Legislative Council.

Tuesday, 14th November, 1916.

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

PETITION—CONTROL OF RACING.

Hon. R. G. ARDAGH presented a petition from approximately 7,000 persons, praying that the Government curtail the existing number of racing dates, that the Government control racing as in Victoria, that bookmakers be permitted to bet on race-courses, and that, if the Government desire to raise additional revenue, bookmakers be required to pay a license fee to the Government and also to pay a stamp duty on each betting ticket.

Petition received and read.

PAPER PRESENTED.

By the Colonial Secretary: Department of Railways and Tramways, report for year ended 30th June. 1916.

QUESTIONS (2)—WHEAT MARKET-ING

Agents' Responsibility, elcetera.

Hon. H. CARSON asked the Colonial Secretary: 1. Did the Government wheat agents' responsibility regarding wheat stacks cease on the 30th September? 2, What steps were taken to ascertain the quantity and quality of wheat in the hands of agents on that date? 3, Has any new arrangement been entered into by the Government with the wheat agents, and, if so, what is the arrangement?

The COLONIAL SECRETARY replied: 1, No. The agency agreements have been continued until the 30th June, 1917, and the agents' responsibility continues, subject to certain modifications now under consideration. 2 and 3, Answered by No. 1.

Power to prohibit Sales.

Hon. H. CARSON asked the Colonial Secretary: Have the Government the power to issue a proclamation prohibiting the sale of the new season's wheat?

The COLONIAL SECRETARY replied: No; but the Wheat Marketing Bill now before Parliament contains provision to enable sales to be prohibited except to the Government.

MOTION-LAND AND INCOME TAX.

State Returns to synchronise with Federal.

Hon. J. DUFFELL (Metropolitan-Suburban) [4.42]: I move—

That, in the opinion of this House, the

Government should take the necessary

steps to make the returns of the State

land and income tax fall due on the 30th of June in each year instead of the 31st of December, so as to bring them into line with the Federal land and income tax returns, which are due on the former date. In submitting this motion, I realise that it is unnecessary for me to dwell on the subject at length, inasmuch as hon, members will have realised that the present system is both fallacious, and productive of needless It requires business men, and members of the community generally, whose pleasure and duty it is to pay income tax to both the State and the Federal Governments, to send in two separate sets of re-The business man is compelled to take stock and to balance at the 30th June for the purpose of furnishing returns to the Federal Government, and then he is called upon to repeat the process on the 31st December for the purposes of the State land and income tax. In many cases this system of duplication involves not only inconvenience but needless expense. Since tabling my motion I have learned that action in this direction was taken some little time ago at

the Premiers' conference in Melbourne, when it was suggested that the various States might bring forward legislation to deal with the question. So far, we have not heard of any Bill for the purpose in Western Australia. In speaking on this subject, I am reminded that at the present time not only the Imperial Parliament of Great Britain, but also the Parliaments of the various British dependencies and dominions, are exhorting their peoples to study and practice economy. While this exhortation is being, at all events to some extent, observed, it is not commendable for the Federal Parliament recklessly-I use that word advisedly -to compel people to bear the expense of two separate sets of offices and staffs for the purpose of land and income taxation. the dates were brought into line as suggested by my motion, both being fixed for the 30th June, which would suit the majority, if not the whole, of the mercantile and manufacturing community in rendering returns, both the State and the Federal income and land taxes could be rendered on one return, and assessments for both the State and the Commonwealth could be made by one staff of officers. I contend that the officers of the State Taxation Department would be able, under those conditions, to assess the taxes payable to the Commonwealth as well as those payable to the State; and thus ninetenths of the expense connected with Federal land and income taxation would be saved to the community. I do not think it is necessary to labour the question. reasonable people will recognise the necessity for the motion.

Hon. A. SANDERSON (Metropolitan-Suburban) [4.45]: I second the motion.

Hon. J. F. CULLEN (South-East) [4.46]: I presume the bon. gentleman is aware that in both the Commonwealth and the State taxation statutes provision is made for accepting either date. The Commonwealth will accept a return as to the 31st December, and this State will accept a return as to the 30th June, so there is no difficulty to be met by the motion. But if the hon. member had gone a little further he might have framed an effective motion requesting the Government to take steps to have the returns corelated so that one return would do for both Commonwealth and State purposes.

Hon. A. Sanderson: They are on different bases.

Hon. J. F. CULLEN: Where the bases differ provision may be made, but a great deal of time and cost would be saved if there were as close a co-relation as possible. I do not mean to say that the State should adopt the Commonwealth basis or that we should dream of the Commonwealth accepting the State basis. But a great deal might be saved in this and other departments by the State and the Commonwealth working together as far as possible. If the hon. member's motion had asked for all possible co-relation it would be a valuable motion. The one point which is contained in the motion is really met already; any business man can make his returns both for the Commonwealth and the State up to the 30th June, or he can make them up to the 31st December, and they will be accepted in both instances.

Hon. J. Duffell: No.

Hon. J. F. CULLEN: As a matter of fact the statutes state that they will be accepted. If there has been any failure to secure acceptance there must have been some blunder.

Hon. Sir E. H. Wittencom: That is no objection to this, surely.

Hon. J. F. CULLEN: No, but I am pointing out that what I imagined was in the hon member's mind has not come out. The mere fact of making out two returns at the same time is not so vitally important as the fact of having enormous savings secured to the Commonwealth and the State by working together, wherever co-operation can be secured. Both in this and in regard to electoral matters, very much money might be saved.

Hon. Sir E. H. WITTENOOM (North) [4.50]: I have pleasure in supporting the motion, because, even although I believe that to some extent the facts are as Mr. Cullen has stated, it seems to me it would simplify the matter if there were one recognised date. Take the pastoralists and the farmers, with whose business I have some acquaintance: they are supposed to make up their returns to the two dates, namely, 30th June and 31st December, and it involves no end of work. If it were all brought to the

30th June it would simplify matters very much. Unless one has been personally through these returns, especially those connected with the pastoralists, one can have no conception of the amount of worry and trouble entailed. Numberless details have all to be made up twice a year, and it seems to me superfluous. If we can induce the Government to adopt the motion I am certain the majority of people will look upon the result as a very great improvement.

Hon. J. W. KIRWAN (South) [4.52]: I am in sympathy with the motion, but to my mind it hardly goes far enough. I think it might be amplified. The object of both State and Federal Taxation Departments should be to collect the taxes with as little cost as possible. It is a great pity that we should have two sets of officers, one collecting for the Commonwealth and the other for the State. I move an amendment—

That all the words after "should" in line 2 be struck out and the following inserted in lieu:—"Endeavour to arrange (1) That the Federal and State land and income taxes be administered by one set of officers instead of two; (2) That one set of returns only for Federal and State land and income tax be necessary; (3) That the returns fall due on the same date; (4) That all payments over a specified amount be made in half-yearly instalments."

At present the Federal and State Taxation payments fall on different dates. That is rather an advantage to the taxpayer, as it enables him to pay the taxation much more easily than if both taxes were to fall on the one date. I have provided in the amendment that all payments over a specified amount should be made half-yearly. with the increased war taxation, the amounts payable are becoming rather considerable, this would be a great advantage to those who have to pay large amounts. quite aware that this is hardly a matter for the Chamber to deal with. only go as a recommendation to the Government. Questions of the class are decided at conferences between State and Federal authorities, but I do not think that the Government would altogether ignore the wishes of the House in the matter, and it might help them to some extent to know exactly what those wishes are. I hope my amendment will meet the wishes of the mover. I think it is in accordance with his views.

The PRESIDENT: Will the hon. Mr. Duffell accept the amendment?

Hon. J. Duffell: With the permission of my seconder, yes.

Hon. A. Sanderson: Yes, I am agreeable. The PRESIDENT: The amendment is accepted and becomes part of the motion.

On motion by the Colonial Secretary debate adjourned.

MOTION: CONSTITUTION ACTS AMENDMENT ACT, TO AMEND.

Council's franchise, Electoral Provinces and Council's amendments to Bills.

Hon. J. CORNELL (South) [4.59]: I

That in the opinion of this House the Constitution Acts Amendment Act, 1899, and any umendments thereto, should be so amended as to provide-1, That every person of the full age of thirty years being a natural born or naturalised subject of His Majesty the King, and not subject to any legal incapacity, who shall have resided in Western Australia for six months. shall be qualified to be enrolled as elector for the Legislative Council; and 2, That the State of Western Australia be divided into five electoral provinces, each returning six members on a proportional basis, half of the members so returned to relire every three years, the three members which have at the first general election polled the greatest number of votes for each province to have a tenure of six years, and the three remaining members for each province who have polled the least number of votes to have a tenure of three years only; 3, That should the Legislative Council amend or reject any Bill that the Governor has authorised by Message, and which has passed the Legislative Assembly, and the said Assembly insist that the Legislative Council shall—(a) modify any amendments which it has made. or (b) not insist on any amendments which it has made, or (c) reconsider and pass any Bill which it has rejected, and the Legislative Council refuses to do so, the Governor shall dissolve the said Council, and cause writs to be issued for a general election thereof.

