,000.

**MR. ILLINGWORTH** suggested that the limit might be fixed at £2,500,000, which was just the amount of the first loan.

**THE PREMIER** again pointed out that the Bill was intended, not only for the present time, but for all time, and he hoped it would be found useful for a hundred years.

**MR. ILLINGWORTH**, in order to meet the wishes of the Premier, said he would alter his amendment so as to fix the limit at £3,000,000, although to do so would, in his opinion, prove to be a mistake.

Amendment (altered by leave) put and passed.

Clause 2, verbally amended—agreed to.

Clause 3—agreed to.

Clause 4—Certain bills may be signed and registered, leaving date and currency to be filled in at issue by agent, who is to notify them:

**MR. ILLINGWORTH** asked what was intended by the irregular issue of the bonds.

**THE PREMIER** said he did not quite understand the hon. member. Authority would be given to issue Treasury bills, which would be prepared and signed, leaving the dates blank, to be filled in when necessary. Interest would accrue only from the dates mentioned. On a recent occasion interest accrued for some six weeks before the money was received; and the only way to get over that difficulty was by paying the interest and getting a refund.

**MR. ILLINGWORTH** further suggested that, supposing Treasury bills

were issued for £1,000,000, and that £100,000 were issued in January, another £100,000 in February, £100,000 in March, and so on, what provision would the Government have made to meet the January bill?

**THE PREMIER:** There would be no more difficulty in meeting the January bill than the bill for February or March.

**MR. ILLINGWORTH** urged that the course proposed in this measure was a most unusual one. It was usual to know exactly the time when provision would have to be made to meet the bills. If it were a question of recouping out of loan, then when the loan was raised, it would be desirable to take up the whole of the bills. If that were not done, 4 per cent. would have to be paid on current bills on the one hand, and 3 per cent. on loan on the other. There was no authority to pay out of revenue Treasury bills raised on loan, to be recouped out of loan, and consequently some provision must be made.

**THE PREMIER** asked what the hon. member would do under the circumstances?

**MR. ILLINGWORTH** said he would fix a date for the loan.

**THE PREMIER** pointed out that this measure did not prevent a date being fixed for the loan.

**MR. ILLINGWORTH** reminded the Premier that it was proposed to send blank bills to London, and to allow the dates to be filled in there. [**THE PREMIER:** Yes.] Well, that was not the way in which commercial men conducted their business. [**THE PREMIER:** Don't they.] Commercial men would not send bills to be issued at will in a London office. If these Treasury bills were issued as against revenue, the current revenue coming in would be available for liquidating the bills; but there was no possibility of liquidating these bills out of loan funds, except by using recoups from the loan; therefore a fixed date for the amount borrowed would be a more satisfactory way than the one proposed.

**THE PREMIER:** When any large quantity of bills were coming due, the Treasury would have to provide for meeting them, and if no loan moneys were available at the time, the bills would have to be paid off and other bills negotiated instead of them. The hon. member (Mr.

Illingworth) seemed to think the bills would overlap, but he (the Premier) did not think that would be the case at a time when there was so much money to borrow. Sometimes, in raising more than one loan, they had to float a loan when the market was good, and in that way one loan might overlap the other. A year ago London bankers would not give anything for the use of money, for they did not want it, and the Government here were paying for inscribed stock all the while.

**MR. EWING:** When a man gave a bill, he usually looked to the fund out of which the bill was to be paid when it matured. Treasury bills were issued for the purpose of meeting an immediate want on the part of the Government, and the intention was to raise money by way of loan in order to meet engagements when they became due. If that was the intention, then surely there was a good deal in the remarks of the hon. member (Mr. Illingworth), in saying it was desirable that the bills, which were to be repaid on raising a loan, should mature on the same date, and it was undesirable to have bills coming due, one this week and another next week, because the Government might be continually harassed by bills coming in on them, and for which they could not raise a loan at the time.

**THE PREMIER:** This clause did not say that.

**MR. EWING:** The clause gave power to issue bills, and to date them in London; therefore, the date fixed in London would be the date from which the period would run; and if the Government were going to pay them off at maturity out of loan moneys, the Government should have a specific date on which to repay their borrowings.

**THE ATTORNEY GENERAL (Hon. S. Burt):** If the hon. member knew more about these things, he would be aware that Treasury bills were not dealt with in that way.

**MR. ILLINGWORTH:** Another lawyer on finance!

**THE ATTORNEY GENERAL** was speaking as a financier, and no Government issued bills month by month, as some hon. members sitting on the Opposition side might do. (General laughter.)



MR. EWING: This measure gave the Government power to do it.

THE ATTORNEY GENERAL: When the Government issued bills, they did so not for a small amount, but for half a million or a million, as the case might be; and these were placed in London and dated on the one date. The Government did not intend to issue a bill every day in the week, as some hon. members seemed to think.

MR. EWING: The clause before them did not say that.

THE ATTORNEY GENERAL: The thing was so plain that there was no necessity to say it in the clause. The Government did not issue a bill for fifty or one hundred pounds to Tom, Dick, or Harry as each one came along. They issued bills in a lump sum.

MR. EWING: Suppose the Government could sell only £1,000 worth of bills?

THE ATTORNEY GENERAL: When the Treasurer was away, and he was acting for him, he issued half a million of Treasury bills, and therefore had a little experience of them.

MR. JAMES: Whose experience was responsible for the last mess in the loan?

MR. MORAN: The Attorney General was away, that time.

THE ATTORNEY GENERAL: The hon. member should give notice of that question.

MR. LEAKE: Treasury bills differed from the ordinary commercial "kite" they were acquainted with, which had a currency for a time varying from three months; whereas Treasury bills, as in the 4th section of 57 Victoria, No. 2, had a currency possibly for five years; so that if the Treasurer gave Treasury bills and dated them say for a period of three or five years, it would be impossible for him to say he would be in a position to raise a loan exactly on the due date, and therefore the bills might overlap, as it had been put by an hon. member, and the Government be forced into the market a month or so before the due date, and could not help paying the interest for the overlapping period.

MR. EWING: If the bills overlapped one month, they might overlap six, and that ought to be avoided.

MR. LEAKE: The Treasurer would be to blame if he allowed overlapping to the prejudice of the country.

MR. JAMES supported the section as it stood, because he would support any system which promised to keep them out of the clutches of the London brokers, and he believed this section would enable the Government to do that.

MR. SIMPSON: Another lawyer on finance!

MR. JAMES said he would like to see loan bonds sold like sugar across a bank counter, in order that the Government might keep themselves clear of the brokers' rings, and save a good deal of honest money that now went to fatten their wealth. He believed this clause would enable the Government to do that. If it was found to work satisfactorily in that direction, it would be an experiment on which they could insist, and apply to a still greater extent in raising large loans in future.

MR. HOOLEY asked whether the bonds to be sent to London would be filled in for a specific amount, or whether the amount was to be filled in at the London end as well as the date.

THE PREMIER: The amount was fixed. The clause said, "for the amounts named therein," and the Treasurer fixed the amount in each bill before sending it away.

Clause put and passed.

New clause:

THE ATTORNEY GENERAL proposed to insert the following additional clause:—"That this Act shall be read with the principal Act as one Act."

Put and passed, and the clause added to the Bill.

Title—put and passed.

Bill reported to the House.

#### CHAIRMAN OF COMMITTEES— APPOINTMENT.

Previous to the House resolving itself into committee on the Treasury Bills Act Amendment Bill,—

THE PREMIER (Right Hon. Sir J. Forrest) said: It will be necessary, first, that the House should elect a Chairman of Committees. We all know that our respected Chairman of Committees in the last Parliament (Mr. Traylen) was not fortunate enough to secure re-election, and therefore it becomes necessary to choose some other member well fitted to perform the duties. I am sure, when I mention that

I propose to ask you to appoint our old friend, Mr. Charles Harper, to be Chairman of Committees, you will see that our desire has been to obtain one of the most highly respected—and most beloved, I might say—members of this House. We have all known Mr. Harper for many years. His name is familiar throughout the colony from the earliest days, his father having been one of the very earliest colonists, and his family and himself having always occupied a prominent position among us. Mr. Harper has been many years in the Legislative Assembly; he has great practical knowledge of the colony; he has travelled over most of it, and has been an early explorer of the interior and of all the Northern parts of it. I do not suppose there is anyone more intimately acquainted with the character of the whole of Western Australia than he. In the legislature I have always known him as one to whom we might refer with confidence in regard to anything appertaining to the resources of the colony; and altogether I think that everyone will agree with me when I say that, if we wish to show honour where honour is due, we could not do better than ask our old and esteemed friend Mr. Harper to take the position of Chairman of Committees. I therefore move that Mr. Harper be appointed Chairman of Committees of this Chamber.

