

note of the matter and cause inquiries to be made.

Vote put and passed.

Progress reported.

House adjourned at 11.37 p.m.

Legislative Assembly,

Thursday, 7th January, 1909.

	Page
Questions: Sewerage Filter Beds, Claisebrook ...	1296
Government Markets, Perth ...	1296
Dairy Herds, Control ...	1296
Loan Authorisations, Correspondence ...	1296
Police Constable O'Loughlin's Dismissal ...	1296
Mines Prosecution, Malcolm ...	1297
Paper presented ...	1297
Obituary, Mr. J. P. McLarty ...	1297
Railway Industrial Agreements, Papers not complete ...	1297
Annual Estimates, Votes and Items discussed ...	1298

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

QUESTION — SEWERAGE FILTER BEDS, CLAISEBROOK.

Mr. SWAN asked the Minister for Works: 1, Has Mr. Davis certified that the filter beds at Claisebrook will act? 2, If not, is the Minister personally satisfied on this point? 3, If so, on whose judgment does he base his opinion?

The MINISTER FOR WORKS replied: 1, No, Mr. Davis only acted as adviser to the Government in the preparation of the scheme when he approved the general design and site of the filter beds. 2 and 3, The Engineer-in-Chief is of the opinion that the filters will act satisfactorily. The reasons given, in my opinion, support this view.

QUESTION — GOVERNMENT MARKETS, PERTH.

Mr. GILL asked the Minister for Agriculture: Is it his intention to comply with the request of the market gar-

deners for the establishment of open markets in Perth?

The HONORARY MINISTER replied: Representations in this connection have been made to the municipal authorities within whose province it should be to provide facilities of this nature. I am now awaiting their determination in the matter.

QUESTION—DAIRY HERDS, CONTROL.

Mr. GILL asked the Premier: Is it his intention to make the necessary provision this session for the transferring of the dairy herds from the Health to the Stock Department?

The PREMIER replied: The inspection of dairy herds is now being carried out by the Stock Department.

QUESTION — LOAN AUTHORISATIONS, CORRESPONDENCE.

Mr. WALKER asked the Colonial Treasurer: Has he any objection to laying on the Table of the House all the correspondence between his department and the Auditor General relating to Loan Authorisations as referred to on page 123 of the Auditor General's last report?

The TREASURER replied: I have no objection.

QUESTION — POLICE CONSTABLE O'LOUGHLIN'S DISMISSAL.

Mr. HORAN asked the Premier: Has he any objection to laying upon the Table of the House all papers in connection with the appointment, punishment, and subsequent dismissal from the Police Force of E. O'Loughlin?

The PREMIER replied: No; but I shall be glad if the hon. member will move in the usual way for the papers; the motion will be treated as formal and can come on immediately. If he likes, the hon. member can see the papers at my office.

Mr. Horan: Very well.

QUESTION—MINES PROSECUTION, MALCOLM.

Mr. TAYLOR asked the Minister for Mines: Has he any objection to laying upon the Table of the House all the papers in connection with the prosecutions of Mr. Brimage by the Inspector of Mines at Malcolm?

The MINISTER FOR MINES replied: No, subject to the usual procedure.

PAPER PRESENTED.

By the Minister for Mines: State Battery parts, manufacture (ordered on motion by Mr. Bath).

OBITUARY—Mr. J. P. McLARTY.

The PREMIER (Hon. N. J. Moore): Before proceeding with the Orders of the Day, it is my painful duty to announce that since the adjournment of the House last evening the late member for Murray, Mr. John Pollard McLarty, passed away to that bourne from which no traveller returns. I am sure hon. members are with me in desiring that some record should be made of the esteem in which that hon. member was held in this House, and at the same time that the sincere sympathy which is felt with his relatives should be conveyed to them. The late hon. member was one of the earliest pioneers of the Kimberley District. He arrived there early in the eighties, when he endured many hardships and privations. At that time the blacks were very troublesome there, and as a matter of fact one of his comrades soon after having arrived there was speared by them. The late member was some 12 years in that district, and engaged in establishing a station there which is now well known, and which is held at the present time by the Kimberley Pastoral Company. Possessed of a kindly and unassuming manner he enjoyed the friendship and respect of all. Personally I mourn his loss as the friend of a lifetime and also as a loyal colleague. I beg to move—

That a message of condolence be sent by Mr. Speaker on behalf of the Legislative Assembly to the relatives of the late Mr. John Pollard McLarty.

Mr. BATH (Brown Hill): In seconding the motion I am sure all members in the House will agree with the Premier in the tribute he has paid to the deceased member. I feel sure that members will agree with me that none but feelings of sympathy have been felt by them towards the late gentleman when as a member of this House we have seen him occupying his place when he must have been suffering severely, and we have watched the progress of the illness with feelings of great concern. Many of the members had not the pleasure of acquaintance with the deceased gentleman except as a member of the House, and they found him kindly and unassuming and a gentleman with whom it was a pleasure to converse and be acquainted. I join with the Premier in expressing condolences, and regretfully second this motion.

Question passed, members rising in their places.

The PREMIER: In order to enable members if they so desire to pay a last tribute of respect to the late member for Murray, whose funeral will take place at Pinjarra to-morrow, I beg to move—

That the House at its rising do adjourn until Tuesday next at 4.30 p.m.

Question passed.

RAILWAY INDUSTRIAL AGREEMENTS.

Papers not complete.

Mr. HOLMAN (Murchison): Before the Orders of the Day are proceeded with, I would like to call attention to the fact that on the 16th December I moved a motion, "That all papers in connection with the disputes, conferences, industrial agreements, and industrial arbitration case between the Minister and the Commissioner of Railways and the railway employees in the years 1904 and 1905, be laid upon the Table of the House." I have looked through the file that has been laid on the Table, and I find that the papers are very incomplete. There are many other records that should have been produced and which are not there. My desire is to ask that those papers should be presented with the others. There are

a great many papers on the file dealing with something that occurred afterwards but which have no bearing in connection with the matter that I spoke of; and I notice by to-day's newspapers that a précis, evidently fixed up in the Minister's office or under the Minister's instructions, has been published, and the wording of this précis is exactly alike in both newspapers. It shows that those papers have been sent down not with the intention of giving the information that I desire to get. I desire that the whole of the papers and the reports of the conference in accordance with the resolution carried be laid on the Table of the House.