My intention in moving is primarily to focus public opinion on the constitution of the On several occasions I have laid House. stress on this question, and on the attitude of the Press in obscuring from the people the true functions of the House. I have held throughout that there was a motive behind the action of the Press, and that the great mass of the people do not fully realise the enormous powers which the House possesses and the occasions on which those powers have been utilised. I am twitted with going back on the platform on which I was elected. That platform clearly sets forth the effective reform of this House with the view of its ultimate abolition. In submitting this motion I am still of the opinion that there is no need for two Houses of Parliament in this or in any other State. That is my belief; it was expressed when I entered this House and I still hold to that opinion. Eminent authorities on constitutional law who have approached this subject, not from the view of the politician with an axe to grind, say that one House of Parliament elected on an adult franchise with the power of the initiative and referendum is the more democratic form of Government than the present dual system. That is the ultimate ideal of the party with which I am associated. party stands for the effective reform of this House, or it may be the other House or both, and would set up in the place of the two a single Chamber elected on an adult franchise with the power of the initiative and referendum. That may be a chimerical form of government, but it is really the form of government which is in the hands of the people. Those are the premises I have taken up since my election to Parliament and I still adhere to them. On the question of the dual Houses of Parliament, I am safe in saying that with the exception of the Canadian States I know of no other country in the world that has not adopted the dual form of government. That form of government appears to me to be inseparable from British institutions and British traditions. Many of those British traditions have, however, within the last few years received a rude shock, and I can only liken some of

them to the Englishman's love for and his want of desire to do away with the long-tail coat and the top hat. But as I have said, the march of events within the last few years has been very rapid and it has carried away with it many of the old traditions. For the time being I see no alternative but to accept the position of the dual system of government, and I desire to direct hon, members' attention to the need for broadening the present franchise of this House. If members will cast off the garment of politics and look the situation fairly and squarely in the face, deep down in their hearts they must come to the conclusion that the Legislative Council is far from being a democratic institution. Let us analyse the franchise of this House. Briefly we find that according to the Act of 1899 every person of the full age of 21 years and upwards can obtain a vote subject to the usual legal disqualifications, if he owns freehold estate of the value of £50, if he is a householder and the clear annual value of the property is £17, or if he is a leaseholder, and, again, the value is £17, or if he holds a lease or a license from the Crown to depasture stock or to engage in cultivating or mining on Crown lands at a rental of not less than £10, or if he is on the electoral list of a municipality or a road board, and again the annual rateable value is £17—all persons holding those qualifications can be enrolled as electors of this House. If plural voting did not enter into the franchise of this House the position would not be quite so bad. But we find this state of affairs existing here, that a person can have 10 votes, one in each province of the State. That is plural voting with a vengeance. The framers of the original Constitution have gone to the absolute limit in safeguarding the rights of property and perpetuating an iniquitous section in the Constitution. That Constitution, too, is so contradictory that whilst it is permissible for a full-blooded Chinaman to record a vote for this House, it is not possible for the same individual to record a vote for the Legislative Assembly. The Constitution provides that no aboriginal native of Australia, Asia, or Africa, or a person of half-blood shall be entitled to be registered as an elector for this House except in respect of a freehold qualification. true meaning of those words is significant;

it is that any of those persons who may be naturalised and who may own freehold property of the value of £10 may be enrolled as electors and may record a vote for House. There are very few people in Western Australia who know of that blot on our Constitution. We turn to the people's House, the House that controls public purse, and we find that any person of the full age of 21 years and not subject to the usual legal disqualifications can be enrolled as an elector for that Chamber. We find further in the Electoral Act of 1907, which I think is a part of our Constitution, that it provides in Section 18, paragraph (d), that every person shall be disqualified from being enrolled as an elector or from voting at any election who is an aboriginal native of Australia, Asia, Africa, the islands of the Pacific, or who is a person of balf-There we have an extraordinary position under the Constitution under which we are working to-day. If this House does nothing else than remove that blot from the Constitution we shall be doing something which will conduce to the respectability of this Chamber. Allow me to assume that a second chamber is necessary. I have already said that British tradition has clung to the dual system of government. If, then, the second chamber is necessary, on what elective basis can it be justified? 1 have the which stated basis upon is elected, and 1 say that that basis cannot be justified. Because a person possesses a certain amount of wealth or property or pays a certain rental, the law in effect says that he shall be qualified to vote for the election of members to this Chamber. I submit that the only basis upon which we can justify a second chamber is from the point of view of the age of an elector. We can draw this assumption starting off with the popular House, in regard to which we say that every person over the age of 21 may record his or her vote; we take that basis as the starting point. When people reach the age of 21 years they have reached the age of discretion and should be able to record an intelligent vote. On that assumption—which I say is correct—there should be no other qualification for a voter unless, perhaps, it be the intelligence test. On that point, I am perfectly satisfied that if the in-

telligence test were applied to the electors for this Chamber, some of them would be struck off the rolls. Apart from the question of intelligence, the only justification for the continuance of this House is to base the electoral qualification on a higher age. That is to say, electors who have reached the age of 30 years are better qualified to give a reasoned view than those who have reached only 21 years. The older electors are better qualified to elect members to this House. That is the only logical ground which justifies the existence of a second Chamber. Not only am I prepared to back up my motion with my own personal arguments, but I have on my side constitutional authorities. Up to within the last 18 months there was not an Upper House in the old land or in Europe which did not accept the property standard as the basis of electoral qualification; but within the last 18 months we have seen the people of Denmark framing a new constitution. framing it in the middle of a great war. Today the position in Denmark is that the Upper House is elected on the basis that every elector over the age of 35 years, and not subject to the usual disqualifications, is entitled to be enrolled as an elector for the Upper House. In the Danish Lower House that great reform was passed by 114 votes to 1, and the franchise of the Danish Lower House is similar to ours, with this difference -that whereas with us the qualifying age for an elector of the Lower House is 21 years, in Denmark it is 25 years. little country Denmark has pioneered the way by setting an Upper House based upon the only logical foundation on which it can be erected. It may be said that the time is not opportune for this reform. Time is always opportune if men and women have the backbone to undertake reforms. There is no time for the stereotyped objection that the time is not opportune. If ever there was in our history, or in the history of Great Britain and her dependencies, a time for granting a full measure of self-government to the people, it is now. Prior to the outbreak of war there was a false conception abroad that Britain's greatness consisted in her wealth, her factories, and her I contend that Britain's greatmachinery. consists in the manhood womanhood dwelling within the four corners

of Great Britain. That is where Great Britain's strength lies. Britain may have had ten times her wealth and ten times her ships but she would have been impotent had it not been for her people. To-day we find on the battlefield of Flanders men from Britain who worked in the mines, who before the outbreak of war did not know, when laving their heads on their pillows at night, where to-morrow's crust was to come from. Fighting side by side with those men we find dukes and the sons of dukes. And the same position in а minor degree, SO far 88 Australia is engaged this great conflict. Men as far apart socially, prior to the war, as the two poles, are now fighting side by side. We find all classes of Australians fighting shoulder to shoulder for the preservation of our Empire and our institutions. While the rich man has much more to lose than the poor man, 1 contend that the war has demonstrated that the rich man cannot live without the backing of the poor man. Henceforth every man, and particularly the man who waves the flag and makes after-dinner speeches and speeches to school children on patriotism, should agitate by word and deed for the creation of a Parliament which will give the fullest realisation to the true will of the people. So long as this House remains as it is, the truest and fullest will of the people cannot be reflected in it. I do not desire to be personal in any way, or to reflect at all upon hon, members, but I do say that they have a duty to perform, and that their duty is to give the electors of this country as much right to elect a member of this House as the electors have to return members to another place. In my opinion, 30 years is the lowest age at which an elector should be permitted to vote for this House. So much for the first paragraph of my motion. second paragraph asks, briefly, that this House should be elected on a proportional basis; that it should be divided into five provinces, each to be represented by six members. Is the present disposition of provinces satisfactory? I say it is not. would not be satisfactory even if the qualification were based on age only. The present position involves that 17,000 electors for the Metropolitan-Subuurban Province

return three members, while 800 electors in the North Province return three members. Allowing for distance from the seat of government and all other disabilities of the North, yet by no process of reasoning, by no stretch of imagination, can such a huge disparity be justified. Even the disparity as regards my own province, 3,300 electors as against 17,000 Metropolitan-Suburban electors, is not fair. The disparity would be even greater if the reform I advocate were adopted. Would elections held on a proportional basis of representation prove fairer than those upon which members are now elected to this House? I contend, undoubtedly they would. I shall not go deeply into the subject of proportional representation. I have been a convert to that system for many years, and I still have to learn that there is a more equitable system in operation. The system does what no other electoral system does in actual operations: it gives representation to parties according to their strength within an electorate. A second Chamber such as I have indicated-it is chimerical now-would be of the broadest possible character. There is another point I must deal with. Attention is always called to the continuity of this House. On that aspect of the maiter, the second part of my motion provides that of the members first elected to the re-constituted Chamber the half who polled the higher numbers of votes would sit for the full term of six years, while the half who polled the lower number of votes would retire after three years. That is the basis on which the first Federal Senate was elected. Similarly, after the double dissolution of the Federal Parliament which occurred some two years ago, that procedure was again put into operation; and at the succeeding Federal election those senators who polled the lower numbers of votes will retire, while those who polled the higher numbers will sit for the full term. the continuity of this House would not, if my proposal were adonted, be affected. Next, I ask, is there a House similar to this elected on a proportional basis? The reply is, yes. The new Danish Constitution provides that 32 of the 64 members of the Upper House shall retire at the end of four years-that is to say, the 32 who polled the lower numbers of votes-while the 32 who

polled the higher numbers will sit for eight years. In that way the continuity of the Danish Upper House is maintained. There is another country in the British-speaking dominions which elects its Senate, an Upper House, upon the proportional basis. The Senate of United South Africa to-day elects its members in a large measure on the basis of proportional representation.