MR. LEAKE: I second the motion most heartily. Mr Harper will, I hope, do honour to himself and certainly confer a benefit on this House by accepting the position. We all know him as an ardent colonist and a good parliamentarian. His experience in Parliament will enable him to fill the position with satisfaction to all members. We know, too, that he has the interests of the colony thoroughly at heart. I therefore readily second the motion of the right hon. the Premier.

MR. HARPER: I rise with feelings of some diffidence to thank the Premier for the manner in which he has proposed that I should fill the position of Chairman of Committees, and I also beg to thank the hon. member, the leader of the Opposition, for the kindly terms in which he seconded the motion. I can only say that I feel highly the honour offered to me; and I only trust that in filling the position I shall be able to do my duty as desired by this House. If I make some

mistakes in fulfilling the duties of the Chair, it will be not from want of will but from want of knowledge.

THE SPEAKER: It is not usual to put the question, when there is only one candidate proposed and when there is no contest. I therefore declare Mr. Harper duly elected Chairman of Committees.

#### MESSAGE—TEMPORARY SUPPLY.

A message from the Governor having been received, requesting provision to be made (temporarily) for the public services and loan works authorised,

THE PREMIER (Right Hon. Sir J. Forrest), without notice, moved that the Standing Orders be suspended to permit of a Supply Bill being passed through all stages in one day.

Agreed to.

THE PREMIER further moved that the House resolve into Committee of Supply. He said the time was very short, if delegates had to get away for attending the Convention in Sydney on the next Thursday; therefore he asked hon. members to deal with this temporary supply that afternoon, rather than postpone it to the last moment. He had taken an opportunity of explaining to hon. members exactly the state of the public finances, therefore he thought there would be no objection to dealing with a Supply Bill now. It was somewhat exceptional to have two temporary Supply Bills in one year, but the whole business of this year was exceptional.

Question put and passed.

#### IN COMMITTEE OF SUPPLY.

THE PREMIER moved: "That there be granted to Her Majesty, on account of the service of the year 1897-8, a sum not exceeding £500,000 out of the Consolidated Revenue Fund, and £350,000 out of the General Loan Fund."

MR. LEAKE said surely the Premier and Treasurer should give some explanation, and not ask for £850,000 without a word. The House should know what was going to be done with the money. [THE PREMIER: This was nothing new.] It seemed to be a good deal to get without a murmur. What were the particular loans that required this amount for immediate expenditure?

THE PREMIER said there was a general loan fund now.

MR. LEAKE asked for more information.

THE PREMIER: The hon. member knew these temporary supplies were usually passed in a formal manner, the general understanding being that the Government would not undertake new works during the period.

MR. LEAKE: How long would the supply be for?

THE PREMIER: It would cover two months. The practice was that the House granted supply temporarily in a formal way in the first instance, and then the expenditure was to be all accounted for in the Appropriation Act at a later date; also, when the Treasurer made his annual Financial Statement, the items of expenditure included in the temporary supply were all accounted for, and the salaries paid out of the temporary supply remained at the same amounts as on the last Estimates. The understanding was that the Government should be carried on as nearly as possible as it had been during the past year, until they got the next Appropriation Act. There were various practices in regard to temporary supplies. In some colonies more information was given than others, while in certain other colonies the practice was the same as here. These supplies were for carrying out the ordinary services of the year, and the works approved of during last session. For instance, take the loan expenditure: over one million of money was approved of during last session for expenditure in due course, and the whole of that had not been spent. Then in regard to the consolidated revenue, the departments were carried on the same as last year, out of the temporary supply; the same rate of salaries being paid, and no new works undertaken so far as this could be avoided. It was inconvenient that this course should be adopted; but in asking for a second Supply Bill in one year, the circumstances were exceptional, and he could not hold himself responsible for them. The exigencies of the public necessitated this alteration in the present year as compared with other years. He did not know what information the hon. member for Albany wanted, in addition to that which had already been given during this session. When they came to the details of the items in the Estimates, there would be many things that members might object

to. He looked on the granting of temporary supplies as a formal matter, knowing that he, as Treasurer, would be accountable for the expenditure of the money, and that the Government must account for it at a later period in ordinary course.

MR. WILSON: If an explanation was considered necessary by some old members, it was due to the new members particularly that they should have some explanation, and perhaps a little more than had been given. It appeared they were going ahead very fast. £750,000 was voted two months ago as a temporary supply, and now they were asked to vote without a word £850,000 more. If they took £500,000 out of the consolidated revenue for two months, that would be at the rate of about three millions per annum of expenditure, while the actual revenue for the past year was £2,800,000.

THE PREMIER: £500,000 for two months was not excessive. They hoped at the same time that the whole of it would not be expended.

MR. WILSON: More information ought to have been put before them to show how the money was going to be spent.

THE DIRECTOR OF PUBLIC WORKS: They would have it in another year.

MR. WILSON: They ought to have it now.

THE DIRECTOR OF PUBLIC WORKS: The special circumstances of this year required the present course to be taken.

Question put and passed.

Resolution reported to the House, and report adopted.

At 6.30, p.m., the SPEAKER left the Chair.

At 7.30, p.m., the SPEAKER resumed the Chair.

#### WAYS AND MEANS.

On the motion of the PREMIER (Right Hon. Sir J. Forrest), the House resolved into Committee of Ways and Means; and, a resolution having been passed, it was reported to the House and adopted.

#### SUPPLY BILL (£850,000).

Introduced by the PREMIER, and read a first time.

Second reading moved and agreed to, without debate.

IN COMMITTEE.

Clause 1—agreed to.

Clause 2—Sum available for purposes voted by the Legislative Assembly:

THE ATTORNEY GENERAL (Hon. S. Burt) pointed out that the present session would conclude shortly. He moved an amendment making the supply also available for any services which might be voted in the next session.

Amendment put and passed.

Bill reported with an amendment, and report adopted.

THIRD READING.

Bill read a third time, and transmitted to the Legislative Council.

COMMONWEALTH BILL.

IN COMMITTEE.

Preliminary Clauses 1 to 3, inclusive—agreed to.

CHAPTER I.—Clauses 1 to 8, inclusive—agreed to.

Clause 4—Application of provisions relating to Governor General:

THE PREMIER (Right Hon. Sir J. Forrest): Under the clause as it stood, an administrator of the Government would receive the same salary as the Governor General, namely £10,000. That was not desirable, seeing that a temporary administrator did not always occupy Government House, and would not be put to so much expense as a Governor General. He did not mean to move an amendment, but merely to call attention to the effect of the clause.

Put and passed.

Clause 5—agreed to.

Clause 6—Power of dissolution of House of Representatives:

MR. SIMPSON asked whether, in the event of co-ordinate powers being granted to both Houses, it was intended to give power to dissolve the Senate.

THE PREMIER was not prepared to give power to dissolve the Senate, the members of which vacated their seats every three years. It would not be possible to get the Convention to agree to dissolution of the Senate. The clause was more liberal than the provision in the Canadian Constitution, where the senators held office for life.

MR. SIMPSON concluded that an effort was being made to create in the Senate a high and dry old Tory body, which could practically defy the legislation of the Lower House. He could imagine no possible harm from dissolution of the Senate, or see how that House could become the ideal chamber anticipated, unless it was kept closely in touch with public opinion. There had of recent years been rapid changes in Western Australia, and further changes might be anticipated in Australia generally within the next six years.

THE PREMIER: It was not proposed to give the Senate co-ordinate powers.

MR. JAMES: The question was not one of co-ordinate powers, but one of providing some machinery to meet deadlocks. To subject the Senate to dissolution would be to make that chamber hold office at the mercy of the Executive Government, which would spring from the House of Representatives.

MR. SIMPSON: They were not so certain of that.