Mr. JOHNSON (Guildford): As one interested in these papers, I desire to endorse the remarks of the hon. member. In speaking at the recent Menzies elections and on other occasions, the Minister for Railways directly connected my name with the preparation of an industrial agreement, and subsequently the workers going to the Arbitration Court. I have looked through these papers and I cannot find one solitary minute referring to me. Either the papers are incomplete or the Minister has made an incorrect statement. I do not think the Minister would make an incorrect statement, therefore the file must be incomplete.

The MINISTER FOR MINES (Hon. H. Gregory): As far as I know, the file is perfectly complete. I have no knowledge of any of the papers being omitted. They were sent to me by the Railway Department, and I believe they are in every sense complete. The statement made by the member for Murchison is what one usually expects from him in connection with statements published in the Press. At no time during the past fortnight have I seen any member of the Press in any shape or form in connection with these papers. What they have published they have taken from the file entirely on their own responsibility and I have not consulted any of them or asked any of them to publish anything whatever in connection with the file.

Mr. HOLMAN: I desire to have an order given that the whole of the papers be presented to the House.

Mr. SPEAKER: That motion was carried.

The MINISTER FOR MINES: I will certainly inquire and ascertain if there are any more papers.

Mr. TAYLOR (Mt. Margaret): If this House orders certain papers to be laid on the Table and they are presented in an incomplete form and the hon. member who asked for them requests the Speaker to issue an order that all the papers should be forthcoming in accordance with the resolution, I think it is a function that the Speaker should perform, that he should see that the terms of the motion are carried out. That is all the member has asked for, and I think it is necessary that when an order of the House is given it should be carried out.

Mr. SPEAKER: Certainly, the order of the House must be complied with.

ANNUAL ESTIMATES, 1908-9.

In Committee of Supply.

Resumed from the previous day, Mr. *Daglish* in the Chair.

Treasury Department and Administrative Branches (Hon. Frank Wilson, Treasurer).

Vote—*Treasury*, £9,696:

Mr. TAYLOR: It had been the practice, as far back as he knew of, for the Minister in charge of the department to give the Committee an idea of the department's figures when the Estimates were under consideration. In delivering his Budget speech the Treasurer had not covered his own department in that detailed manner which would enable the Committee to intelligently deal with the vote on the Estimates without further explanation. It would obviate a good deal of questioning if the Treasurer would give them some general idea of the department's figures.

The TREASURER: In an experience extending over the last 12 years he had never known the Treasurer make an introductory speech on the Estimates of his

own department. The Budget speech covered the whole of the departments' operations, and it appeared to him it would be only wasting the time of the Committee for him to now make a further speech. There was but little he could add to the information he had given in the course of his Budget speech; however, he would be only too happy to explain any item pointed to by members.

Item, Under-Treasurer, Commonwealth sub-Treasury, £100:

Mr. BATH: Was this amount a payment from the Commonwealth for services rendered by the Under-Treasurer?

The TREASURER: It was a payment by the Federal Government to the Under-Treasurer as sub-Treasurer in charge of accounts in Western Australia. The accountant also had a payment of £75, and another officer, the paymaster, received £50 for services rendered to the Commonwealth. For some years prior to his (the Treasurer's) term of office these payments had been made direct to the officers concerned; but at a conference of State officials held in Melbourne it was decided that all payments from the Commonwealth for services rendered should be made to the Treasury direct. In consequence of this he (the Treasurer) had issued instructions that such payments should be made into the Treasury and not to the officers direct; and, subject to the approval of Cabinet, that the amount should be included in the Annual Estimates in order that Parliament might see exactly what its servants were drawing, whether from the State or from the Commonwealth Government. He was sorry to say that one or two small payments were still being made direct in other departments. Just recently his attention had been drawn to a small payment by the Commonwealth of £20 to the Sheriff. However, in future the practice of paying into the Treasury instead of to the officer concerned would be followed in all departments.

Mr. BATH: It was certainly more satisfactory that the House should know exactly what these officers were receiving. But in cases where the additional task did not involve working beyond ordinary office hours

would it not be reasonable if the Treasury itself were to get the payment, without the necessity of refunding it to the officers concerned. As it was, the Under-Treasurer was getting £150 more than any other under-secretary, in addition to which he apparently was receiving £100 from the Commonwealth, making his salary £850.

The TREASURER: To some extent he agreed with what the Leader of the Opposition had said. Possibly if we were making a fresh appointment to this position it might be fair and reasonable not to allow this £100 extra. However, the present Under-Treasurer was a very old servant of the State, and he certainly was not being overpaid at £750; moreover he had been receiving this £100 since the inauguration of Federation. In these circumstances he (the Treasurer) had concluded that it would be unfair to deprive the Under-Treasurer of this £100 payment from the Commonwealth. The House had approved of it each year during his (the Treasurer's) regime, for it had invariably appeared on the Estimates. At the present time he (the Treasurer) would have to oppose the suggested reduction. When the time came, and it might perhaps come very shortly, to appoint a successor to the Under-Treasurer, the matter might be further considered.

Mr. Taylor: Then each of these officers would swing into line.

The TREASURER: Yes.

Item, Clerk at Kalgoorlie, £240:

Mr. JOHNSON: It would be interesting to learn whether any tidings had been gained of the absconder from Kalgoorlie who had held this position until he decamped with the State's cash. It was truly remarkable how that man had been allowed to leave the State, and how he had never since been discovered. It had been an open secret in Kalgoorlie that he was going away. He (Mr. Johnson) had known that the man was going away.

The Treasurer: I wish you had told us.

Mr. JOHNSON: Everybody had known that the clerk in question was living beyond his income. However, he had been living in the right circles; he had been living among the aristocracy, and such a

man was always allowed to get away. So long as a man was a member of Hannans Club he could get away at any time. There were two laws in the State—one for the rich and another for the poor. If a poor man had attempted to get away with £1,200 of the State's cash he would have been cast into prison. It would be interesting to hear from the Treasurer whether any steps had been taken with a view to bringing this man to justice.

The TREASURER: In charging the Government with having one law for the poor and another for the rich the member for Guildford had hardly been as fair as he usually was. This absconder, it appeared, had been betting heavily on race-courses. Presumably he had lost money; certainly he had helped himself from the Treasury funds. As soon as ever his absence had been discovered steps were taken to ascertain his whereabouts. The matter had been immediately put in the hands of the detectives, and they had been following it up ever since. Inquiries showed that we had been unable to trace the absconder. It was rumoured that the man was in one of the States of South America.