Resolved: that motions be continued.

Hon. J. CORNELL: [will not detain the House very much longer. I now come to the third paragraph of my motion. submit that there is logic in the terms of this portion of my motion and that it would make for good government if this power was given. First let us take the powers this House. Ι have heard members say in this House that the powers of this Chamber have lain dormant since the introduction of the House itself, that only a few of them crept into existence by the advent of the Scaddan Government. As a supporter of that Government. I have every reason to know that part of the great power which is vested in this House, by virtue of our Constitution, was put into operation against that Government.

Hon. W. Kingsmill: Who said that?

Hon. J. CORNELL: I am certain of it. I think it is generally accepted that the basis of government stands on finance and the finances of any Government are raised by means of taxation.

Hon, J. Duffell: Frenzied finance.

Hon. J. CORNELL: When we turn to the powers of this House we find that this Chamber can reject any taxation proposal, that this House, in effect, can make or unmake Governments, make them eat humble pie, or make them do almost everything, No reform can be carried in words, or by gesture, but has to be carried by deeds, and these deeds can only be accomplished by the Government of the day having a full measure of taxation. I would point out that this House can amend a Bill dealing with taxation and can reject it, and each method has been resorted to when occasions have warranted and suited some hop, members of this House. It may be inferred from these remarks that I am of opinion that this

House should not have these powers. I say this House should have these powers, though not as at present constituted. But, to make it the House that I should like to see, I say it should have these powers, or, in effect, it should have power to reject any legislation sent up by another place, or to amend any legislation. That may be a serious admission to make, but if this House has not that power under any Constitution which would be possible to be written, there would be no need for this House. I now come to the other side of the position, What are the consequences attached to the present powers of this House? None. There are no consequences attached to the actions of members of this House worthy of a moment's consideration. This House is elected, 10 members at a time, in cycles of two years, and they can go merrily on their way in the future as they have done during the past four years; and when it comes to an election, even were the whole 10 members defeated, there would still remain 20 members of the House, 10 for another two years and 10 for another four years. Therefore I say that, while hon, members may get up on the platform at election time and say, "We face you fearlessly over any actions we have taken," all that it amounts to is long-range fighting, and there is nothing in it when it is really analysed. I submit this trenchant question to the House-should not the power of rejection or amendment, if put into operation, carry direct and immediate responsibility? I say it should. The position to-day, briefly, is that we repose the greater part of the government of the country in another place. We repose the power of taxation and the expenditure of public moneys in the hands of five out of the six Ministers appointed to form the Government. Owing to the present franchise under which we work we find one party reflected in another place, and one party reflected in this place. I refer to the predominant par-Those responsible for the conduct of the Government in another place introduce legislation. It comes along here to this House and this House rejects it. There is only one constitutional procedure for the other place to follow and that is to insist that this House falls in with its wishes, or to ask the Governor to dissolve Parliament and appeal to the electors. What happens? The electors of the State are dealing with the men in whom, in most cases, they have again reposed confidence, and the actual culprits who have departed from the popular will escape scot free. I submit, and advisedly submit, that so long as this House retains the powers which it holds to-day, the only reasonable and logical conclusion one can arrive at is that when they put into operation these powers as against the popular will of another place, they should be responsible for their own acts, and the Constitution should be so amended that the Governor may order this House to submit itself to the country and to the vote of the people who elected it. In making these assertions I have again to refer to the Danish Constitution. The Danish Constitution provides, as I have indicated, that when a deadlock occurs in the Upper House, as a result of a vote adverse to the Government in the popular Chamber, and an agreement cannot be arrived at, the King dissolves the Upper House and the electors judge whether they were right in destroying the proposed legislation, or nullifying the proposed action of the popular Chamber. That is a reasonable position to take up and the only position which one can justify from point of view of logic. If, by an act of the Upper House a deadlock occurs in the Lower House, the Lower House, where the deadlock occurs, appeals to the country. To-day, in this State, we have a set of circumstances which commend themselves to no one, and which, in actual application, mean nothing. In reading the history of the Parliaments of this State I find that, on more than one occasion, this House has refused to bend knee to another place, with the result that the other place was dissolved and went to the country. Consequently, when they came back again this place refused to bend its knee, knowing that, owing to the peculiar state of our Constitution, the electors could not get at them. I say that if we had a Constitution that provided that either House was responsible for its own acts to its creators, a better state of government and circumstances would exist. Just one word in conclusion. I submit this motion to the House realising that it will not be carried.

Hon. W. Kingsmill: Are we downhearted? Hon. J. CORNELL: That does not deter me from putting forward my views as to how I think the Parliament of Western Australia should be constituted. I say that the highest ideal that can permeate the mind of any public man is to work in the direction of so moulding the Parliament of his country that it will, as nearly as possible, give a true reflex of the intelligence of the manhood and womanhood of the State, irrespective of whether or not they be fortunate enough to inherit a sufficient amount of wealth. Wealth, when compared with intelligence, is mere dross. Womanhood and manhood should be the ideal line to work upon in regard to the Constitution of our Parliament, and I hope and feel confident that, in the near future, if this Parliament, which should give the lead, does not give the lead in the direction of making this House more democratic, I say, and say advisedly, that the people of this country will rise up and rebel against it, and that they will make it do so.

Hon. J. E. DODD (South [5.43]: I second the motion.

The PRESIDENT: The question is that the motion be agreed to.

Hon. J. DUFFELL (Metropolitan-Suburban) [5.44]: I move—

That the question be not now put.

Hon. Sir E. H. WITTENOOM (North) [5.45]: I second the motion.

Motion (previous question) put and a division taken with the following result:—

A.yes		• •		12
Noes	• •	• •	• •	11

Majority for .. 1

AYES.

Hon, J. F. Allen
Hon. C. F. Baxter
Hon. H. Carson
Hon. E. M. Clarke
Hon, J. Duffell
Hon, J. A. Greig
Hon. V. Hamersley

Hon. J. J. Holmes
Hon. E. Rosa
Hon. A. Sanderson
Hon. Sir E. H. Wittenoom
Hon. C. McKenzie
(Teller.)

NOES.

Hon. R. G. Ardagh Hon. H. P. Colebatch Hon. J. Cornell Hon J. Cunningham Hon. J. E. Dodd Hon. J. M. Drew Hon. J. Ewing Hon. W. Kingsmill Hon. J. W. Kirwan Hon. H. Millington Hon, J. F. Cullen (Teller.)

Motion thus passed.

RESOLUTION — SALE OF LIQUOR REGULATION ACT, TO CONTINUE.

Message from the Assembly received and read notifying concurrence in the Council's resolution.

BILL—FLINDERS BAY-MARGARET RIVER RAHWAY.

Received from the Assembly, and read a first time.

BILL—BETTING SUPPRESSION.

Second Reading.

Debate resumed from the 8th November.

Hon. W. KINGSMILL (Metropolitan) [5.54]: It is my intention to support the second reading of this Bill, and to do so without any reservation as to time and place. The step which is being taken seems to me the first of many steps which will have to be taken, either during the currency of the war or after the war is over, towards getting rid of industries which are useless to the community. I have already spoken here in this connection, and I have in this Chamber and elsewhere outlined a scheme which look upon as a fair and equitable scheme for achieving that purpose. My procedure would, perhaps, be a little more drastic than that of the Government; because in cases where an industry was of no use to the community I would make that industry, rather those who were engaged in it, pay for their own abolition. The best way, I think, to deal with a question of this sort is what might be termed super-taxation, or the differentiation of taxation such as I have alluded to in this Chamber before. ever, the Government apparently have not seen their way clear to adopt that expedient; and, to be frank, I did not expect they would see their way clear. We shall need every man and every shilling-to use a phrase which has a somewhat sinister significance in these latter days-to engage in those industries which are of use to the community and which tend to rebuild a community that has been so badly shattered, commercially speaking, by the effects of the war. Every man and every shilling must be engaged in the useful industries, instead of being frittered

away in industries which are not only useless, but even detrimental, to the general wel-That being so, I can do nothing but support the Bill in its entirety, as I have said, without any reservation of time or place: because, if betting is an evil, if gambling in general is an evil, it is just as great an evil whether it be committed under the negis of a racing club, or under no aegis at all, in the open street. There has been a good deal of language, even during this short discussion, about sport and the sporting Whenever sport is spoken of, it causes a sympathetic thrill in my breast; because in those forms of sport which I consider sport. I have invariably taken a keen interest ever since I have been of an age to do so. But I find that the definitions of sport as voiced by some hon, members who have spoken, and as understood by myself, must be as far apart as the poles. I look upon the sporting feeling as the feeling which induces a man on account of the animal spirits which are in him to put forth his best efforts in emulation of his fellowmen without the hope of reward. And yet in this country sport has grown to mean that the essence of it is the circumventing of one's fellowman not as regards physical ability but as to his financial position; that spirit has grown to mean the cultivation of a keen brain rather than the cultivation of a sturdy physique. Such is not my definition of sport, and I hope it never will be. Furthermore, with regard to the men alluded to in this Bill—the bookmaking fraternity; I have nothing whatever to say against them personally. One of the strongest defences that they have to offer is the fact that in their ranks they number some very good fellows. But, taking the bookmaking fraternity as distinguished from the generality of the people, I would invite the consideration of hon, members to the equality test. Mr. Cornell has referred to the ingrained tendency of the Australian to take a chance. Mr. Cornell says that this is due to a love of sport, that the Australian does it, so to speak, not as one of the main occupations of his life, but as a manifestation of those animal spirits to which I have already alluded. The Australian does it, Mr. Cornell remarks. as a matter of play, in a sense; but the gentleman with whom the Australian is con-