MR. JAMES: There was no doubt the executive would be responsible to the Lower House, and the Lower House only; and it would be dangerous to give the authority proposed over the Senate. He knew of no Constitution under the British flag in which such a power was given.

MR. SIMPSON: Did the Presidential election in America not govern the Senate?

MR. JAMES did not think so, the senators in America holding office for, he thought, six years. This fixity of tenure had been one of the great attractions to the Upper House in America.

Put and passed.

Clauses 7 and 8—agreed to.

Clause 9—Senate:

MR. PENNEFATHER, in accordance with notice, moved an amendment providing that the Senate should be "directly chosen by the Houses of the Parliaments of the several States during a session thereof," instead of as provided in the clause, by the people of the State as one electorate. This amendment had been embodied in the Federal Bill of 1891, and he failed to see anything in the debates during the Convention of 1897 to justify the great change made in the clause. It was proposed in the Bill to elect the Senate in the same way as the House of Representatives.

MR. SIMPSON: The House of Representatives would be elected in separate electorates.

MR. PENNEFATHER: But by the same class of people, whether technically in separate electorates or not. In the Senate there should be found the matured opinions of the States, and the best class of men would not subject themselves to the indignities and rough usage sometimes meted out to candidates at elections. Senators should be uninfluenced by strong temptations to pander to principles they would not dare to stand by in a deliberative chamber; and by leaving the elections to the Parliaments, a better class of senators would be got, capable of giving a calm expression of opinion.

MR. SIMPSON asked whether the senators would not always be elected out of the Government majority in a State.

MR. PENNEFATHER: Not necessarily; but it was difficult to see why a Government majority did not always contain the best intelligence of a deliberative Assembly, the test being that the majority were the Government. Sir Henry Parkes and Sir Samuel Griffith, who made the federal constitution a study, favoured the view embodied in the present amendment. It was to be deplored that the discussion on this subject at the Adelaide Convention was conducted *in camera*, and that it could not be known what influences or arguments were used to bring about the change.

MR. SIMPSON asked whether Mr. Pennefather insisted that senators should be members of the State legislatures.

MR. PENNEFATHER: No.

MR. ILLINGWORTH urged that the closer a deliberative body came into touch with the electors, the stronger that body must be. The provision in the Bill of 1891 had been considered during the seven years since that time, and a large number of the best thinkers in the Convention had deliberately changed their opinion. That change could hardly have come about without good and sound reason. If the amendment were carried, the senators would depend for their election on the Government majority, and the Ministry would elect only men in harmony with the mind of the Premier, so that finally the selection would be that of the Premier himself. The amendment would no doubt save expense and trouble,

but the result would be disastrous to the independence of the Senate. As something must be sacrificed, it had better be the cost of election by the people.

MR. VOSPER agreed that if the senators were elected by the various State Legislatures, precisely the results which the hon. member for Central Murchison had foreshadowed would follow, and there might be added other results of an equally serious character. If a federal election occurred just before the death of one of the provincial Parliaments, or when a provincial Ministry was discredited, the senators elected might absolutely misrepresent the bulk of the people. Such a serious contingency should not be overlooked, and was quite sufficient to show the real wisdom in amending the Bill of 1891. The hon. member for Greenough suggested that members, when before their constituencies, sometimes gave pledges which they were not able or willing to carry out on the floor of the Assembly. It was much to be desired that the hon. member would speak for himself. Whatever might be the case on the Government side of the House, hon. members on the Opposition side were fully determined to carry out all their pledges. There was only one pledge any goldfields members had made on federation, and that was to make the constitution as democratic and as representative of the people as it could be made. The amendment was anti-democratic, and subversive of the direct representative institutions to which the people were accustomed.

THE PREMIER, in introducing the Commonwealth Bill, had referred to the curious circumstance that, on this point, there should be such a difference of opinion between the Convention of 1891 and the Convention of 1897. At the 1891 Convention the present premier of South Australia (Mr. Kingston) moved to strike out the words which Mr. Pennefather now sought to re-introduce, but the proposal was defeated by 34 votes to 6, the minority, in addition to Mr. Kingston, consisting of Dr. Cockburn, Mr. Deakin, Sir George Grey, Mr. Gordon, and Mr. Munroe. Some of the best men in public life opposed Mr. Kingston's proposal, amongst those being Sir Harry Atkinson, Sir Richard Baker, Mr. Barton, Sir John Bray, Mr. Clark (Tasmania), Sir George

Dibbs, Sir John Downer, Sir Philip Fysh, Mr. Gillies, Sir Samuel Griffith, Sir Patrick Jennings, Sir Henry Parkes, Mr. Playford, and many others. In his (the Premier's) opinion, the clause as it stood in the Bill of 1891 was the best. Canada and America were the only two countries which could be looked to for experience in Federation. In America, which was one of the greatest countries in the world, the system of electing the Senate by the Legislatures still prevailed after a hundred years of the system, which, Mr. Playford stated at the 1891 Convention, there was no desire to alter. Mr. Gillies also doubted the wisdom of electing the Senate on the same basis as the House of Representatives, on the ground that the frequency of the chances of collision would be much more likely to be numerous than ever it was. In Canada the Senate were not elected at all, but nominated for life. In the discussion on the Commonwealth Bill it had been contended that if the Senate were elected by the people, more power could be given to that chamber; but his experience at the Convention of 1897 was that no more power would be given to the Upper House than if the members were elected by the Parliaments. If there was anything unsatisfactory about the representatives of Western Australia at the Convention, it was that 10 was too large a number to be elected out of a total of 54 members of both Houses. That ground of dissatisfaction would disappear when only three senators had to be elected every three years, out of a total local legislature of about 70 members, and when the choice of candidates was not necessarily confined to Parliament, but extended over the whole colony. Did anyone say that 70 gentlemen, with the full sense of their responsibility to the country, would not make a good choice of three men to represent the interests of the State?

MR. VOSPER: They would be the Premier's choice.

THE PREMIER: Election by the Parliament would be a simpler and cheaper mode of election than that directly by the people; and the result would be the return of three men as good as the colony was capable of producing.

MR. ILLINGWORTH: No doubt, in the mind of the Premier, they would be the three best men.

THE PREMIER: Even the Governor of the day could not exercise a large influence in the matter. Surely the majority in an Assembly had as much right to exercise an influence as had the minority? [MR. ILLINGWORTH: No doubt.] He did not think, however, that the amendment proposed would now be acceptable to the other Convention representatives, who were so pleased with the result of their own election that they regarded the direct popular vote as a capital institution. He was afraid election by the people as a whole would result in elections on one ticket or another, about which the electors would know nothing.

MR. ILLINGWORTH: In the other case, the elections would be on the Premier's ticket.

THE PREMIER: At any rate there would be the free voice of the elected of the people in both Houses of Parliament sitting together. If there were a division on the amendment, he would support the amendment, but that would not prevent his voting in favour of another proposition if the present one could not be carried.

MR. VOSPER: There are no State rights in Canada.

THE PREMIER begged to inform the hon. member that there was a long list of State rights in Canada.

MR. VOSPER: In Canada they are municipalities—dependencies, really.

THE PREMIER asked how the States or provinces in Canada differed from the States which would be brought into existence under the Commonwealth Bill. The Canadian States might be called municipalities, but in that case the same term would have to be applied to the Australian States. All powers not specified in the Commonwealth Bill were reserved to the States. If the Convention of 1897 had followed the wise views of the distinguished men who in 1891 voted for election by the Parliaments, the Constitution would have been on safer and better lines.

MR. KENNY said he would be sorry if the amendment of the hon. member for Greenough was carried, and he did not think for a moment it would be. He was astonished to hear such a proposal by a gentleman from the democratic colony of Victoria. It was possible to improve even on the American constitution. A large

block of land, or even a banking account, was not always a guarantee of brains or ability. The hon. member was endeavouring to introduce a property qualification. This colony's delegates should act on the advice of the member for Geraldton, by trusting the people.