Mr. Horan: He writes every month to Kalgoorlie.

The TREASURER: Then why had not the hon. member informed him of it?

Mr. Johnson: What are your police doing?

The TREASURER did not know what they were doing in the matter. It was in the hands of the detectives. It was the hon. member's duty to let him or the detectives know of the information. Instructions had been given to bring the man back to justice, and so far as he knew every step had been taken to trace him. If hon. members could give any information it would be placed at the disposal of the detectives.

Mr. Horan: Would you bring him back from South America?

The TREASURER: No matter what the cost would be the man should be brought back to make an example of him.

Mr. FOULKES: In the past there was a guarantee fund in connection with these officers in the Treasury; was it still in existence?

The TREASURER: Yes, but the fund was not to the extent of £1,200, the amount taken in this case.

Item, Wages of district caretakers and cleaners, £50:

Mr. HARDWICK: Was there not some arrangement by which married men were given preference to this particular employment? There were a number of single men employed at present.

The TREASURER did not know of any Cabinet order having been issued, but certainly there had always been the understanding that married men, particularly those with families dependent on them, should get the preference in regard to these positions.

Mr. Hardwick: A number of married men had been retired and single men taken on.

Item, Clerk, Government Advertising Office, £220:

Mr. ANGWIN: This item showed an increase of £10, though the Minister had said in his Budget speech that there were no increases in salaries over £200 per annum, and though the schoolteachers—some of them earning only £100 per annum—had been told that it was impossible to increase their salaries. Why was the salary of this officer increased?

The TREASURER: The increase was due to the classification. Right through the Estimates the salaries showing increases represented increases according to last year's classification, and dated from the 1st January, 1908, and not from the 30th June, 1908, the beginning of the financial year: In each case only half the increase appeared on last year's Estimates, the increase having only been paid for half the year; but this year, as the full increased salary was being paid during the whole of the financial year, the Estimates naturally showed an increase over last year's expenditure. This officer previously drew £200 per annum and received an increase of £10 per annum. Last year's Estimates showed six months at the rate of £200 and six months at the rate of £220, making £210 in all; this year's Estimates showed the two half years' at the rate of £220; there was naturally showing a difference of £10, but it really was not an increase. The salary

now was the same as the salary carried by the office last year and as was shown on last year's Estimates.

Mr. ANGWIN: Were not the schoolteachers also entitled, owing to the terms under which they entered the service, to increases? Surely if they applied to officers of the Treasury they should apply to the schoolteachers as well.

The TREASURER: Schoolteachers did not come under the Public Service Commissioner.

Mr. Bath: But they have a classification under their own regulations.

The TREASURER: Schoolteachers had a schedule of increments. Subject to good behaviour and good work being performed they got certain increases, £10 a year in most instances; but that was very different from a classification, which was a reorganisation of different positions. Some officers' salaries were increased because the positions were valued at more than was previously paid; other officers' salaries were decreased because their positions were valued at much less than was previously paid. This adjustment was not on a par with the Education Department which had never been disturbed by a classification. The teachers' increments were ordinary increases in salary year by year if the finances of the State permitted it.

Mr. JOHNSON: The Treasurer had distinctly indicated that the Government had decided there should be no increases this year.

The Treasurer: Except statutory increases.

Mr. JOHNSON: In reply to an interjection the Treasurer had stated that he would not give increases as proposed by the Public Service Commissioner.

The TREASURER: That was right, barring those provided under the Act. There were certain statutory increases for juniors serving their time, and cadets.

Mr. JOHNSON: That did not apply in this case. This officer was getting an increase owing to an increase under the Public Service Commissioner's classification.

The Treasurer: No, it is last year's increases. You will find hundreds of them in the same way.

Mr. JOHNSON: It was distinctly understood that the schoolteachers were being specially penalised this year.

The Treasurer No.

Mr. JOHNSON: Then, what were we to understand? A deputation of teachers waited upon the Minister protesting against their annual increases being denied them for this year, and the Minister in delivering his Budget speech had distinctly stated that the schoolteachers were to be specially penalised this year.

The Treasurer: No, no; not specially.

Mr. JOHNSON: Well, they were to be penalised this year.

The Treasurer: No.

Mr. JOHNSON: It was a remarkable position. The Treasurer had distinctly stated that he did not propose to give the annual increases this year that the teachers had received in previous years on account of the financial position of the State.

The Treasurer: That is right.

Mr. JOHNSON: The Treasurer had also stated that the increases proposed under the Public Service Commissioner's classification would not be paid this year.

The Treasurer: That is right.

Mr. JOHNSON: Then, in 1906-7 this officer received £195, in 1907-8 he was estimated to receive £210. That must have been his salary to the 30th June last. Now it was estimated to give the officer an additional £10 this year.

The Minister for Mines: No, the salary was £220, starting from the last six months of last year. There is no increase this year.

Mr. JOHNSON: It was a remarkable way of preparing Estimates. The officer was actually receiving £220 a year, but was shown on the Estimates of last year as receiving £210. One could not understand the position.

The TREASURER: The matter had been fully explained. The officer was entitled to receive £220 from the 1st January, 1908.

Mr. Walker: Was that the minimum fixed by the Commissioner?

The TREASURER: Without having the classification before him, he could not say whether it was the minimum or a step towards the minimum. It was decided

that, if the finances would permit, any officer under his minimum should have his increase given to him over a period of five years. In the same way we decreased the salary of any officer so as to create no hardship. It would be a hardship on the State to give all the increases at one fell swoop, while, on the other hand, it would be a hardship on the officials if they were all to be reduced immediately; consequently the system of either reducing or increasing by instalments was initiated, and the increase in the item might be one of those instalments. From the 1st of January the official received at the rate of £220 per annum. He drew six months' salary at £110, and six months' at £100. Now he drew at the rate of £220, which was the salary fixed last year. He received no increase this year.

Mr. Johnson: That means that for 1906-7 he received a £25 increase.

The TREASURER: It would appear so.

Mr. WALKER: Evidently someone decided to raise the salary of this officer. He had been raised from £195 to £220. On whose recommendation was the increase made?