ducting this little game is not looking at it exactly from that point of view. To him it is a question of his livelihood. It is a matter not of play or sport with him, but a matter of existence; and I say that any game which is waged under those conditions cannot be fair to the man who is playing merely for sport. When such a man is engaged with one who is not playing for sport, but for the sake of the money he makes out of it, the game cannot be fair. Either, therefore, the Australian engages in gambling for the money he hopes to make out of it-in which case, of course, the contest is level and Mr. Cornell's arguments fall to the ground-or else the contest is unequal, and thus it becomes one of the duties of this House, as well as of another place, to render the con-To leave racing test more equal. of out the question. in regard to other sports, as I have already said, I have taken a very keen interest in pretty well every sport going, and as far as possible I have taken an active part in it. At all events I have earned that privilege which is arrogated to themselves by too many Australians, namely, to take part in sport vicariously. If I look at sports now from behind the pickets, at all events I have earned the right to do so. But I say that the sporting instinct which contents itself with looking on at sports is going to be, if indeed it is not already, the curse of Australia, and not the blessing that the hon, member makes it out to be. Mr. Cornell has said that the Australian character, like Australian bravery, has been built up by this proclivity for taking chances. That may be so, but it is the proclivity for taking not financial chances, but physical chances, which has made the Australian what he is. If it were only financial chances, if the tendency to wager and to gamble went so far towards the making of a nation, the Chinese would be the greatest nation in the world, and second to them perhaps, would be the Malays; because I do not know of any nation more inveterate gambblers than are those two peoples. deal more has gone towards the making of the Australian than this proclivity to possess himself of the worldly goods of someone else. One of our later poets, W. H. Ogilvie, struck at least a part of the truth when he wrote of the AustralianThe skies that arched his land were blue,
His bush-born winds were warm and sweet,
And yet from earliest hours he knew
The tides of victory and defeat;
From fierce floods thundering at his birth,
From red droughts ravening while he played,
He learned to fear no foes on earth—
"The bravest thing God ever made!"

That, I think, in part supplies the formation of Australian character, of which we have every reason to be proud. It forms a far greater incentive to that character than the proclivity which is shared by the Australian with the Chinese and the Malay. Furthermore, there is this which has helped the Australian from the very hour of his birth: In addition to the possession of a magnificent climate, to the experience of physical trials which very often go to harden his character, he has breathed an air of freedom the like of which is not breathed in any other part of the world; and that, as much as anything else, has tended towards the formation of Australian character. If I thought for a moment that the presence of bookmakers was essential to the building up of Australian character. I would be found voting, not against the Bill, but for it. One of the most peculiar developments of the Australian is the fact-I suppose due to the physical trials some of them have to go throughthat he cultivates a philosophic calmness in the presence of danger, which makes that danger seem almost a normal condition. If I may be permitted another quotation it will be to recall an anecdote which I saw in an illustrated paper, wherein two typical, sunbronzed hard-featured Australians were bathing in the blue waters the Aegean sea off Gallipoli, what time the sunface of those waters was torn with shrappel. To show how they looked upon the war conditions as being normal: One, with an agonised expression, turned to the other in intense anxiety and remarked to him-"Blimy, Bill, suppose there were sharks here!" That appears to be a fair manifestation of Australian character. A definite reason given for the introduction of the Bill is the fact that it is to be one of the first steps towards the curtailment of racing, and one of the reasons given for the retention of things, not as they are at present, but as they ought to be, is the fact that if we take away the bookmaker we will take away a very

great deal of the probable success of racing, and if we take away any part of the success of racing we will strike a blow at horse breeding. In regard to the curtailment of racing, I am inclined to agree that if the bookmakers are abolished it will have an effect on racing altogether unpleasant to the clubs, but if we are going to deal with the matter we should deal with it honestly, straightforwardly, and with our eyes open, and if racing has to be curtailed the big racing clubs should suffer equally with the others.

Hon. A. G. Jenkins: The trouble is that it will fall on the big clubs.

Hon. W. KINGSMILL: Personally, cannot see any reason for supporting to any great extent the existence of those racing bodies. We have in our midst too many racing bodies and, in my opinion, there is a very great deal too much money spent on racing. Furthermore, I do not think the result is worth it. I do not think the aesthetic pleasure alluded to by Sir Edward Wittenoom is purchased at a reasonable price when we come to regard a thoroughbred which has on his back a boy with all the wickedness of the world in his head, with instructions from his owner to do one thing and from his friends outside to do another. I do not think the aesthetic view is sufficient. and I do not think the money spent on the concomitant parts of racing is justified. Moreover, I believe that that money would be spent just as lavishly if racing were curtailed. I have here a resumé covering three years of racing activities previous to the sitting of the select committee on horse-This shows some of the financial operations of several racing clubs. first name to strike my eye is of the W.A.T.C. During the three years alluded to, the W.A.T.C. made in profits £24,387. Strange to say we find in the next column, as if it were put there for the purpose of contrast, that the bookmakers' fees, during the three years' racing by the W.A.T.C., totalled £36,101. So it appears that the W.A.T.C. is being run upon the money which it extracts from the pockets of the bookmakers for affording them a protection—which it could not for a moment provide if questioned-to carry on an illegal calling on its premises. It is not a position of which anybody should be

proud. Furthermore out of this-what shall I call it? There are ugly names for that class of money-out of this money the W.A.T.C. make half as much again as its profits. That is to say, if it were not for the bookmakers' fees, and if other matters were run on the same scale as at present, instead of showing a profit of over £24,000 for the three years, the W.A.T.C. would show a loss of £12,000. And this money is made for affording to those people a protection which the club could in nowise give them if it were challenged. I say it is a disgraceful position. I confess with shame that years agoand the lapse of years, I presume, does not in any way mitigate the crime-I was an accessory to this fact as Colonial Secretary, and I did not proceed as I should have proceeded under the existing legislation. fact of my being a fellow culprit with many other Colonial Secretaries does not make the crime any the less.

Hon. J. Cornell: In fact, it means that you were a good Colonial Secretary.

Hon. W. KINGSMILL: That is the hon. member's point of view. We have heard that if horse-racing is to decline, horse-breeding will suffer. Let us look at the facts. I am sorry that Sir Edward Wittenoom has left the Chamber, but there are still here another member of the North Province and several other members who understand horsebreeding and know the position. Those hon. members will bear out the truth of what I am going to say. For the past twenty years Western Australia has been the most overraced country in the world. Let hon, members think of the position. Twenty years ago it was easy to get good horses. Even when I was Colonial Secretary 15 or 16 years ago it was an easy thing to get a draft of 20 or 25 police horses from one station—and the police, it is generally known, use as high a class of horse as can be obtained in the State. What is the position to-day? The police have men out buying here, there, and everywhere, getting horses in ones and twos, and paying exorbitant prices for them.

Hon. R. G. Ardagh: All the horses have been commandeered for the war.

Hon. W. KINGSMILL: But this was so even before the war. Theoretically that argument is all right, but practically it has no weight whatever.

Hon, J. J. Holmes: These six-furlong horses are no good to anyone.

Hon. W. KINGSMILL: Absolutely none. This leads me to the question of, to what extent the control of racing is affected? In my opinion, the control of racing should be exactly on the same footing as it is in New Zealand, which I regard as having the best racing legislation in the world. We should have a racing parliament elected on fairly equal terms by the racing institutions all over the State. By the way, those racing institutions should be far fewer than they are. Only the other day I received a flaring red pamphlet acquainting me of the fact that in addition to the other forms of iniquity a pony racing club had been formed. I understand that below the lowest depth there is another depth, namely, pony racing. Instead of the racing public taking the hint afforded to them by the Bill, they seem to be extending their operations.