MR. W. JAMES: While it was true this amendment was also to be found in the American constitution, and was adopted in the Sydney Convention of 1891, yet Sir Samuel Griffith's criticisms upon it in his pamphlet were directed to the question as to whether it was wise to have one electorate, and the hon. member did not seem to have understood that. The State itself should determine how the delegates should be elected. One objection to the American method was that some colonies had not got an elected Upper House. The object of the amendment was the same as the object of the framers of the American Constitution, for they sought to get men elected who were least divided by party factions; but we in this colony could profit by the experience gained in America during 100 years, and it was there found that the question was one of direct election in an indirect manner. By introducing national questions into local or State elections in Australia, they would be interfering with the local administration, for when a man stood for election in America the considerations were all of a local character. Mr. Bryce, in his criticisms of the American system, had said the election of senators had, in substance, almost ceased to be indirect; for though they were still nominally chosen by the State legislatures, yet the caucus system bound the people practically within and without the State legislature in nominating aspirants for senatorship. The system, therefore, gave practically direct representation.

THE PREMIER: If the American method was very bad, they would alter it.

MR. JAMES: There had been proposals for amending it, by taking the election of senators away from the State legislatures in order to vest it in the people of the States. If we in this colony were to have party divisions strongly marked, as on the question of protection and freetrade, when everything might depend on the majority going one way or

the other upon that question, would not the issue be practically one of protection or freetrade in an election for the Senate? Every local Parliament that was elected would, *primâ facie*, have to deal with the election of three senators during its term of office; and the electors, knowing the effect of the general election, would ask that question and insist on its being answered. Why should we not have direct election in Australia? He did hope this House would not adopt the principle of the Canadian Constitution, which had been rejected by the Sydney Convention of 1891, and by the Adelaide Convention of 1897; and he did not think the Premier had seriously put it forward.

THE PREMIER: We do not want a nominated Upper House.

MR. JAMES: Provincial Parliaments in Canada were practically provincial municipalities, while in America they were provincial sovereign States. In the Canadian Constitution the provincial Parliaments had only such powers as the Federal Parliament gave them, with the powers given by the Constitution; and all the powers belonged, *primâ facie*, to the central body until given to the provincial bodies. In Australia the States would create the central body, and should claim their rights as sovereign States. The central body would not here create the States, but the States would create the central body; and these States would be circumscribed by only just so many powers taken away as were handed over willingly to the central body. If in Canada three-fourths of the States wanted a particular amendment in the Constitution, it could be altered accordingly. In Australia the colonies had all the powers as sovereign States, except such as they gave away; although, being connected with Great Britain, these colonies could not deal with such questions as lines of steamships or railways or canals connecting with any other province outside their own.

THE PREMIER: The control of navigation and shipping did not belong to the colonies, but to the mother country.

MR. JAMES: If we had federation here we should still have State Parliaments, whereas in Canada they simply had glorified municipalities.

Mr. VOSPER quoted from Mr. R. R. Garran's book on federation, as follows:—

The racial line of cleavage between the two Canadas, and the independent spirit of all the provinces, suggested a federal union rather than unification, and the neighbourhood of the great Federal Republic familiarised the suggestion. They were not, however, so jealous of a central power as the American States had been, whilst at the same time a certain prejudice against American institutions—and especially against "State rights," which had already been discredited by the civil war—tended to prevent a close imitation of the American constitution. These were the chief influences which moulded the coming union.

Referring to the same authority, the hon. member quoted further to the effect that the Canadian Senate, although meant to represent the States, does not do so as effectually as in the American system; State equality being so imperfectly recognised that three of the provinces (originally only two) were lumped together for representation in the Senate, this expedient infringing while nominally recognising the principle of equal representation in the Senate. Also, in the subsequent allotment of senators to new provinces, there had been no pretence of equal representation, a compromise having been made between equal and proportionate representation. A serious defect was that the senators were life nominees of the Dominion Government, and not even nominees of the provinces. These opinions of Mr. Garran, he said, deserved consideration in this connection. The recommendations made by the Adelaide Convention of 1897 were those of a body of politicians quite as distinguished as the Convention of 1891; the latter body comprising men who were living and active forces in political life, while those of the other body had in many cases retired because the public had got tired of them. The first Convention was not elected by the people, whereas the second Convention was elected by the people; therefore the Convention of 1897 represented the people, whereas that of 1891 represented the opinions of parties who were dominant at the time.

Mr. LEAKE: They were getting away from the point. The point was whether the Senate should be elected by the Parliament of the State or by the people of the State. He was not in favour of the amendment, as he preferred that the

Senate should be elected by the people, and not by the people's representatives in Parliament. The complaint made against the present representation was that the delegates had not been elected by the people; and yet this House was asked to perpetuate this very fallacy in this Bill.

THE ATTORNEY GENERAL: If they passed the amendment, they would be doing so; but they were not going to pass it.

MR. LEAKE: There was no party in this House on the question; and he congratulated the Attorney General that, in this action, the Government were on the right side.

THE PREMIER: They were on the right side of the Speaker, at any rate.

MR. LEAKE: If senators were elected by Parliament, instead of by the people, there would be log-rolling and other evils; and members would be influenced by the actions of the Ministerial benches in voting for particular candidates.

THE PREMIER: Members of Parliament had voted for and elected Mr. Leake as a delegate, although the hon. member sat on the Opposition side.

MR. LEAKE: That was so, and he was all right; but about the others? If senators were elected by Parliament, they would have to consider which party in Parliament had the control; and this meant that, as a rule, the Government for the time being would be the controlling influence in the House. That should not be so on this question. An appointment might be made by a moribund Parliament, representing a minority of the people.

THE PREMIER: This was not a moribund Parliament.

MR. LEAKE: It was not, but he was putting a case. This was really a live Parliament. Where there was a nominated Upper House, what became of the voice of the people? It would be gone altogether. Representatives were sent here to legislate, and not to form themselves into a committee for the selection of a senator.

MR. CONNOR: Having regard to the manner in which the member for Albany had been elected, would it not be more consistent in him to resign his position as a delegate, after the opinions he had expressed?



MR. SIMPSON: So he would, if he studied his own convenience.

MR. VENN: The amendment had elicited a lengthy discussion, showing that they had not time to discuss this matter as fully as they would like to do. They ought now to go to a division on the question. A good deal was to be said on both sides; but if the Conference of 1897 was a reflex of public opinion, this House should vote against the amendment.

MR. DOHERTY: A candidate standing for election as a senator, and appealing to the whole country as one constituency, would not have opportunity for attending meetings and making himself personally known to all the electors. Therefore Parliament would be in a better position to judge through its representatives as to who would be the most suitable persons to be elected as senators, because the candidates could not visit the country and make themselves sufficiently known to the electors. For example, he was at Hall's Creek when a former representative of that part of the country died, and a telegram came from a Perth gentleman (Mr. Walter James), now the hon. member for East Perth, asking what chance he would have of representing that district if he were to stand as a candidate for the vacancy. That gentleman was known now in Perth as a great democrat; but at Hall's Creek, when his name was mentioned, everyone wanted to know who the d—— was Walter James. Now that showed how a gentleman who took a prominent position in this House on the federal question was practically unknown in the Northern part of the country; and it showed how little chance a candidate, however worthy, would have in obtaining election as a senator, if he were not known to the electors in the various parts of this great colony. This House, by electing the senators, would be practically expressing the people's views in a more definite manner.

MR. LEAKE: Then the hon. member would have them to elect only members of Parliament?

MR. DOHERTY: Not necessarily.

MR. SIMPSON: Referring to the telegram sent to Hall's Creek, he might remind the hon. member of a classic saying: "Whom not to know argues one's self unknown." They knew that nominated Houses were powerless for permanent re-

sistance, for the simple reason that their numbers could be hugely increased at any time by nomination. In New South Wales they had a nominated Upper House; and when a Ministry was going out of power, having absolutely lost the people's confidence, they took the opportunity of making additions to the Upper House by nominating a number of their friends. Suppose, therefore, a coincidence of an election to the Federal Senate and a retiring Government in this colony. That Government might have just sufficient power to control the election of senators in this Parliament, while a month or so later that Government might be found to be out of touch with public opinion in reference to its own election as a Government. Nomination as a senator for election to that position by Parliament would be one of the prerogatives and a great prize in the gift of the Premier in power, because he could practically, by his majority in Parliament, govern the elections to the Senate. Therefore he (Mr. Simpson) opposed the amendment.

THE CHAIRMAN rose to put the question.

MR. PENNEFATHER said he had gained the object he had in view when moving this amendment, and that was to promote discussion. Having had the discussion, and gained everything he desired, he now asked leave to withdraw the amendment.