The Treasurer: On the recommendation of the Public Service Commissioner.

Mr. WALKER: The Commissioner classified this officer at a certain sum. In the past in numbers of instances the classification of the Commissioner had not been recognised. There were many civil servants who were now not receiving their minimum, and he understood from the Budget speech that the proportionate increases would not be granted this year; yet, here was an officer who had received his increase to the minimum. The Committee should be informed what proportion of the increase the officer was entitled to under the classification which had now been granted him, and whether his present salary was the full amount he was entitled to. It was extraordinary that some officers could get their proportionate increases and others could not.

The TREASURER: The Public Service Commissioner classified the whole of the clerical branch of the department; that classification was approved by Executive Council. Then it was found that

many of the officers were much below their minimum. The name of the man in question was H. P. Taggart, and he was drawing £190 per annum. He was classified by the Commissioner at a minimum of £220, rising to £250, and the note opposite his name was, "to be increased from his present salary as might be subsequently approved." Although the value of the position was set down at a minimum of £220, and although if there had been a vacancy for the office, that sum would have to be paid, Taggart had not received the full minimum. The state of the finances would not admit of a full advance to the minimum being given right away. The next step was that the Commissioner asked how much the Government could find towards raising the salaries to the minimum. The sum was fixed at some £3,000 or £4,000, and that was apportioned according to the judgment of the Public Service Commissioner. Some officers further away from the minimum than others received larger increases per annum. The Commissioner drew up a scale, and all advances had been paid according to his recommendation. That was the position with regard to Taggart. He was not receiving an increase this year. No officers were receiving increases excepting those who had to receive them under Statute. These were the cadets who were serving their time, and who owing to their apprenticeship agreements had to receive certain increments each year. Certainly the manner in which the item appeared in the Estimates was somewhat misleading, and he had discussed the form with the officials, but it was decided not to alter it, as in a few years time all the officers would be brought to the minimum, and the difficulty would not recur.

Mr. WALKER: How did Taggart get his minimum when so many officers did not? Did the Public Service Commissioner recommend that all officers should be brought up to the minimum? If he had recommended it, on whom did the responsibility for the failure to carry out his recommendation rest? Why was this officer selected to the neglect of the others? If the State were not able to increase salaries, at all events they should pay up

to the minimum fixed by the Public Service Commissioner.

The TREASURER: As he had previously pointed out, there was a note to the classification in Taggart's case as follows: "To be increased from his present salary as may be subsequently approved." The increase appearing in the Estimates was the subsequent approval by the Commissioner, accepted by the Government. The Government were unable to grant all the increases at once, for it would have meant a sum of some £12,000 or £15,000, if all the officers had to be brought up to the minimum of their classification. Increases had to be granted gradually, and in like manner, the Government did not desire to reduce men, according to their classification, to the full amount of the reduction in one year.

Mr. Walker: Is there any comment by the Commissioner on other cases where officers are not receiving the minimum?

The TREASURER: There is the case of Fletcher in the Education Department who was getting a salary of £200. The Commissioner fixed the maximum at £280, the increase to be granted as might be subsequently approved.

Mr. Walker: Has his salary been increased?

The TREASURER: That question could not be answered without looking up the item.

Mr. Walker: How does he get his increase?

The TREASURER: By the approval of the Public Service Commissioner.

Mr. Walker: Then the responsibility of this is the Commissioner's?

The TREASURER: The Commissioner and the Government were equally responsible.

Mr. HOLMAN: A question had been asked whether this officer had full control of the advertising department, and a reply had been given in the affirmative. The information which had been given to him was that a certain paper last month received a large advertisement and this officer knew nothing at all about it. Another pressman gave him (Mr. Holman) that information. This pressman went to the advertising officer and asked whether he too could get the same advertisement

and it was then that he was told by the advertising officer that he knew nothing about it. If that kind of thing went on and the Treasurer informed the House that the whole of the advertising went through this officer's hands, there must be something wrong. When the return was moved for he was satisfied that things connected with advertising were by no means fair or just. Was this officer responsible for advertising in the *West Australian Mining Journal*? According to the return, this newspaper had received in one year £128, in the next year £96, and in the first quarter of the present financial year £25. All this was absolute waste of money. He doubted whether the paper was read at all. The Mines Department had been paying a contract price of £72 per annum for a page of advertising once a fortnight, but it did not get anything like value for the money. The paper was not even recognised as such by the Railway Department, because they had refused to allow the representatives of it to travel at Press rates. It was downright waste of money to pay over £100 a year to such a publication. The only information it contained consisted of extracts from other papers. In connection with the visit of the Fleet it was found that £70 was paid for advertisements in the newspaper at Albany. That represented 490 inches, and it was a well-known fact that that sheet had not so much space in the whole of its issue. The return also showed in some instances that newspapers received special advertisements in connection with immigration. Why should advertisements of such a nature be published in the out-back country where they could not possibly be of any value? It would seem however that a great many of those newspapers had since published flattering remarks about the public men in the State. There was also the *Mirror*. A paper like that was not worth advertising in, and was certainly not worth £1 a week, which was the approximate amount that was being spent on it. It was doubtful whether it was worth £1 a year. Again, it was found that there was a large increase in the advertisements given to the *Sunday Times* and the *Sun*.

The Treasurer: They did not flatter Ministers.

Mr. HOLMAN: But the policy had changed considerably in both those papers; whether it was due to the change of managers or ownership, he could not say. The *Sunday Times* received in 1906-7 £62, and in the following year £61; and for the first three months of the current financial year, £92. The *Kalgoorlie Sun* in 1906-7 received £14 2s.; in the following year when they changed their political policy they received £54 19s. 6d. It was a well-known fact that the *Sun* circulated only around Kalgoorlie, and yet we saw advertisements in it that were of no material interest to the people there. How was it that newspapers published in outside districts did not receive advertisements to which they were properly entitled? The returns for the second quarter of the current financial year would show more glaring examples of advertising where it was not justified, and it was only necessary to mention that this money was spent just before the general elections. At about that time special advertisements were distributed all round. The question was whether the State was going to pay large amounts in advertising things that it was not necessary to advertise.