Hon. J. Cullen: What about dog racing. Hon. W. KINGSMILL: It is subject to the same objection, that gambling has ruined it. I do not know whether it ever was a sport, but I understand that it is not so now. I have watched sport after sport succumb to the malign influence of gambling. Sport after sport has fallen a prev to the bookmaker. As soon as gambling comes in, true sport goes out. As soon as we get the essence of gambling into a game it ceases to be a sport. I challenge bon, members to point to any sport that gambling has improved, or to any sport that gambling has not deteriorated.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. KINGSMILL: Before tea I said I did not know, and should be interested to learn from hon. members who did know, any sport which had been improved by the element of betting or by the introduction of the bookmaker, either in Australia or in any other part of the world. I was saying that the influence of the bookmaker—and by the term bookmaker I mean the influence of betting, and I only quote the bookmaker because he is the embodiment of betting—has always exercised a most malign influence on all sports, pro-

perly so called, throughout the world. I was quite safe in asking hon, members to name any sport which had been improved by the introduction of gambling, because I am perfeetly certain that no such sport exists. The question before this Chamber is whether hon. members are in favour of supporting racing as a sport or as an industry. I use the word "industry" advisedly, because racing in Western Australia in recent years has certainly become an industry. If members will go into the history of racing in this State, they will find that the number of gentlemen who race purely for sport has been growing fewer and fewer year by year until to-day there are few owners who race for the sport alone; they nearly all look upon it as a means of making money. The peculiar thing about this industry, and I think hon, members will bear me out, is that the less one knows about it the easier it is for people to make money at it. That gets me back to the question of dealing with this industry by a liberal form of taxation. Perhaps I was unfair when I particularised one racing institution by way of illustration in relation to bookmakers' fees. I venture to think it might have been applied to other clubs in Western Australia. The bookmakers' fees paid to the W.A.T.C. in three years for a permission which the club is not entitled to give amounted to £36,101, as against profit during the same period £24,387. It is a peculiar thing that in regard to the other clubs the proportion is almost the same. We find that the Boulder Racing Club drew from bookmakers' fees the sum of £9,470 in three years and that its profit for the same period was £7,316. The Kalgoorlie Racing Club drew from bookmakers' fees £9,025 and showed a profit in the same three years of £6,328. So far as we can see, therefore, these three racing institutions are running their operations on bookmakers' fees; they are running them on money they are paid for granting a protection which, as I have already said, they are not legally entitled to give. I have little more to say on this question except to ask hon, members to dismiss from their minds all idea that the question of the encouragement of sport enters into this matter in any way whatever. According to the evidence given before the select com-

mittee by its strongest advocates, racing has ceased to be a sport in this State and is now an industry. Hon, members must consider the question whether the racing industry is for the benefit of this country, and if so whether in connection with such industry the bookmaker is absolutely essential. I think both questions should be answered in the negative; at all events, the second one in my opinion must have a most decided negative. Judging from the experiences of other countries, that is New Zealand and South Australia, it is quite possible to successfully conduct racing without the bookmaker, by means of the totalisator. As I have already pointed out, the totalisator does not interfere with the running of horses, does not incite the people to bet, and it is only possible to bet on the racecourse. That is a recommendation because in my humble opinion less injury is done by betting on the course than by unregistered bet-I should like members to ting elsewhere. consider the aspect of this question I have placed before them, that the game is not fair because the punter, I am led to believe is the man who has to pay in the long run. The punter is engaged in this financial operation not to make his livelihood out of it, but for the temporary excitement it affords; while the other party to the operation is there not for the benefit of his health or for his amusement, but to make his living out of it. When you get two people meeting one another on those grounds, actuated by those strongly different methods, the game is not fair and the punter is bound The question arises, if the to go down. gambling element be so strong in the Australian national character as we are led to believe, if he has such an overpowering anxiety to put his money on something why not adopt some different scheme, and instead of the punter taking a chance on a horserace, why not let him back the prospector? To back a prospector is just as big a gamble as to bet on a horse-race with this difference, that if the prospector wins the country benefits. For the reason I have given hon, members will not speaking as I do, that I support this Bill absolutely without reservation.

On motion by Hon. H. Millington, debate adjourned.

PAPERS—KIMBERLEY CATTLE, GOV-ERNMENT PURCHASE.

Debate resumed from Thursday, the 9th November, on the motion by Hon. J. J. Holmes:—"That the contract for purchase of 12,000 Kimberley cattle for next season's delivery, and all papers in connection therewith, be laid upon the Table of the House."

The COLONIAL SECRETARY (Hon. H. P. Colebatch-East) [7.40]; I have no intention of offering any opposition to the motion submitted by the Hon. J. J. Holmes that all papers relating to the contract entered into between the Government and Emanuel Bros, be made available to members of this House. I am glad also to take this opportunity of telling members that another similar contract is at present being negotiated and that the Government hope within the next few days that further contracts will be completed until the whole of the cattle requirements for the coming season, at all events so much of those requirements as the Government have freight to bring down, will be secured by them. There was not at any time the faintest desire for secreey in connection with this contract; but I think hon, members will realise that when the Government came to the determination that it was desirable that this course should be taken, that we should secure for the Government the whole of the cattle required for next season, it was certainly in the interests of the taxpayers that those contracts should be finalised before the details of any one of them were disclosed. Since I have no intention of opposing the motion, my duty this evening will be chiefly to fill in the blanks left in the very interesting story submitted by the hon, member on Thursday evening last. First of all I should like to congratulate him on his happy position as an independent member of this House. From time to time we have heard another independent whose independence was chiefly characterised by hostility to one party and support to another more slavish and less questioning than that of its pledge and caucus supporters. But the independence of my friend Mr. Holmes, is the genuine article. far as I was able to ascertain, it was impossible to form an opinion as to which he took the keener enjoyment in, his merciless castigation of the present Administration or his

equally relentless exposure of the blunders of our predecessors. The obvious satisfaction with which the hon, member extolled the State Steamship Service as the salvation of the North-West was equalled by the delight with which he set forth its weaknesses as a breaker of contracts and an intriguer against the public good. I repeat that I envy the hon, member his political independence and whilst he was speaking I could not help wishing that, like him, I had "Liberty, withal as large a charter as the wind, to blow on whom I please." I envy him also the facility with which he does good by stealth without blushing to find it fame. Most of us, I hope, like, when opportunity offers to do patriotic actions to do something for the good of the State. Occasionally we find, generally I suppose we find, that the doing of these things involves us in some personal sacrifice. But the hon. member has been able to tell us how he came to the rescue of the State Steamship Service, how he lifted it out of a very morass of mismanagement and placed it on a sound footing, and how, in the doing of these commendable things, he was able to make for himself or his firm in a few weeks-or was it in a few days?—an amount of money that many of us would regard as a fairly substantial annual income. Ι repeat that I envy the hon. member. He has harmonised patriotism with profit. has put some of our oldest proverbs out of fashion. He has served the State and filled his pocket-served God and Mammon at the same time. Now, whilst for his political independence and his profitable patriotism I envy the hon, member, I feel that I also owe him an apology. Until he spoke on last Thursday afternoon, I had no idea that he had been acting in the honourable, useful, and, I have no doubt, arduous position of Honorary Minister for the State Steamship Service. Had I known that to be the case, it would have been my duty, at all events to take the matter into consideration and to discuss with my coleagues whether or not it was desirable that that appointment should be confirmed. I want to take this opportunity of thanking the hon. member for his past services-

Hon. J. J. Holmes: You will find them on the file.

The COLONIAL SECRETARY: And I also wish to tell him that, having carefully considered the position, in view of the statements made by the hon, member last Thursday evening, the Government have come to the conclusion that it will be necessary to initiate, in connection with the State Steamship Service, a policy differing in some particulars from that which obtained during the period when the hon, member occupied the position of Honorary Minister for the State steamers. Mr. Holmes has seen fit to refer disparagingly to two of my colleagues, the Premier and the Minister for Lands, Against the former he makes the very serious accusation of having broken his personal word to the hon, member. That statement of Mr. Holmes was-

We went to see Mr. Wilson at his private office, and told him that we came from Mr. Drew. Mr. Wilson promised that these people for the next season would be treated just as they had been treated last year.

Mr. Wilson denies that he made such a promise. I do not believe that he made such a promise. He told Mr. Holmes and Mr. Holmes's friends that any undertaking the then Government entered into would be loyally observed by him if he came into office. In any case, I would ask hon, members is it a fair thing that Mr. Holmes should go to a man who was not in office, a man who possibly never might be in office, and ask him to commit himself in regard to the details of an undertaking of which he could not possibly have complete knowledge? Would it be reasonable to ask Mr. Wilson, as a private member of the Legislative Assembly, to commit himself to a certain course of action without having an opportunity of consulting the official advisers in the department controlling this particular business? I want to remind the hon, member that Mr. Wilson and other members of the Liberal party had repeately denonunced the arrangement under which the Government brought down cattle for private owners at pre-war rates, at rates lower than it was actually costing the Government to bring down the cattle they themselves had purchased. in face of that, the hon, member tells us that Mr. Wilson promised that these people

should have exactly the same terms as they had had for the previous year.

Hon. J. J. Holmes: I rise to a point of order. I never made any such statement.

The PRESIDENT: It is a personal explanation, then.

Hon. J. J. Holmes: The hon. member knows quite well that I never made any such statement.

The PRESIDENT: The hon. member has been corrected. It is not a point of order.

Hon. J. J. Holmes: Am I entitled to explain what I did say, Sir?

The PRESIDENT: The hon. member rose to a point of order. When a member rises to a point of order, he must state what breach of order has been committed. Does the hon. member wish to make a personal explanation?

Hon. J. J. Holmes: Yes, Sir. What I said was that the cattle were carried too cheaply, that we knew it, and that the Scaddan Government refused to increase the rate of freight because they said they had put on the steamers to cheapen freights and on no account would they increase freights.

The COLONIAL SECRETARY: I accept the hon. member's statement. I think he is confusing one of his statements with another. The statement that I have previously read to the House is—

Mr. Holmes said, "We went to see Mr. Wilson at his private office and told him that we came from Mr. Drew. Mr. Wilson promised these people that for the next season they would be treated just as they had been treated last year."

That is the statement which I took down while Mr. Holmes was speaking, and it is a statement which I have since copied out of the pages of *Hansard*.

Hon. J. J. Holmes: Yes; but it means that what we asked was that the whole of the space should be split up among the whole of the shippers, and not given to one firm, as was done in this instance.