MR. CONNOR said that if it had come to a vote, he intended to vote against the amendment.

Amendment, by leave, withdrawn.

THE ATTORNEY GENERAL (Hon. S. Burt) proposed an amendment in the second sub-section of the same clause, that the words "as one electorate" be struck out of line 5, and that the words "from one or more electorates, as the Parliament of each State may determine" be inserted in lieu thereof. The wisest course would be to put as little as possible in the Bill. They were not asked to pass the Bill, but to make suggestions; and a main object should be to exclude as much matter as possible from the Bill, so that the hands of the Federal Parliament hereafter might not be tied. The next thing to give attention to would be that, if they were bound to deal with any particular point, they should deal with it in such a manner as would not be likely

to produce friction hereafter between the States and the Commonwealth Parliament. With regard to some matters, they knew that their views, whatever these might be, could not possibly be carried out on account of the views of other people. With regard to the matter before them, it was proposed that the senators should be directly chosen by the people as one electorate. He did not know that those in the Convention who passed these words were particularly wedded to the principle of having one electorate; and it might be possible to induce the Convention to agree that the arrangement of the electorates should be made in such a manner as the Parliament of each State might determine. This colony being so large in area and so diverse in its conditions, it would be more convenient for us to have one or more electorates by cutting up the colony into two or three electorates, as the wisdom of the local Parliament might determine hereafter. The Northern districts of this colony desired to have more direct representation in the Senate than would be obtained by having the whole colony as one electorate; and, sympathising with that view, he had moved this amendment.

MR. ILLINGWORTH said he had also given notice of an amendment to the same effect; and he expressed complete concurrence in all the Attorney General had said.

Amendment put and passed, and the clause as amended agreed to.

Clauses 10 to 12 inclusive—agreed to.

Clause 13—Retirement of Senators:

MR. ILLINGWORTH: The senior member should retain his seat, as in all the colonies, and the retiring member should be the one who had received the fewest votes.

MR. SIMPSON: If this colony were divided into six electorates, for instance, there would be no seniority, as each of the six senators would represent one electorate. The amendment last agreed to entirely upset this clause; for if these electorates each returned one senator, there would be no necessity for the clause.

THE PREMIER: Half the number representing each State would have to retire at the end of the first three years; and, as a State could not have more electorates than three, it would be neces-

sary that we should have either one electorate or three, according to the number of the senators to be elected.

Clause put and passed.

Clauses 14 to 18, inclusive—agreed to.

Clause 19—Disqualification of senator by absence:

MR. SIMPSON: Why should a senator be allowed to be absent so long as two months, when only a fortnight was allowed in this House at present?

MR. JAMES: The question of distance had to be considered.

MR. HASSELL: This point was considered in the Convention; and it was pointed out that if a senator elected here resided in Kimberley, for instance, it might take him two months to reach Sydney.

Put and passed.

Clauses 20 to 23, inclusive—agreed to.

Clause 24—Constitution of House of Representatives:

MR. ILLINGWORTH: This clause provided that there should be two members in the House of Representatives for every member in the Senate. The Bill provided also that the number of senators for each State should be six. Therefore this colony ought, by this clause, to have twelve members in the House of Representatives. Was the clause intended to come into application when they had sufficient numbers to entitle them to twelve?

THE PREMIER: The Bill would give to this colony five members, unless we could get more by population.

THE ATTORNEY GENERAL (Hon. S. Burt): It was possible to make the clause a little clearer, by declaring that the provision that the House of Representatives should be composed of members directly chosen by the people of the several States, according to their respective numbers, should be subject to Sub-clause 3, under which each of the existing colonies was entitled to five representatives at the least. He moved that the words, "Subject to the provisions of Sub-section 3" be inserted after the word "numbers."

Amendment put and passed, and the clause, as amended, agreed to.

Clauses 25 to 39, inclusive—agreed to.

Clause 40—Duration of House of Representatives:

MR. GEORGE: Why was the term fixed at three years instead of six? Surely

those who were elected as representatives would be as valuable as advisers on matters concerning the Commonwealth for six years as would be the senators.

**THE PREMIER:** Three years was the period for which members were elected to all the Legislative Assemblies in the colonies, except Western Australia, where the period was four years. It could only be supposed that the Convention thought it better to follow the plan of the majority of the colonies. He would support a proposal to make the term four years.

**MR. GEORGE:** There was no reason why the term should not be six years. The difference between the two Houses in this connection cast a slur on gentlemen who might be elected to the House of Representatives, where experience and mature judgment were certainly required.

**THE PREMIER:** It would be impossible to get the Convention to agree to six years.

**THE ATTORNEY GENERAL** moved, as an amendment, that the period be four years instead of three.

Amendment put and passed, and the clause, as amended, agreed to.

Clauses 41 to 43, inclusive—agreed to.

Clause 44—Allowance to Members:

**MR. GEORGE:** The annual allowance of £400, which he presumed would be reckoned from the day on which a member took his seat, was not so much a salary as a reimbursement for expenses. A man who resided near the place of meeting would not only be able to take his seat earlier, but would not be put to half the expense which other members who resided at a distance would incur. Would the allowance be reckoned by the day or week, or would it be a fixed sum of £400 a year? In his opinion, the allowance ought to be according to the number of sittings.

**THE PREMIER:** The allowance would date from the time a member took his seat until he ceased to be a member. A better plan would be, no doubt, to pay the allowance according to the sittings.

**MR. JAMES:** The clause would be unjust to the Western Australian representatives, for example, as they might require ten days to reach the seat of government. The allowance ought to date from the election, and he moved, as an amendment, to strike out the words

“to be reckoned from the day on which he takes his seat.”

**MR. ILLINGWORTH:** The Federal Parliament would have no knowledge or cognisance of a member until he presented himself. There would be a day fixed for the meeting of Parliament, and all the elections would take place on one day.

**MR. VOSPER:** The date of the return of the writ would be a convenient time at which to start the payment of the allowance.

**THE PREMIER:** A much better plan would be to leave the settlement of the matter to the Federal Parliament.

Amendment, by leave, withdrawn, and the clause agreed to.

Clause 45—Agreed to.

Clause 46—Place to become vacant on happening of certain disqualifications:

**MR. ILLINGWORTH:** The Premier, or some other of the delegates might inform the committee whether the question of the disqualification of ministers for seats in the Federal Parliament was discussed at the Adelaide Convention. All Parliaments recognised the desirability of such a disqualification, and it would be well to follow the practice in framing a Federal Constitution.

**THE PREMIER:** The question of the disqualification of ministers of religion for a seat in the Federal Parliament was not discussed at the 1897 Convention. He could not remember whether there was any such discussion at the 1891 Convention.

Clause put and passed.

Clauses 47 to 51, inclusive—agreed to.

Clause 52—Legislative powers of the Parliament:

**MR. ILLINGWORTH:** The Committee should express an opinion as to the desirability of striking out sub-clause 5, which handed over to the Federal Government the control of the “postal, telegraphic, telephonic, and other like services.” He moved to strike out the sub-clause, in order to retain, at any rate for a time, the post and telegraph offices under the control of the State.

**THE PREMIER:** Those services were practically federated now.

**MR. ILLINGWORTH:** The proposal to hand over the post and telegraph services to the Federal Government had both its advantages and disadvantages. If they were handed over, the Federal

Government would have to take the post-office buildings at a valuation, and it would be a good thing if the valuation were made at a time when the sum would be equal to the unproductive portion of the public loan, and thus leave only the railways, which were producing interest and sinking fund. On the other hand, if a post office were wanted at Marble Bar or Wyndham, it might be exceedingly difficult to persuade the Federal Parliament of the importance of those places. This colony had its life before it, and the country must be opened up. It was never known where a big settlement of 20,000 or 30,000 people might spring up, especially in the gold country, and the State Government would be much better able to attend to the postal and telegraphic wants of such a place than the central authority, which would have quite enough to do in running the customs and other departments. He moved to strike out sub-clause 5.

MR. JAMES: The sub-clause should not be struck out. The question of postal communication was one vested in the the central Government in America. In Canada the postal communication and intercolonial lines of telegraph were vested in the Federal Parliament, local lines being left to the States. In neither country was heard any great complaint in connection with the exercise of the central authority. The usefulness of telephones was just being discovered, and it was possible that in time there might be telephonic communication from one end of Australia to the other.