Mr. TROY: The State got a very poor return for the amount it had expended in advertising in the State, particularly in the weekly journals. One especially seemed to have received very material and substantial support for three months prior to the general elections. Then again there was the *Mirror*. It was to him incomprehensible that the Government should ever spend one penny in advertising in such a paper. It was a paper without a circulation and was not to be found outside of Perth, within which City it pandered to a small if select circle. Yet in that paper there had appeared advertisements of land sales as far north as Derby. The only service the paper could render the Government would be to announce the fact that the Treasurer had arrived in town, or was thinking of going to Rottneest. This State could not afford to spend money in advertising in such papers. If this officer

who had charge of the advertising department was really responsible for it then he showed but little discretion in the disbursement of Government money. If on the other hand this officer were not allowed to use his judgment in his work it was an additional reason why his office should be abolished. Since a scandalous amount of favour had been shown in connection with the distribution of these advertisements he (Mr. Troy) moved—

That the item be struck out.

The TREASURER: Earlier, when replying to the member for Murchison, he had said that the clerk was not responsible for the giving out of advertisements. The meaning he had intended to convey was that Ministers were not going to shelter themselves behind the clerk. Advertisements were sanctioned by Ministers and were put into different papers by the clerk after due inquiry as to the value of such papers for the purpose of the particular advertisements. He (the Treasurer) when approached by a newspaper canvasser invariably referred him to the advertising clerk. The clerk consulted the different departments as to what papers would best suit their purposes, and recommended accordingly. If the clerk did not think a certain paper would be suitable for certain classes of advertising he did not hesitate to say so.

Mr. Collier: But many advertisements are given out without this clerk being consulted in the matter.

The TREASURER: It was very seldom that any advertisements were given without the advertising clerk being consulted. Certainly special advertisements were sometimes given out. For instance, there was the special advertisement which the member for Murchison had taken exception to, namely that in connection with the visit of the American Fleet, and which had been given to the *Sunday Times* at a cost of £40. The member for Murchison had said that this had been done with a view to influencing the elections. The elections were over when that advertisement appeared.

Mr. Taylor: No, they were just on.

The TREASURER: The Fleet had arrived in Western Australia on the morn-

ing of polling day, when the elections were virtually over.

Mr. Collier: But the advertisement had appeared five days earlier.

The TREASURER: Out of the £40 some £15 was for postage, the contract being that the paper should be posted to all the leading journals in the United States of America. That had been done.

Mr. Jacoby: The amount would not cover it.

The TREASURER: At all events the amount had gone a long way towards it. The paper had been sent to all the principal journals in America, and he was quite satisfied that nothing but good would accrue to Western Australia as the result of this method of advertising. Then there had been the paper at Albany, which had been given a full-page advertisement containing special information as to land settlement in the State. That had been issued day by day during the visit of the Fleet, and copies of the paper had been distributed among the Fleet. He himself had recommended the idea to the Premier. It seemed to him an excellent plan that these American citizens visiting the State should have this large and informative advertisement put before them at their breakfast tables.

Mr. Holman: Why, the paper only comes out once a week.

The TREASURER: The paper had come out each day during that week. The advertisement had been noticed and favourably commented on by the *West Australian*. He (the Treasurer) was quite prepared to take all the responsibility of that particular advertisement. The periodical complaint as to the advertisements was one which he thought did not call for very serious consideration. There was not a sub-department of the Government which was less interfered with than this advertising branch. All the journals of the State were getting a certain proportion of advertising matter, and to pick out one paper and say that it was not deserving of its share was merely to express an individual opinion. Newspapers got their advertisements whether they were for or against the Government in their policies. There was the *Truth*, for

instance; personally he did not think the *Truth* ought to get even the little that it did get. The member for Mount Magnet had attacked the *Mirror* and had complained of the fact that certain land sales at Derby had been advertised in its columns. For his (the Treasurer's) part it seemed that it was a very fitting channel for such an advertisement. If the paper did not circulate among a large number of people it circulated among those who were likely to speculate in land. The advertisements in the *Mirror*, the *Sunday Times*, and the Albany paper were well worth the money they cost, and were in the best interests of the State.

Mr. WALKER: The real issue was lost. We had an officer in charge of advertisements, and the supposition was that this officer selected the papers in which to advertise, but now we had it that generally the officer did so, and sometimes the Government did the work. There should be one rule only. Those papers should receive the bulk of advertising that had the best circulation and the advertisements they received should be co-gent to their area of circulation. At present papers with a comparatively small circulation received comparatively large advertisements, and they supported the Government; and papers with wide circulations got proportionate increases according as they supported the Government. Money spent in advertising in the *Mining Journal* was an absolute waste. The *Mirror* did not have a circulation justifying the amount spent. Had it not lent its support to the Government it would not have received the amount.

The Treasurer: It is a tremendous bribe—£10 a year.

Mr. WALKER: It was a matter of principle. What was the good of this officer if special advertisements could be issued by the Minister? What control had the officer in the circumstances? How did it come about that the *Daily News* received £87 10s. for three months, while the *Morning Herald* only received £105 in the same period? Was it because the *Daily News* constantly black-guarded the Labour party?

Mr. Taylor: They have done more than that, they have sent one of their writers to England.

Mr. Collier: They buy both men and papers.

Mr. WALKER: There was no business principle in the distribution of these advertisements. Men and papers were, if he might use the expression, purchased by these advertisements. That was an objectionable feature. We should either return to the system of having the Minister take the responsibility for the advertising concerning his department, or have this work of controlling advertising an entirely non-political department. As a protest against the way in which certain papers who blackguarded the Opposition and exalted the Government received additional advertisements, he would support the amendment.

The MINISTER FOR MINES : It was an extraordinary proposal that Ministers should place the responsibility for all advertising on a clerk at £220 per annum. Ministers must be responsible for the cost of advertising. Ordinary advertisements, and the papers selected for ordinary advertisements, could be left entirely to the advertising clerk, but there were many occasions when special advertisements were necessary to assist in developing some industry, and it was the duty of the Government to take control of this. He (the Minister) took the whole of the responsibility for the special advertisements in the *Mining Journal*. The journal might have a small circulation, but we should have in the State one journal devoted to the principal industry of the State, and we should do all we could in a small way to assist it.

Mr. Holman: The paper devotes itself to abusing the Opposition and praising you.

The MINISTER FOR MINES had no wish to cross swords with the hon. member. The amount spent on this paper was £27 for certain advertising.

Mr. Holman: It was £96 last year.