The COLONIAL SECRETARY: I repeat that the statement of the hon member, as made on Thursday last, was that Mr. Wilson promised to treat these people the same as they had been treated in the previous year. I have already said that I do not think it was a fair thing to ask Mr. Wilson, a private member, to pledge himself to any sort of contract in regard to something that was going to happen if he did enter office. I say, further, that the fact that Mr. Wilson and other members of his party had denounced certain features of the shipping agreement, sets up in my mind a grave doubt that Mr. Wilson would, as suggested, have promised the cattle shippers of the North the same terms as they had had in the previous year.

Hon. J. J. Holmes: Now tell us what you told the deputation.

The COLONIAL SECRETARY: I will come to that as I proceed. I also resent the hon. member's patronising remarks regarding my colleague the Minister for Lands. Mr. Holmes spoke as though it were discreditable to be an honourable man. He said that Mr. Lefroy was not familiar with 1916 business methods.

Hon. J. J. Holmes: Not with some of them, anyhow.

The PRESIDENT: I wish to observe that the speaker must not be interrupted. It is all the more reasonable that our Standing Orders should be observed inasmuch as Mr. Holmes has the right of reply, in exercising which he can traverse all these points.

Hon. J. J. Holmes: But, Mr. President, is the hon. member in order in making statements which he knows to be absolutely incorrect?

The PRESIDENT: I shall not go into that, because the hon. Mr. Holmes is imputing motives.

Hon. J. J. Holmes: The Colonial Secretary ought to have honour enough to confine himself to the truth, at all events.

The COLONIAL SECRETARY: I can assure Mr. Holmes that he will not succeed in annoying me; but I repeat that I resent the disparaging statements of the hon. member in regard to my colleague the Minister for Lands. Mr. Lefroy is not only an honourable gentleman, but he is a capable gentleman too. If Mr. Holmes, in saying that Mr. Lefroy is not familiar with 1916 business methods, means to suggest that Mr. Lefroy is not familiar with entering into conspiracies—I am using Mr. Holmes's own

words-between the Government and private shippers to keep up the price of meat; if by "1916 business methods" Mr. Holmes means-and I again use his own wordsthe attitude of shippers who would silently enter into such a conspiracy but-again quoting his own words-would "blow the gaff" if the Government attempted to regulate the market for the protection of the taxpayer; if that is what Mr. Holmes means by "1916 business methods," all I have to say is that I hope the Minister for Lands is not the only member of the present Ministry who is unfamiliar with them, and who does not wish to have any more knowledge of them than is necessary to protect the publie against their practice. Next, the hon. member, for reasons I am completely at a loss to understand, made against me an accusation of deliberately falsifying, for political purposes, information in my pos-Mr. Holmes said that, knowing session. that the "contract, or whatever it might be termed," between the Government and his firm for the bringing down of cattle last season was made with his firm. I used the expression "Mr. J. J. Holmes" in this connection for political purposes. That is absolutely incorrect. I had had no opportunity of getting the details of these matters. The information I supplied was the information given me. I would ask hon, members, is there anything reasonable in the suggestion that I would use Mr. Holmes's name for political purposes? Until he spoke on Thursday evening and made this personal accusation against me, I had no reason to regard him as being other than a well-wisher personally, no reason to regard him as a political opponent. then, should I use his name for political purposes, instead of the name of his firm? Indeed, if in this matter I did make a slight error, is there any reason for wonder? Let me ask hon, members to read carefully the speech made by Mr. Holmes on Thursday last. With the exception of that instance in which he charged me with having used his name when I should have used the name of his firm, there was in the hon, member's speech scarcely a reference to his firm. From start to finish, it was "I" did this and "I" did that. For instance, the hon. member alluded to a certain deal made with the State Steamship Service for the carrying of sheep from Wyndham or from Derby——

Hon, J. J. Holmes: From Derby.

The COLONIAL SECRETARY: And the hon, member used this expression—

I said that I would take-

Not that "my firm" would take, but that "I" would take-

the top deck for four trips at £125 per trip-

And he added this very significant phrase whether my firm wanted it or not.

Hon. members will observe, "I said that I would take . . . whether my firm wanted it or not." When, last session, the hon. member told us how he had saved the State Steamship Service by making a big profit out of it and thereby exposing the inefficiency of the management, I venture to say few members knew his firm in connection with the matter. Let me repeat, from start to finish, it was "I" did this and "I" did that. Since the hon. member has raised this question, I invite him to tell the House who his firm is.

Hon. J. J. Holmes: You will find the information registered at the Supreme Court.

The COLONIAL SECRETARY: The hon, member charges the present Government with inconsistency in entering into a trade venture by the purchase of cattle and by the making of secret contracts. Let me deal with each of these charges separ-The present Government have denounced the entry by the State into competitive trading enterprises; but they have never suggested that the public should be left at the mercy of monopolists. Now, what is the position so far as the meat trade of this State is concerned? The demand on account of the war has put up the price of meat all the world over. So far as that is concerned, I have nothing to say. I do not suggest for a moment that the owners of the meat were not entitled to the enhanced prices. But so far as Western Australia was concerned, the shortage of freight on our coast had still further intensified the position, so that it was impossible to bring to the consumer more than a proportion of the meat that was required. I shall not deal exhaustively with the reason for this shortage. It was probably

contributed to by the action of the State Steamship Service in refusing to increase their freights in sympathy with the value of shipping tonpage all the world over. that feature of the case I shall have something to say a little later. But for my present purpose all that I wish to submit to hon, members is that, because of this scarcity of freight, it was certain that the sufficient quantity of meat could not be brought to the market. This set up, in addition to the high value of meat resulting from the war, a monopoly value; and last year this monopoly value went into the pockets of those private shippers on whose behalf Mr. Holmes is now appealing to this House. I venture to say it is because the Premier and the present Government have determined that for the coming season this monopoly value shall not go into the pockets of those gentlemen, that all this bother There is no inconsistency has been made. in our acts. We say there is a monopoly in this matter, no matter how it has created, and we declare that no handful of squatters-a most deserving people, and we have nothing to say against them when they wish to get an enhanced price for their meat -shall get this monopoly value as well. At a later stage I will tell this House the extent to which this monopoly was exploited at the cost of the people, and I will indicate within a few thousands of pounds the number of good reasons that the hon, member and those in whose behalf he speaks have for opposing the action taken by the present Government. The hon. Mr. harps on the matter of a secret contract. He knows perfectly well that a similar contract was entered into by the previous Government with Emanuel Brothers last year.

Hon, Sir E. H. Wittenoom: Wrong again.

The COLONIAL SECRETARY: He may or may not know that negotiations for a fresh contract were proceeding when we entered into ours. I venture to say that the hon, member and his friends knew of the progress of these negotiations, and I should not be surprised to learn that they were aware of the signing of the agreement long before I was myself. But when I tell the House that after exhaustively considering this question in all its aspects the Govern-

ment decided that it was their duty to protect the public by buying all the cattle they could bring down during the coming season, and thus controlling the market in the interests of the consumers, hon, members will realise that there was no impropriety whatever in keeping the details of this contract secret until the other negotiations had been completed. What were the circumstances which drove the Government to the decision to buy the whole of the cattle for which the freight was available, and which was the fairest and best method of procedure for the coming season? Had the State Steamship Service last year charged shippers, on whose behalf the hon. Holmes has spoken, a fair and reasonable freight on their cattle in view of the value of freights, not those of the outside world where they are exceptionally high but of the coastal trade of Australia, the North-West service, the State Steamship Service would have shown a profit. As it was this service showed a loss; probably one of the few steamship services in the whole world that showed a loss on last year's working operations.

Hon. J. J. Holmes: The service should have had at least another £16,000 in freight. You got that information from me.

The COLONIAL SECRETARY: Yes. The hon. Mr. Holmes has told us that during this time, when the service lost money, and it should have had at least another £16,000 in freight out of those shippers on whose behalf he has moved this motion, he was honorary Minister for the State Steamship Service.

Hon. J. J. Holmes: I told you that Mr. Scaddan would not put up the freight.

The COLONIAL SECRETARY: The freights prevailing were far lower than existed anywhere else.

Hon. J. J. Holmes: I told you that in the House the other night.

The COLONIAL SECRETARY: The hon. member tells us that having taken advantage of these cheap freights to the detriment of the tax-payer, so that the tax-payer lost money by it, the shippers subsequently entered into a conspiracy with the Government to put up the price of meat and take it out of the consumers as well in that direction.

Is it to be wondered that the present Government, when they came into office, did not know exactly where they stood in regard to this matter, but were very determined whatever happened that the blunders of last season should not be repeated?

Hon. J. J. Holmes; You have only commenced the blunders now.

The COLONIAL SECRETARY: Mr. Holmes challenged me to search through the files, and suggested that I had accused him of something improper. I never made any suggestion of the kind.

Hon. J. J. Holmes: You would if you could.

The COLONIAL SECRETARY: I do not propose to search through the files, but I would like the hon. member when replying to tell the House, if I do search through these files, should I find any record of the honorary Minister for State Steamships suggesting an increase in the cattle freights? The hon. member probably knows what is on the files. Did he make suggestions that the freight should be increased? Should I find any evidence of his desire to protect the interests of the taxpayer in this regard?

Hon. J. J. Holmes: Tell the House what I told you.

The COLONIAL SECRETARY: Should I find one single instance in which the hon, member advised the State Steamship Service for the good of the service, excepting when his firm was participating in the benefit?

Hon. J. J. Holmes: Tell the House what I told you when you came into office.