MR. MORGANS: In America the central Government had control over postal, but not over telegraphic, communication.

MR. LEAKE: The striking out of sub-clause 5 might interfere to some extent with contracts for the carriage of the mails.

MR. ILLINGWORTH: Present contracts would stand.

MR. LEAKE said in his opinion the business of the post and telegraph offices would be more easily managed by the Federal Parliament than by the States.

MR. ILLINGWORTH: No doubt the post and telegraph services would eventually come under the Federal Government; but, at the present stage, such a step was not desirable. The Federal

Government would, at the beginning, have an immense amount of other business, and there would be a danger of these particular services, which were so important in our daily lives, getting somewhat neglected. He had no desire to press the amendment, but simply to have some discussion on the question.

MR. VOSPER: During the debate on the Address-in-Reply, he had expressed the opinion that in this federal movement the colonies were going rather too rapidly, and his remarks were endorsed by some other members. If the intention was to have federation under the present Bill, the central Government should be given all power possible. If the intention of the Bill had not to be carried out, a stop might be made at a great many more branches of public business besides the post and telegraph services. The hon. member for East Perth, who had a great command of debating society platitudes, and had quoted authorities great and small, did not seem to realise that it would not be a bad thing to throw some original thought and new light on the federation question. The committee were not bound by the doings of any Convention, but were bound to consider the advisability of handing over the control of public services to the central authority. When speaking the other night he (Mr. Vosper) suggested the idea of a confederation. Perhaps that choice of expression was rather unfortunate, because, after all, the definition of a confederation was distinct from what this Bill was aiming at. But he now said again that every institution that was permitted to grow stood a greater chance of being permanently useful than one built in an hour. Although this matter had been under discussion since 1891, no great harm would be done if the discussion were continued until 1900 or thereabouts. By and by, when we had handed over all those powers, we should, perhaps, regret having done so. Federation, after all, was neither more nor less than a gigantic experiment, which ought to be handled very carefully. Enthusiasm, such as that possessed by the hon. member for East Perth, did not necessarily mean sound judgment. In fact, the two were usually divorced; and no divorce, judicially set up, could be so complete as the severance exhibited in the case of the hon. member. Certain

functions could be handed over to the Federal Parliament without doing any harm, such as those affecting foreign relations or the judiciary. The rest of the powers should be handed over by degrees. Federation should first take place on points on which the colonies were agreed, and then, gradually, on the points on which they were not in agreement. If the clause were passed, Western Australia would be committed to the approval of handing over the whole of those vast powers to a Federal Government of which nothing was known. If those matters could not be fully considered now, the delegates might consider the advisability of raising them in the Convention.

**MR. LEAKE:** If the sub-clause meant that the central Government must take over the construction of proposed new telegraph lines, the committee would do well to pause before adopting it. This matter might fairly be considered from the point of view of the colony's local requirements. In Western Australia new districts were constantly being opened up, and one of the first things done in such a case was to extend telegraphic communication. It would place the Government in a difficulty if the sanction of the central Government had to be obtained before telegraphic communication could be established with outlying districts. If, for instance, there was a discovery of gold 100 miles away, it would be inconvenient to have to rush to the Federal Government, for authority to extend the telegraphic system to the field. In such a case the work of effecting telegraphic communication might be left to the local State, and he was disposed to vote for the striking out of the sub-clause. In sub-clause 34 it was provided that the railways could be taken over only with the consent of the State or States concerned. A qualification of that sort in sub-clause 5 would overcome the difficulty.

**MR. JAMES:** The member for Central Murchison admitted that the postal and telegraphic and railway services must eventually be handed over to the federal authority, and the question arose, when should that be done?

**MR. ILLINGWORTH:** When a State Parliament so decided.

**MR. JAMES** congratulated the member for North-East Coolgardie (Mr.

Vosper) who, in his discursive remarks, had got off the speech with which he came prepared for the debate on the Address-in-Reply, but was not allowed to deliver. Whether he (Mr. James) talked platitudes or displayed a want of judgment or not, he was satisfied if he had convinced the member for North-East Coolgardie, and caused him to make a public recantation of his contention that a federation and a referendum could exist side by side. In handing over the telegraph lines to the Federal Government, there was no need to distinguish between service and construction, the latter of which was constantly going on all over the continent.

**MR. LEAKE:** We might hamper ourselves in carrying on the construction of local lines.

**MR. JAMES:** But did the States not hamper themselves in regard to all the powers they handed over to the central authority?

**MR. VOSPER:** Inconvenience would arise if, in the event of a telegraph line being required to some remote place in the colony, it should be necessary for a deputation to go to Sydney, Melbourne, or other place which might be the seat of the Federal Government. Members of the Federal Parliament would be likely to lose touch with their districts, the demands of which might be considered extravagant. While the telegraph service was in a transition state, it should not be handed over to the Federal Government.

**THE PREMIER:** The local administration would always be in touch with the Federal Government. The clause had better be allowed to pass as it was.

**MR. JAMES:** In Canada, the central authority had complete control over the postal services and intercolonial telegraph lines, but the local telegraph services belonged to the provinces.

**THE PREMIER:** The telephones in towns, being local in every respect, should not be handed over to the Federal Government. The Canadian plan appeared to be the best. Post offices were practically federated now, not only in the colonies, but throughout the civilised world, under the Postal Union and other arrangements. There seemed to be an idea that the postal service should be under the central Government, but he

thought the colony would be better served under the local authority. He was undecided at present whether to vote for or against the amendment. He would not divide the House on the question, because if the sub-clause was struck out, it would be considered again at the Federal Convention.

**MR. ILLINGWORTH:** The amendment would not be carried, he felt confident; but hon. members were there to make suggestions which they thought should be carried out in the framing of the constitution, and, in justice to his own convictions in this matter, he must divide the House.

**THE PREMIER:** A reduction of postage was being demanded now, and if the colony handed over the postal service to the Federal Government, we might be putting a burden on our shoulders. There was little doubt a reduction of postage would come about, not only in Australia, but throughout the world.

**MR. VENN:** It must not be assumed that the Federal Government was not going to be an active body. If it was found that the interests of a State were going to be lost sight of, the local Government would be alive, and see that the requirements of the people were attended to.

Amendment put and passed, and the clause, as amended, agreed to.

#### Clause 54—Money Bills:

**THE PREMIER** (Right Hon. Sir J. Forrest): In the Bill of 1891 it was provided that laws appropriating any part of the public revenue or imposing any tax or impost should originate in the House of Representatives. The reason why it was altered to the form it had in this Bill was in order to meet the case of Bills which were really not money Bills, but which had clauses in regard to fees and other small matters. We had had such Bills in this colony, which had passed through the Upper House. That was why in the Bill of 1897 the clause was altered so as to read, the "proposed laws having for their main object the appropriation of any part of the public revenue," etc. The idea was that this class of Bill might be introduced into the Senate. There was no intention whatever of allowing money Bills that were really money Bills to be introduced there. Another reason why this clause was not

dangerous was that money Bills could only be introduced into that House in which they had first been recommended by message of the Governor General, as provided by Clause 56, and therefore the Government would not be likely to come into collision with the House by introducing a money Bill through the Senate; so that by reading Clause 54 together with Clause 56, hon. members would see that the intention of the words was quite clear. In South Australia they had struck out Clause 54 altogether, but he did not see any objection to it.

Put and passed.

#### Clause 55—Appropriation and Tax Bills:

**THE PREMIER** (Right Hon. Sir J. Forrest): This clause, perhaps, excited more controversy at the Convention than any other portion of the Bill. He moved, as an amendment, that the words "except laws imposing taxation and laws" be struck out. This amendment had been moved in the Convention by himself at the last meeting in April, and it was defeated by one or two votes—he forgot which—but it was by a very narrow majority. In the Convention of 1891 there was a battle over this very matter, and in that Convention we were defeated by a very few votes—he forgot how many. Looking at the matter from the standpoint of self interest, it would be foolish on our part not to make this amendment. Victoria would want protection against the world and as high a tariff against imported products as possible, so that British goods and goods from cheap places should not be allowed to come into Australia to compete against goods manufactured in Victoria. Would that suit us? The great mining interests of this colony would have to pay a great deal more for their mining machinery than they otherwise would. How would that suit us? We wanted the mining machinery brought into this colony as cheaply as possible.