The MINISTER FOR MINES was speaking of special advertising.

Mr. Holman: It was £72.

The MINISTER FOR MINES: Would the Chairman ask the hon. member to behave himself?

Mr. Holman: Then the Minister should give us the correct information.

The CHAIRMAN: Order!

The MINISTER FOR MINES: The matter of subsidising special articles written in connection with the North-West would be for instance a most improper thing to leave to the advertising clerk. The responsibility for trying to develop any portion of the State by advertising should be with the Ministry. It would probably be found that the amount spent in advertising was distributed as equally now as it was in the years when the Labour Government were in power.

(Sitting suspended from 6.15 to 7.30 p.m.)

Mr. TROY: The Treasurer said the officer in question was responsible for advertising, and had sole control of the advertisements for all the departments; but subsequently, the Minister for Mines said the Government were alone responsible, and that the officer merely carried out instructions. It had been said that a wise policy had been pursued in advertising at the time of the visit of the American Fleet. He was always prepared to support a policy which would advertise the country, but wise discretion had not been used in the instance in question as to the papers in which the advertisements appeared. For instance, one paper had been paid a considerable amount, whereas the presence of that journal in America would be one of the worst advertisements the State could have. That paper had no honest policy, but it advocated one thing to-day and another to-morrow, according to the payments it received. The Americans had their own yellow papers, and they looked upon them with very little confidence or respect. Such papers existed here also, but it was most unwise that the Government should publish advertisements therein. Had the Government advertisements all appeared in the daily papers, the policy would have been a wise one, because the journals were reputable. The member for Kanowna had said the *Mirror* was making an honest

effort to supply a want. What was the want? It was a paper which pandered to a system which was the most unhealthy, hypocritical, and empty existing in any State. It bolstered up a few individuals, because they had the means to buy the paper, and advertise in it. There was some reason for advertising in the *Mining and Engineering Journal*, for to give the paper its due, it paid considerable attention to the mining industry. Therefore, it was worth encouraging. It was not fair that the money of the people should be used in building up journals such as some of those in which the advertisements appeared.

Mr. Collier: The *Worker* gets no advertisements from the Government.

Mr. TROY: That was so. The *Worker* had a larger circulation than the *Mirror* or the *Mining and Engineering Journal*, and, in fact, more than most of the weekly papers, for it circulated among all unionists. The number of unionists in the State totalled some 15,000. There was no necessity whatever for the officer whose salary was now under consideration. If that officer had no discretionary power, as the Minister for Mines had said, then some other official in the department could carry out the work.

Mr. HOLMAN: One would have thought the Treasurer would have given correct information to the Committee when speaking on the question. Whether intentionally or not, he had misled the Committee by suggesting that the amount shown on the return as having been paid to the *Sunday Times* for the first three months of the year included practically the whole of the advertisements published in that paper in connection with the visit of the American Fleet, the cost of the postage, and the purchase of the papers. That was incorrect. In addition to the £92 mentioned, the *Sunday Times* were paid sums of £58 4s., £24 and £26 0s. 10d.; or a total of about £108.

• The Treasurer: Who has paid that?

Mr. HOLMAN: The Government had paid a great portion of it.

The Treasurer: I was referring to the sum mentioned in the return.

Mr. HOLMAN: The Treasurer said that the amount of £40 included the sum for postage on the papers. That was not correct, for the postage was shown separately in connection with the Fleet expenses, and there was a total of £108 to be paid to the *Sunday Times* in addition to the amount shown in the return. The sum of £100 was received by the *Sunday Times* in connection with the visit of the American Fleet, while the *West Australian* received £58; the *Morning Herald*, £52 16s.; and the *Daily News*, a paper which only circulated about Perth, £55 0s. 10d. The *Evening Mail*, which must be a Fremantle paper, received in addition to the sum mentioned in the return, £63. *Truth*, which had a circulation about as large as the *Sunday Times*, only received £17. The *Boulder Star*, a paper not read outside Boulder, received £26 8s. The *Coalgardie Miner* received nothing. The Press were not treated fairly in connection with the American Fleet reception advertisements. Instead of utilising money in judicious advertising, we found that it was spent either in buying newspapers or bolstering up concerns and giving them an undue advantage over other sections of the Press. It was his intention to read a few articles from the *West Australian Mining Journal* to show what we paid that newspaper for. The money in this case was spent to bolster up certain individuals and to decry others. Before concluding with the return it should be mentioned that the *Blackwood District Supplement* last year received £50, the *Northam Advertiser* received a great deal of money, £33 in 1906-7 and £24 in 1907-8, while for the first three months of the current financial year it was paid £18 15s. The newspapers on the Murchison received very little or no consideration at all. The rate for advertising in the metropolitan Press charged to the Government was 5s. per inch. He could go to the *West Australian* for instance and insert an advertisement for 4s. an inch. A business man who advertised in a wholesale way could get his advertising done at a much lower rate, while the Government in almost every case had to pay the highest possible rate. If that was the work of the advertising agent the sooner

he was done away with the better. It only went to show that this officer had no business capabilities.

Mr. Heitmann : The officer has no power.

Mr. HOLMAN : The officer had power to make the best arrangements he could. The Government being wholesale advertisers should have their advertising done as cheaply as other wholesale advertisers. Returning to the *Mining Journal*, he would show the sort of "tripe" they put in their paper as mining news. Under the heading of "Menzies Election" they re-published a letter signed "Disgusted," which was taken from the *North Coolgardie Herald* at Menzies. It was seldom that a newspaper took letters from other papers to re-publish; it was doubtful whether that was newspaper etiquette. Certainly no paper of repute would do such a thing. And that was what they were paid £100 a year for. This letter referred to the testimonial to Mr. Buzacott to which the people of Menzies were asked to subscribe.

Mr. Walker : Was that mining news?

Mr. HOLMAN : It was absolute party politics. Any respectable journal would rely upon its own correspondents for information, without taking it in this manner from other journals. In another issue there was a leading article dealing with the question of State advertising. This criticised some members on the Opposition side of the House, simply because they asked for a return to show the people of the country how the money was being spent, and it concluded by stating that the figures in the records of the office showed conclusively that the strictest economy had been observed in all advertising orders given out. The *Mining Journal* got £100 a year for that. In another case they published a leading article denouncing a member on the Opposition side of the House for attempting to get information regarding a vote and when they did that they seemed to get more support. Another article referred to the recent timber trouble, and stated that there was no desire on the part of the men to enter into such an agreement as that which was proposed, and that Mr. J. B. Holman, M.L.A., the general secre-

tary, was the sole agitator over the matter. They concluded—

"It was possible that Mr. Holman had a personal object in putting forward the scheme for probably he sees an opening for a lucrative post if the project takes practical shape. The sole object and aim of this paid organiser seems to be the stirring up of strife between the men and their employees."