The COLONIAL SECRETARY: Now upon the question of freights. Mr. Holmes says that the people in the North never wanted cheap freights. On the 21st June of the present year a letter was received by the State Steamship Service from Messrs. Holmes Brothers. The first portion of the letter deals with the support given to the State Steamship Service since its inauguration and details the arrangements made for the shipping during the 1916 season, the various alterations of dates and numbers shipped, made in agreement between Messrs. Holmes Brothers and the Service. The final paragraph of the letter reads—

The foregoing we think fairly sets out the position as between the State Steamship Service and ourselves, and entitles us to assume that in the allotment of space for the 1917 season our claim for space for approximately 1,000 head of eattle will be admitted and, subject to rates and conditions of shipment being equitable, you can rely upon us providing approximately this number.

On this letter, Mr. Stevens, Acting Manager of the Service, has pencilled the following memo., dated August 8th, 1916:—

I discussed these matters on many occasions with Mr. J. J. Holmes, and on Sth August he told me that at £5 per head he would not ship. He also told me that if canning was in operation at Wyndham it would affect his number of live stock to be shipped.

Five pounds per head was the freight which the Government had decided would be a fair freight to be charged from Wyndham, before they came to the conclusion that the better course would be to purchase the whole of the cattle they could accommodate. may be asked, is £5 Wyndham a fair freight? The contract entered into between the present Government and Messrs. Emanuel Brothers provides that in the event of cattle being rejected at Derby through not being up to the specified standard the Government shall bring these cattle to Fremantle on behalf of Emanuel Brothers and shall charge them £5 per head freight from Derby, which would be equal to £5 10s. Wyndham. The actual cost last year to the State in bringing down the cattle purchased from Emanuel Brothers was from £4 to £4 10s. per head Derby. Both of these contentions suggest that the freight which Mr. Holmes refused of £5 Wyndham was a fair freight. I have not reckoned it up exactly, but I am inclined to think that the statement he has just made in the House that we should have got another £16,000 freight out of the cattle we brought down last year suggests a freight of about £5 per head from Wyndham. The hon, member says that he knew the State Steamship Service was carrying the cattle too cheaply. Did he, in his capacity of honorary Minister of the State Steamship Service, recommend an increase, and when he refused to pay the increased freight what was his motive?

Hon, J. J. Holmes: When did I refuse?

The COLONIAL SECRETARY: According to the minute made by the Manager of the State Steamship Service on August 8th, 1916:—

I discussed these matters on many occasions with Mr. J. J. Holmes, and on 9th August he told me that at £5 per head he would not ship.

I do not know whether the hon member intends to dispute having made that statement.

Hon. J. J. Holmes: Undoubtedly. You know it is not correct. There is nothing on the file, only the manager's memo.

The COLONIAL SECRETARY: This is a pencilled memo, made by the acting Manager of the State Steamship Service (Mr. Stevens), and the information contained in that memo, was conveyed to me at the time, because the Government had just advised Mr. Stevens that if he proceeded with shipping it should be on the basis of £5 Wyndham, and Mr. Stevens stated that Mr. Holmes had turned that down. On the same day he made a memo, showing that Mr. Holmes had told him that at £5 per head he would not ship.

Hon. J. J. Holmes: The first intimation any shipper on the Nor'-West coast had was that the price had been fixed for next year.

The PRESIDENT: I must protest against the hon, member interrupting. The hon, member will have the right of reply when he will be able to say what he has to say.

Hon. J. J. Holmes: Mr. President-

The PRESIDENT: I am not yet seated. I deprecate the action of the hon. member.

Hon. J. J. Holmes: The hon. member knows that the price had never been fixed. He knows that he told a deputation that until he had a decision from the Ministers as to the policy of the steamers he could not give any information at all, and that the price of freight had never been fixed.

The COLONIAL SECRETARY: I can only repeat what I said previously. The hon, member is welcome to have a look at the files. If he has a look at the files he will find that the first decision of Cabinet was that the whole of the space available, after provision had been made for the cattle purchased from Emanuel Brothers, should be

let pro rata to the other shippers at £5 Wyndham and £4 10s Derby.

Hon. J. J. Holmes: That is news.

The COLONIAL SECRETARY: The hon, member told me just now that I was not speaking the truth when I made that statement.

Hon. J. J. Holmes: You make that statement now for the first time.

The PRESIDENT: If the hon, member continues to interrupt I must use the powers which the Standing Orders give. It would be with very much reluctance that I would put these into operation. I have not had to do this for 10 years past. The speaker must not be interrupted. This is all the more unreasonable of the hon, member when he has the right of reply.

The COLONIAL SECRETARY: I, of course, accept the assurance of the honmember that he was never informed that it was the intention of the Government to charge £5 per head Wyndham. The only information I had on the subject was the statement of the manager of the State Steamship Service that Mr. Holmes said he would not take the space at £5 per head, and my recollection of that conversation has been refreshed by a copy taken of the minute made at the time, if ever there was such a time, by the manager of the State Steamship Service (Mr. Stevens). Exactly what took place was this-that whilst it was costing the Government from £4 to £4 10s. to bring cattle down from Derby, private shippers were having their cattle conveyed down on Government boats at £3 from Derby and £3 10s. from Wyndham. The Government brought down roughly 19,000 head, or a little less than 19.000 head, approximately 9,000 of these being purchased by the Government at Derby. And despite the high freight of £4 10s, per head, a freight 30s, in excess of that charged to private shippers, the Government made upwards of £3 per head on these cattle. They made a profit of £28,000 on those 9,000 cattle, after paying the high freight of £4 10s, per head. When I tell the House that private owners got the cattle freighted at 30s, per head cheaper than it cost the Government, bon. members will agree that I was on sound ground when I said the shippers got not only a good price at the port of shipment, which they were en-

titled to, but because of the monopoly created by the State Steamship Service they also made a profit of probably between £30,000 and £40,000 on the 9,000 head of cattle. The statement of the hon, member that the Government should have got £16.000 more suggests that the profit must have been not merely a substantial one, but an improper one in the circumstances. When 1 speak of their profit in this connection, I suggest that the price that was paid to Emanuel Bros. at Derby was a fair price, and the monopoly profit to which I have referred was the profit that the private shippers obtained over and above that fair price. It is just in this connection that the future policy of the Government in regard to the State Steamship Service this coming season will differ from that which prevailed at the time the hon, member was honorary minister for steamships. Last year the Government carried private people's cattle at pre-war rates and it cost them war rates to bring down the cattle they themselves had purchased. The taxpayers lost money on the North-West service when they might have legitimately and properly made a decent The consumers gained no benefit whatever because, as the hon, member bas told us, the private shippers who had been made a present of at least 30s, per head in the matter of freight, entered into a conspiracy with the Government to keep up the price of meat so that the consumer should pay through the nose for every bit he had to eat. The hon, member suggests that under this agreement Emanuel Bros. will hold up their own cattle and sell the cattle of other people to the Government. The agreement with Emanuel Bros. provides that all cattle are to be of the class ordinarily shipped during the past few years to Fremantle. The Government are quite aware that it is not the intention of Emanuel Bros. to send exclusively their own cattle. In this deal Emanuel Bros. are acting as agents for a number of other growers and I believe that the other growers have a full knowledge of everything that is being done and are quite satisfied with the arrangement. Such at all events is my information. In view of the statement of the hon, member that Emanuel Bros. may not sell any of their own cattle but may get other people's cattle, it may be interesting

if the bon, member will inform the House whether the cattle his firm brought down last season were their own cattle or whether they were cattle purchased from other people in the North. It has been suggested, and the hon, member will put me right if the statement is not correct, that the hon. member's own firm purchased cattle at Wyndham at £4 5s. per head, paid freight on them of £3 10s. per head, and sold them in the Fremantle market at £14 6s. 6d., thus showing a net profit, after paying all charges and commissions, of £6 Ss. Sd. per head. The hon. member expressed satisfaction in this morning's newspaper that the Government had at last decided to buy from all holders on the same conditions. He contends that they should have bought the whole of the cattle at once. I freely admit that would have been the proper course to pursue if it had been practic-The hon, member smiles, but I want to remind him that a large number of these private cattle shippers, when they first approached the Government, said that they had no objection whatever to the Government making a purchase from Emanuel Bros. but they desired that we should not buy any more cattle and that all the remaining space should be allotted pro rata to the private shippers. At the time it was obviously the desire of the private shippers that that arrangement should be made. I venture to think that it is the desire of some of them to-day. and I venture also to say that I have given to the House abundant reasons why they should wish a course that was followed last year to be pursued again. I am free to confess that when the present Government came into office, negotiations were pending, and it was not until some time afterwards, not until Cabinet had come to a tentative decision to charge £5 per head freight from Wyndham and £4 10s, per head from Derby, that the Government finally made up their mind. If hon, members like to blame us for being dilatory, all I can say is that it was a difficult problem to handle. If the Government at the outset announced they were not going to freight cattle for anyone and that they were going to purchase the whole of their requirements, they may have had considerable difficulty in getting cattle. I may be right, or I may be wrong, but this is certain, that not until the Government had secured a very

large percentage of their requirements and made the position absolutely safe so far as supplying the public and the troops were concerned, was there any sign of unanimity on the part of the other owners in their desire to sell cattle to the Government. The hon, member evidently indulges some fears that the port of Wyndham will be left neglected. It is not the intention of the Government to neglect any section of the cattle owners; it is proposed to put them all on the same basis. But I want to point out to hon, members that if anything should happen whereby the number of ships at the Government's disposal should be reduced, the Government would have to consider that in supplying the requirements of the people they could carry a larger number of cattle in the same number of boats in the same space of time from Derby than from Wyndham. The "Moira" loading at Wyndham, taking on her first load say on the 15th April, and finishing at Fremantle on the 12th August could do eight trips and carry 4.800 head of cattle. The same vessel loading at Derby would run 11 trips and carry 6,600 head of cattle, almost 50 per cent. more. The "Kwinana" under similar could carry 8,580 cattle from Derby as against 6,040 from Wyndham in the same period. This year the Government expects to bring down considerably more cattle than it brought down last season. Last season the number brought down was 19,000. This year the Government hope to bring down 22,640 When I say the Government, I include the whole of the State steamers and the steamers of the Singapore line. If the Government are able to do that, meat, by, comparison with last season, will be plentiful, and should be reasonably cheap. The State steamers will lift 12,240 cattle from Derby. The Singapore steamers will lift about 5,000 head from Derby. The "Moira" will lift 4,800 from Wyndham as against 3,800 lifted from Wyndham last year. I have not the exact information as to the total number lifted from Wyndham last season.