**MR. ILLINGWORTH:** We got most of our mining machinery from Victoria.

**THE PREMIER:** We could not get it as cheaply in Victoria as from Great Britain, which produced the best and cheapest goods in the world. As this colony would not get much power in the Lower House, let us get it in the Senate. With that object he would give the

Senate full power to amend a tariff Bill. As a House protecting State interests, he did not see why that body should not have such power.

MR. ILLINGWORTH: No doubt the step taken by the Premier at the Convention was consistent with the best interests of this colony, from the Premier's standpoint; but the principle sought to be introduced was likely to cause frequent deadlocks between the Houses.

THE PREMIER: There had not been many in recent years.

MR. ILLINGWORTH: One reason of this was that in Victoria, where deadlocks used at one time to occur more frequently than now, the Upper Chamber had been brought into closer contact with the people of the colony, and an alteration had been made in the electorates. We had started out to create a Commonwealth of Australia, and it was proposed to give the Senate a power not possessed by any colony except Tasmania, in any portion of the British dominions.

THE PREMIER: Ours was a different class of constitution altogether from the British.

MR. ILLINGWORTH said that the principle which the Premier sought to introduce was not in harmony with the genius of the British Constitution. One thing had been kept well to the front during the whole federal debate, for everything had been made subsidiary to the idea that we should build up a Constitution upon the basis of the British Constitution. It was decided that the House of Lords practically and the House of Commons should be the model upon which our great Commonwealth Parliament should be established. Now this proposal of the Premier was a distinct departure from that Constitution, and a departure which had not been recognised in any of the colonies in any part of the British dominions, except by the experiment in Tasmania, which, to his mind, had not worked well. Were we to depart in this Federal Commonwealth from the cherished principle of the British Constitution?

THE PREMIER: This was a different thing altogether. In this case the Upper House would be composed of representatives of the people.

MR. ILLINGWORTH: The compensating advantage was not sufficient to

justify such a change. There must be, in monetary transactions under our system of Government, one House. One chamber must have absolute control of the purse. He ventured to assert that all experience taught that we could not govern with two Houses in monetary matters. One of the Houses must be subservient to the other in monetary matters. It was not, perhaps, of much consequence as to which of these Houses had this power, because in this particular case both would be in touch with the people. The vital point was not which should have the power, but in his opinion the House that was in immediate touch with the people, that was responsible to the people, that could be dissolved and sent about its business, that made and unmade the Ministry, should have the complete and absolute control of the financial powers of the Parliament. What was the fear which was actuating those who represented the smaller States on this question? Supposing a tax were imposed, a tax that was adverse to our interests, was it conceivable that one million two hundred thousand people were going to tax themselves for the purpose of reaching 150,000 in Western Australia? If they put on a tax, they would have to pay it themselves. We were apt to look at the smallness of our population as a difficulty, but it was a protection. The larger States would not get enough out of us to make it worth their while to impose a burden on us, since they would have to bear by far the largest portion of it themselves.

A MEMBER: They got £80,000 a month out of us, at any rate.

MR. ILLINGWORTH: That was a state of things for which our own Government were responsible. It was because the Government persisted in taxing the food of the people. It was proposed that the senate should have equal power with the House of Representatives in respect of all proposed laws appropriating the necessary supplies for the ordinary annual services of the Government. It seemed to him that we were unnecessarily afraid, and that, in trying to protect ourselves against an evil which would never happen and an enemy that had no existence, we were absolutely binding ourselves hand and foot, and that instead of obtaining deliverance we were entering into bondage. Instead of protecting ourselves

we were placing ourselves in a position which could not be protected. When it was proposed, for instance, to raise any tax, necessary say for a big railway here, the larger States would be unlikely to submit to pay the tax in order to help us; but when this proposed tax went to the Senate, what we asked was that that body might have the power to amend it. Taxation could only be introduced by the Government in any case.

THE PREMIER: No. Taxation was controlled by the Commons.

MR. ILLINGWORTH: The proposition of the Government was that the Senate should have equal power with the House of Representatives in respect of laws appropriating supplies, but the introduction of taxation would be retained by the House of Representatives. That was provided for in the Bill. The initiation of taxation could occur only in the House of Representatives. There might be some tax proposed which the smaller colonies would deem undesirable, and consequently the representatives of small colonies would propose to reduce the tax. But a tax that could afflict this colony in any possible way as a tax must be paid also by the larger colonies; and was it within the bounds of reason that the larger colonies would endeavour to tax something that they themselves would have to pay—something to reach a little colony like Western Australia? We were departing from the first principles of the British Constitution. The Premier had been made a doctor of laws and logic, and members expected him to live up to the reputation so attained. The Premier had argued that they should try to retain the British Constitution, with such amendments as the Canadian Constitution had worked out; but the first principle of the British Constitution was that the people's House should have control of moneys; and yet this amendment asked that they should build up a Federal Government that should be a violation of the British Constitution.

MR. DOHERTY: We do not want all the British Constitution.

THE PREMIER: This would be a Senate elected by the whole people.

MR. ILLINGWORTH: That difference was not sufficient to account for this amendment. He was satisfied they could not work out the principle of a Common-

wealth with co-equal powers between the two Houses. Every word that was uttered by the representatives of this colony at the late Convention was destructive of the federal principle.

THE PREMIER: They erred in good company.

MR. ILLINGWORTH: Minorities for the most part had to fight and contend till they convinced the majority; and then the majority did the work and got the credit. By taking this clause out of the Bill, we would have a coach with five wheels, and it would not go. If the Convention carried the Bill, he felt sure the people of Australia would not adopt it. The Senate would vote only for reduction of a tax, and not for increase. If the three smaller States insisted on these words remaining in, they would construct a Federal Constitution that would not be accepted by the people of the Australian colonies.

MR. JAMES: In opposing the clause as it stood, he did so for the same reasons as those given by the hon. member who had just spoken. They had to bear in mind that in Australia they had to face a federation with the adoption of responsible government. If he thought for one moment that they could have co-ordinate powers and responsible government side by side, he would say, let them look after federation and let responsible government look after itself. He was satisfied with this: if we attempted in the constitution to place undue restrictions on responsible government, responsible government would destroy the constitution. He wanted to conserve, as far as possible, as much of the federation principle as he could. The Senate had, by the Bill, power to make suggestions in regard to money Bills, but the Premier wanted to give the Senate power to make amendments. Did the Premier think it advisable to introduce this amendment, when so little was to be gained by it. The right hon. gentleman would place himself in opposition to all the Premiers in Australia on this question.

THE PREMIER: No. What about the Premier of South Australia?

MR. JAMES: The clause as it stood emanated from the Convention of 1891.

THE PREMIER: The hon. member was going back on the pledges on which he was elected.



MR. JAMES: The clause as it stood now represented the compromise of 1891, and it was agreed to after a deal of discussion. The Premier, no doubt, was aware that it was adopted in 1891 by the votes of several members in the Convention representing the smaller States who made up the majority.

MR. PENNEFATHER: The member for Central Murchison (Mr. Illingworth) had made up his mind that in whatever emanated from the Ministerial side of the House there must be something wrong, and that there was a deep-laid plot to undermine the British Constitution. That seemed to be his strong point. In the Senate lay the only chance of holding our rights. The member for Central Murchison (Mr. Illingworth) and the member for North-East Coolgardie (Mr. Vosper) could be compared only with Don Quixote and Sancho Panza, in their wild tilting at windmills. Would it be wise to hand over this colony bound hand and foot, when there was a chance of getting the best terms possible for our protection against the larger colonies until the time came when we could hold our own?

MR. LEAKE moved that progress be reported, in order that more light might be thrown upon the matter on the following day.

THE PREMIER reminded the committee that any decision come to on the clauses would not be final, and it was most desirable that the Bill should be gone through that night.

Motion—that progress be reported—put and negatived.