Was that article a personal attack? It might be called fair criticism. He defied anyone to point to a single instance where he had been the cause of any industrial trouble. He could point to scores of instances in Western Australia—and the Premier would bear him out—where he had gone to extreme lengths to prevent industrial trouble. He defied anyone to point to an instance where he had caused industrial trouble in the State. Never had the men stuck to their work so well as during the time he had had control of the timber workers in the South-West, and as long as he had anything to do with the industry he would see that the men kept to their work and that the industry was kept going. Another article referred to Mr. Gregory's reelection, and every issue of the paper that was taken up would be found to contain articles of a similar character. If the Treasurer did not know what he was spending the State's money on, it should be shown to him. One would have thought that the paper was run solely for the purpose of discussing the Menzies seat. The Government were paying too high a price altogether for the advertisements in that paper; for it was a paper that had no circulation, neither was it read by those to whom it was sent gratis. Why was it that those papers which had given the strongest support to Ministerialists at the recent election had received the greatest amount of money for advertising? When he noticed that £200 had been paid to the *Sunday Times* during the last six months he began to think that all the type which in the past had been used to set up the words "Buglepumpkin," "Moocow Mitchell" and the like, had been bought up by the State, and very dearly bought. In addition to the amounts already mentioned he had noticed in the

Christmas number of the *Sunday Times* another advertisement which must have cost anything from £20 to £40. Let the Government advertise by all means, but let the advertising be done wisely. It would be better not to advertise at all than to spend the money in advertisements which were of no value. To show that in his opinion it was necessary to make a change he would support the amendment to strike out the item.

Mr. UNDERWOOD: The amendment was one that found favour with him. Advertisements were only for soap vendors and the vendors of patent medicines, or some other rubbish. The best firms did not advertise; it was only the firms that had shoddy to dispose of which advertised. He was convinced that newspaper influence in politics was much less than a great many people supposed. At such times as it was necessary to advertise, only the best papers, the papers with the biggest circulation, should be utilised. As for the advertisements published during Fleet week, he thought the policy adopted had been a wholly mistaken one. Presumably the people of Western Australia desired to appear before their American cousins as a cultured race; yet the people, or their representatives the Government, had selected the *Sunday Times* as the paper in which to advertise and send to America. He hoped the fates would defend Western Australia from any further such advertisements. Had the Government sent the *Western Mail*, or perhaps the *Kalgoorlie Argus* to America they would have been sending something of which the people of Western Australia need not have been ashamed.

Mr. Holman: It would be gratifying to hear the Treasurer's explanation as to the reason why he had told the Committee that a certain amount of the money paid had gone for postage.

The TREASURER: As was the usual custom with the hon. member he had attributed to him (the Treasurer) a desire to mislead the House. He (the Treasurer) had simply quoted from the official record of payments made, a return which had been tabled in the House and which, as far as he knew, was absolutely accurate. Guided by this return he had told

the Committee that there was included in the amount paid to the *Sunday Times* an item of £15, representing postage, the contracting paper having undertaken to post a certain number of copies to the leading newspapers in the United States. There was nothing further for him to explain. With regard to the items which the hon. member had been digging out during the tea hour—the items of expenditure by the reception committee—they had nothing whatever to do with the Treasury payments. If the items were correct they represented an expense which, under arrangement, would be borne equally by the State Government and the Federal Government in connection with the reception of the Fleet. Certainly such items could not be included in the State's returns for advertising.

Mr. McDOWALL: Whilst agreeing generally with the remarks which had been made by members in Opposition, he could not see that it was fair to attack a clerk and attempt to cut him out from the Estimates altogether. The Treasurer had told the Committee that Ministers took the responsibility for these advertisements. He (Mr. McDowall) did not intend to be led into recording his vote in a manner in which to him seemed unfair. The strictures passed on the *Mirror* and like newspapers were well deserved, and he thought the House should take into serious consideration this question of advertising. Moreover, if it were necessary to centre the discussion round an advertising clerk, well and good; but he for one could not in fairness vote for the striking out of the item. Even an ordinary business man conducting a business of any magnitude required someone to attend exclusively to the advertising department. Surely then a State of the class of Western Australia might reasonably employ an advertising clerk at £210 per annum. He (Mr. McDowall) was not with the member for Cue when he said that because the Government had directed that certain advertisements should be placed in the *Mirror* a clerk, who was not responsible, should be dismissed for it. Having had considerable experience in advertising, if he had land to sell in several parts of the State, he would not adver-

tise in the *Mirror*, but would advertise in the three leading papers of the State, the *Kalgoorlie Miner*, the *West Australian*, and the *Morning Herald*. A splendid case had been made by the Opposition so far as throwing away money on advertising was concerned, and he hoped it would have good effect; but he would not vote to abolish the office, because the clerk was not responsible for the waste of money, and there was sufficient work to keep him profitably employed, attending to legitimate advertising. Unless somebody was in charge of this work, the result would be chaos.

Mr. HOLMAN: If the Government had not shown half the cost of the advertising during the Fleet week in the return prepared, the latter was not a correct return. The Minister's usual insinuation about "the usual custom of the member for Murchison in making charges that could not be substantiated" was no reply to the charges made. At any rate, it would be his usual custom while in the House.

The Treasurer: The leopard cannot change his spots.

Mr. HOLMAN: That was why the hon. member carried those spots brought on him years ago, and would never lose them, very dark spots indeed. He would adopt the same attitude on every occasion when he saw anything going on in the same slipshod manner as this advertising, buying support in connection with the people of the State. There was no intention to attack the individual administering the department, but this was the only item on the Estimates on which the matter of advertising could be touched. However, Government advertising was paid for at the highest possible rates. No business firm would keep a clerk who paid the highest possible rates for advertising in such an extensive way as the Government advertised. It should be the duty of the clerk to get special concessions for large advertisements. That was the argument the Opposition tried to bring forward. If this clerk with full authority to make the best possible arrangements could not do better than he had done, it was the duty of members

to oppose the item, and so bring about a change in the system.