Hon. J. J. Holmes: Have you the "Moira" for next season?

The COLONIAL SECRETARY: I will come to that directly. This season we hope to bring down by the "Moira" 4,800 cattle from Wyndham and 600 from other ports. It is improbable that the Government will require to use the motor ship "Kangaroo" in connection with these cattle shipments, but if, on account of any mishap, we do not get the boats that we expect to employ, there will be no obstacle in the way of making use of the "Kangaroo" for one or two, or even three or more trips. So far as the "Moira" is concerned, there is still a little uncertainty. I received a telegram from the Acting Manager of the State Steamship Service, Mr. Stevens, giving us some particulars of the efforts be is making in this direction, and in this telegram Mr. Stevens expresses every confidence that the "Moira" will be secured. It may also interest the hon, member to know that if the "Moira" is not secured, then the number of cattle purchased from Emanuel Brothers will be reduced by the total number that the "Moira" would have carried. That is one of the conditions of the contract. It is also provided that if Messrs. Emanuel Brothers secure the freight for their cattle on the Singapore steamers they shall hand that freight over to the Government and release the "Moira" to the extent of the number of cattle that the Singapore boats will carry. That arrangement has been made. The Singapore boats will carry 5,000 head of cattle. That is the present estimate, and to that extent the "Moira" will be relieved for carrying the cattle which the Government hopes will be purchased from persons other than Emanuel Brothers. Holmes sought to make capital out of the statement by the Premier that the Government will sell or scrap the State steamers as quickly as they could. I am not aware that the Premier has ever made such a statement. It is well known that the Premier and his Government and party are opposed to the policy of State steamships as conducted by our predecessors, and I think with good reason. But I have said in the House, and the statement has been repeated in place, that the Government recognise it is their paramount duty to protect the interests of the North-West, and until better arrangements can be made the Government will continue to run the State steamers. There never has been any suggestion to the contrary. If the Government wished to scrap

or sell the State steamers nothing would be easier. The "Kwinana," a vessel that is fast approaching an over-ripe old age, a vessel which we may find it very difficult to dispose of after the war, could be sold to-day at a very handsome figure if the Government merely wished to sell or scrap the State steamers. The Government have no intention of doing so and, rather than neglect the interests of the North-West, the Government are content to run the "Kwinana" until the end of the war, even though it should prove that after the war she is not worth much more than scrap value. The hon, member suggested that if the Government buy all these cattle, they will find themselves in an awkard predicament when they seek to stand between the people and cheap meat. Government have no intention of standing between the people and cheap meat. whole action of the Government in connection with this matter is dictated by a desire to stand between the people and those who, last year, made meat dear. I have already told hon, members that last year the State steamers lost money by carrying cattle at less than a fair freight, that the people paid exorbitant prices for their meat, and that a comparatively small group of cattle owners made improper profits.

Hon. J. M. Drew: Can you state how much the State steamers lost on cattle last year?

The COLONIAL SECRETARY: I do not suggest they lost anything on the actual carrying of those cattle; I say the service on the North-West coast last year lost money, not a very large amount, but it was a losing proposition, and it would have been a profitable proposition had the private shippers been charged even the amount of money which it cost the Government per head of cattle to bring down their own cattle from Derby.

Hon. J. J. Holmes: Quite right. I have always said so.

The COLONIAL SECRETARY: This season the State steamers in the North will not be run at a loss, because the Agricultural Department—it is the Agricultural Department, and not the State Steamship Service, which purchases these cattle—will be charged a freight that we consider fair, the freight that the Government at first intended to

charge the private shippers, the freight which Mr. Holmes says he did not reject.

Hon. J. J. Holmes: I had no opportunity of rejecting it.

The COLONIAL SECRETARY: I do not suggest that the hon, member was offered the freight. My information is that he was informed it was the intention of the Government that that should be the freight. Government have no desire to make big profits out of these purchases. They are willing to give the retailer of the meat a fair deal, and they propose, in selling to the retailer, to make such arrangements with him as will ensure the consumer getting a fair deal also. Mr. Holmes has made a suggestion. I hope it was intended merely as a flippant suggestion, that those in whose behalf he speaks will have no alternative to becoming clients of the Industries Assistance Board. The shippers who had the space on the State steamers last year were gentlemen who I do not think will be disposed to thank Mr. Holmes for referring to them in that There Messrs. manner. were Connor. Doherty & Durack, Messrs. Holmes Bros. Mr. B. Copley, the Kimberley Pastoral Co., Messrs. McDonald Bros., and Mr. M. C. Davis. Everyone of those men has done great work in the opening up of the North-West, and it is the earnest desire of the Government that they should be fairly and pronerly treated. The Government are anxious that they shall get a fair price for their cattle. But it is ridiculous to suggest that those gentlemen are going to be thrown on the Industries Assistance Board merely because the Government say that in this coming season they shall be deprived of the monopoly profits that they had last year. We hope that when these contracts are completed we shall be able to control the market, so as to ensure reasonable prices, and that we shall have an abundant supply of meat for the consumers throughout the State and for the troops. I invite hon, members to contrast the position, a position set up by this Government within a few weeks after assumption of office, a position set up in view of a good deal of opposition, a good deal of hostility and, I am free to confess, in view of a good deal of misunderstanding of the position on the part of the Government at the outset: I invite hon, members

to contrast the position we have provided for the coming year with the position which prevailed when the hon, member was the Minister for State Steamers, the position in which the State steamers carried the cattle of the hon, member's firm and his friends' at 30s, per head less than it cost the Government to bring down their own cattle, when the public paid through the nose for meat, and when the hon, member and his friends made profits that should not go into private pockets in time of war. As I said at the outset. I do not intend to oppose the motion. but I do think the hon, member, in submitting it, showed an animus to the Government and an animus to myself which was entirely unwarranted.

Hon. J. F. Cullen: Will the Minister explain why it was necessary to buy cattle, instead of merely carrying them?

The COLONIAL SECRETARY: One reason was the great difficulty that had been experienced by the previous Government in securing from the Federal Government a ship to carry cattle for the metropolitan market. The Federal Government were disinclined to grant this ship for the purpose of carrying private people's cattle, but were willing to grant the ship for the purpose of carrying the Government's own cattle to feed the people and the troops. I have no hesitation in saying that, whilst to-day we have an excellent chance of securing the "Moira" or some other steamer from the Federal Government for next season's cattle trade, we should have had no chance whatever of securing that steamer to bring down the cattle of private people. The Federal Government would not have listened to our We are in hopes that as the application. Federal Government listened to the application of our predecessors that they should be given a ship to bring down the Government's own cattle last season, and as the circumstances to-day are no less extraordinary than they were last year, they will also listen to our application to grant us a ship to bring down Government cattle. Although I freely admit that at the outset it appeared to the Government it would be a resonable thing to secure the cattle, in order to have a good chance of getting this boat, and let the remainder of the freight at an enhanced price

of £5 Wyndham and £4 10s. Derby, further investigation of the position satisfied the Premier and the Minister for Lands, and in view of the facts they have placed before me, satisfied me also, that if the Government were going to buy half the cattle, it was better to buy the lot and control the market. and so avoid the possibilities of a conspiracy to put up the price of meat. Even at present there is no absolute assurance that the Government will be able to bring down the whole of the meat required. It is probable that there will be some shortage. The Government propose to provide against that by saying that if there is a shortage, if there is a monopoly value, the whole thing shall be in the hands of the Government so that, as far as possible, they can control the prices to the consumer; and if there be any monopoly profit it shall go into the pockets of the taxpayers instead of to a few owners who will have already received a very fair and reasonable price for cattle at the sta-But when the hon, member interrupted I was going to say I do not feel myself under any obligation to Mr. Holmes for telling the House that he acquitted me of any interest in this contract. Had the hon. member suggested that I had any interest in this contract I should have known how to deal with the question, but I say, without wishing to hurt anybody's feelings, that I think the hon, member imported a good deal of heat and a good deal of venom into his remarks, probably for the reason that he recognised that his own position was not entirely in keeping with the dignity of a member of the House. I do not make suggestions; I merely state the fact broadly, that this heat and venom are likely to creep into debate when hon, members submit motions in which they candidly have very considerable personal interests. I have no intention of opposing the motion.

On motion by Hon. J. M. Drew, debate adjourned.

House adjourned at 8.44 p.m.