MR. VOSPER: The member for the Greenough (Mr. Pennefather) had gone to Don Quixote to find a suitable comparison for the action of hon. members who opposed the amendment; but he (Mr. Vosper) would compare the hon. member with a Biblical personage, and say that he was like Sampson, who slew the Philistines by thousands, and did it with the same old weapon. Although the majority of the people contributed to the taxation, it was proposed to give the minority a voice in saying how that taxation was to be raised and disposed of. The duties and rights of the people fell into two distinct departments—those which were national, and those which belonged to the citizen. As

a member of the State, a man paid State taxation and was entitled to control it; as a citizen of the State he paid State taxation, and had a right to control it. The majority of the people were certainly represented by a majority in the Lower House, which should have the right as Lower Houses now had, of imposing taxation. The States were represented in the Upper House to the exclusion of everything else. The case would be different in a confederation, where the States were compelled to contribute towards the maintenance of the central Government.

THE PREMIER: That is what the States have to do.

MR. VOSPER: In what way?

THE PREMIER: By giving up the customs and other revenues.

MR. VOSPER: The customs fell on the individual, and not on the State as a State.

THE PREMIER: On individuals in the State.

MR. VOSPER: Individuals were represented in the Lower House, and States in the Upper House; and States as States had no right to control taxation.

THE PREMIER: The State could get money only from the people.

MR. VOSPER: The State paid no money to the Federal Government.

THE PREMIER: The State gave up the customs.

MR. VOSPER: But the customs now collected by the State would be collected by the central Government. If they had an Upper House holding the power of taxation, such as the Premier wished to give it now, they would be establishing a confederation instead of a federation. Perhaps there was a way out of this difficulty which had not suggested itself to hon. members. In America they had a fundamental law set forth in the constitution, which prevented any class taxation from being imposed. No one class was permitted to tax another class. A few years ago, the Congress of the States passed a land tax, and some land owners appealed against it on the ground that it was unconstitutional. When the matter was brought before the Supreme Court, it was decided that it was unconstitutional, inasmuch as a large part of the population did not hold land; therefore it was regarded as a class tax. He suggested it might be possible to incorporate

in this constitution a provision whereby it should not be possible for any combination of parties in the House of Representatives to impose party taxation. If we went in for a system of taxation which would give the Senate co-ordinate powers, we would be simply establishing a reactionary system of Government which would be in the future a burden to the people. Let us either leave federation altogether, or go in for it on the lines laid down in the Bill.

**MR. VENN:** This question of giving equal powers to the Senate was more a matter of sentiment than anything else. The member for East Perth (Mr. James) had quoted from Sir Samuel Griffith; but Sir Samuel had said in reference to this very question that it was only a matter of sentiment. If that were so, it was not going to wreck federation. We should be very careful before doing anything to interfere with the great principles of what was termed the British Constitution; but he was in favour—and he thought the people generally in this colony were in favour—of giving greater powers to the Senate. He would support the amendment.

**MR. GREGORY** would vote with those who supported the amendment. Some of the speeches made that night showed party feeling.

**MR. OLDHAM** moved that progress be reported.

Motion put, and division taken, with the following result:—

Ayes ...	...	...	8
Noes ...	...	...	16

Majority against ... 8

AYES.	NOES.
Mr. Illingworth	Mr. Burt
Mr. Kenny	Mr. Conolly
Mr. Leake	Mr. Doherty
Mr. Simpson	Sir John Forrest
Mr. Vosper	Mr. George
Mr. Wilson	Mr. Gregory
Mr. Wood	Mr. Hall
Mr. Oldham (Teller).	Mr. Russell
	Mr. Hubble
	Mr. James
	Mr. Lefroy
	Mr. Monger
	Mr. Pennefather
	Mr. Quinlan
	Mr. Venn
	Mr. A. Forrest (Teller).

Motion negatived.

**MR. OLDHAM** expressed surprise to find the question had been made a party one. As the question affected the principles of the British Constitution, it was

fair to give the Opposition an opportunity of expressing their opinions on it. The Premier had said, in reference to this amendment, that the Senate was elected by the whole of the people just as much as the House of Representatives. He challenged that statement as far as Australia was concerned. The tenour of all the arguments that night was that after federation was accomplished we would still be Western Australians. The amendment appeared to be brought forward for the purpose of protecting the smaller colonies from any injustice inflicted on them by the larger ones. It appeared to him that, by giving the Senate these powers, it would amount to giving them greater powers than the Lower House would possess, as even the power of dissolution would not affect the Senate. But it was almost useless arguing the matter, as the Premier had a strong party following. When the hon. member went to the Convention he could rest assured of this: If this proposal was carried there, he would find that he had adopted the best means of killing the measure. As far as the principles of the Constitution were concerned, he did not give in to the Premier: he had his own views on the subject. On any question on which there was a deadlock in the House, how were hon. members going to deal with the matter under the co-equal powers? Even if it came to a dissolution, there would be no settlement of the question. In an ordinary case in which a deadlock occurred between the Legislative Assembly and the Legislative Council, and Parliament was dissolved on the question, hon. members went to the country, and the Government coming back sent up the Bill to the Legislative Council again. There was finality in the case, as the Legislative Council must give way to public opinion. He thought the smaller colonies would be doing themselves great harm by insisting on this amendment. If they were even to assume the proportions of the larger colonies—and the Premier believed they would at no distant date assume these proportions, not only in the production of gold, in their wealth, but in population—where, then, was the use of inserting this provision? If this colony had a population equal to Victoria or New South Wales, would there be any necessity for inserting this provision?

THE PREMIER: There would be just the same necessity. If we had a population of a million, he would vote for it.

MR. OLDHAM: If the hon. member would prove that to him, he would be prepared to fall in with that view.

Amendment put, and division taken with the following result:—

Ayes ...	...	17
Noes ...	...	9

Majority for ... 8

AYES.	NOES.
Mr. Burt	Mr. George
Mr. Conolly	Mr. Gregory
Mr. Doherty	Mr. Illingworth
Sir John Forrest	Mr. Kenay
Mr. A. Forrest	Mr. Oldham
Mr. Hall	Mr. Simpson
Mr. Hassell	Mr. Vosper
Mr. Lefroy	Mr. Wilson
Mr. Menger	Mr. James (Toller).
Mr. Morgans	
Mr. Pennefather	
Mr. Phillips	
Mr. Quinlan	
Sir J. G. Lee Steere	
Mr. Venn	
Mr. Wood	
Mr. Hubble (Teller).	

Amendment passed, and the clause as amended agreed to.

Clause 56—agreed to.

On the motion of the PREMIER, progress was then reported.

#### ADJOURNMENT.

The House adjourned at 12.21 (midnight) till Wednesday afternoon.

## Legislative Council,

Wednesday, 25th August, 1897.

Hainault Gold Mine, Limited, Bill: Report of Select Committee—Returns: Swan River Shipping Company's Lease—Motions: Leave of Absence—Commonwealth Bill: Presentation at Sydney Convention—Motion: Standing Orders Suspension (Supply only)—Temporary Supply: Message from the Governor: Supply Bill, £350,000; all stages—Police Act, 1892, Amendment Bill: Discharge of Order—Standing Orders Suspension (all Bills)—Treasury Bills Act Amendment Bill: all stages—Hainault Gold Mine, Limited, Bill: Debate on Motion to go into Committee; in Committee; third reading—Vacancy in Federal Convention Bill: all stages—Adjournment.

THE PRESIDENT (Hon. Sir G. Shenton) took the chair at 4.30 o'clock p.m.

#### PRAYERS.

#### HAINAULT GOLD MINE, LIMITED, BILL.

##### REPORT OF SELECT COMMITTEE.

HON. H. G. PARSONS brought up the report of the select committee on the Hainault Gold Mine Limited Bill, and moved that it be received.

HON. R. S. HAYNES: Is this the final report of the committee appointed to inquire into this Bill? This is one of the most important subjects it is possible for any House of legislature to deal with—to decide upon the rights of litigants in the Supreme Court.

THE MINISTER OF MINES: Will you not hear the report read first?

HON. R. S. HAYNES: The motion is that the report be received. If the hon. member will withdraw that motion, and move that the report be read, perhaps it would be in proper form. If it is the final report of the committee, the objection I have to it will not be removed by hearing it read. The matter is one of the most vital importance affecting the interests of persons—

HON. J. W. HACKETT: I submit, sir, that there can be no discussion at this stage.

THE PRESIDENT: I was going to point out to the hon. member that the report cannot be read until it is in the possession of the House; in other words, until it has been received.

Put and passed.

HON. H. G. PARSONS moved, That the report be read.

Put and passed.

Report read by the Clerk.