Amendment put and negatived.

Item, Chief Inspector of Liquor in Licensed Houses, £300:

Mr. HOLMAN: The inspectors of liquor in licensed houses had been doing very fair work, and had been the means of raising a considerable amount of revenue through the prosecution of those who sold adulterated liquor, and had also been the means of raising the quality of the liquor sold, but more inspectors should be put on. It was understood that the revenue derived practically paid the working expenses of the office. The officers did a great deal of work for which they should receive every credit, but more good would be done by improving the quality of liquor sold, than by raising revenue through prosecutions.

The TREASURER: There was no intention of putting on more inspectors. The two inspectors were doing excellent work.

Mr. Horan: They cannot possibly travel through the State.

The TREASURER: The inspectors travelled far afield.

Mr. Heitmann: The Chief Inspector points out that he is undermanned.

The TREASURER: An assistant was appointed last year. It was not intended to build up a huge department. The officers were doing the work well and thoroughly as the figures showed. In 1906 there were 1,227 inspections; last year there were 2,030 inspections. In 1906 there were 141 prosecutions of publicans, and 135 convictions. Last year there were 68 prosecutions and 67 convictions. The fines inflicted in 1906 and costs amounted to £950. Last year they amounted to £600. As a result of the work done by these officers, the quality of liquor sold in public houses in the State was much improved. The officers were thoroughly capable of coping with the business; but if it were found that the samples of liquor were bad and that districts could not be visited because these men were overworked, another inspector would be added. However, he did not think it necessary now.

Mr. HOLMAN: A reduction in prose-

entions did not mean that the quality of liquor sold had improved. Knowing there were only two inspectors, immediately one inspector reached, say Cue, there was always somebody to send telegrams to the other towns in the districts so that the publicans had full opportunity of putting bad liquor where the inspector could not get at it. By having more inspectors and systematic inspections, this could not be done. The best system, of course, would be to extend our State hotels. Then bad liquor would not be dispensed, and there would be considerable revenue to the State. Arrangements should be made for certain police officers to go into licensed houses, take samples of the liquor offered for sale, and send them to Perth for analysis.

Vote put and passed.

Vote—*Audit*, £7,902:

Mr. HOLMAN: Was there not a system in existence whereby Government auditors inspected the books of municipalities and roads boards? Was anything paid for such services by those bodies?

The TREASURER: The only audit done by the Government officials in connection with municipalities and roads boards was concerning Government expenditure. This work was done on behalf of the Treasury; the municipalities had their own auditors.

Vote put and passed.

Vote — *Compassionate Allowances*, £1,521:

Item, P. Hannan (one of the discoverers of Hannans), £100:

Mr. TROY: For several years past Hannan had been paid the sum of £100 for his services in discovering Kalgoorlie, while D. O'Shea, who was also concerned in the discovery of the field, had received a similar amount. When the allowance was first mooted it was desired that Hannan should receive £200 a year, but then it was pointed out that O'Shea had taken a considerable part in the discovery, and it was resolved to divide that sum between the two prospectors. In September last O'Shea died, and it would now be a considerate action on the part of the Government to allow Hannan £200 a year.

Mr. JOHNSON: Representations in the direction indicated by the previous speaker had already been made by him to the Minister for Mines. Parliament originally proposed to give an annuity of £200 to Hannan, but at the instance of Mr. Moran it was decided to divide that sum between Hannan and O'Shea. The Government might now well pay the whole sum to Hannan, who was a particularly deserving prospector, and the pioneer who had discovered the field which practically brought Western Australia into the prominent position it occupied to-day. Hannan made no money out of the discovery. He received a certain sum, but he spent it in trying to discover fresh fields. He was one of the most quiet, unassuming men one could possibly meet, having led an abstemious life, and until recently he was trying to discover other fields. He was one of the party who made a discovery at Higginsville and worked there for a time, but owing to the hardships he had undergone he contracted a complaint that made it impossible for him again to go into the interior. Hannan visited Melbourne in order to try and get relief from his sufferings, but, unfortunately, his complaint became more acute every day, and he was now dependent for a living upon the allowance he received from the State. It must be borne in mind that Hannan, in the ordinary course of events, would not live very long in the enjoyment of the allowance paid him.

The MINISTER FOR MINES: All that had been said by the previous speaker with regard to Hannan was correct, and not one word too much in his favour had been uttered. Most members knew what a respectable man Hannan was and how he had continuously gone out prospecting in the endeavour to find new fields. He had done a great deal of good work, apart from the discovery of Hannans, in prospecting Western Australia. Representations had been made by several members that now that O'Shea was dead the full pension of £200 should be paid to Hannan. In connection with gold discoveries the usual practice had been to grant a fixed sum, but in the present case an annuity was paid. Members

would see that in the case of the late A. Eley—a prospector who lost his life in the North-West—provision was made for the education of his son, while there was a pension of £75 provided for the prospector Saunders, who was the man first to discover gold in the State, and was well and honourably known as one of those who had spent his life in the back country. With regard to the request for the annuity to Hannan to be increased to £200, he would place the matter before the Government for further consideration. The present was hardly an opportune time to bring forward a request of that nature, seeing that every endeavour was being made to cut down expenditure. Members could rest assured that his sympathy was altogether with Hannan, and that although it was questionable whether an increased pension could be granted at present, the claims of the prospector would be put before Cabinet, and before long he hoped to be able to let Hannan know the result.

Item, W. H. Timperley, late R.M. Bunbury, Special Allowance, £46:

Mr. HOLMAN: What amount was Mr. Timperley receiving in addition to this special allowance?

The TREASURER: Mr. Timperley was in receipt of a pension in addition to this sum, but for the moment he could not say what it was. The sum of £46 was granted in recognition of special services prior to 1870 in connection with the police force, and was allowed so that the pension should be calculated on 40 years' service. This amount, if he remembered rightly, was first voted when the hon. member and his colleagues were in charge of the Treasury bench. On looking at the public accounts it was found that Mr. Timperley was in receipt of a pension of £318 7s. 11d.

Item, Mrs. Shenton, widow of the late G. F. Shenton, Public Works Department, £600:

Mr. TROY: With regard to this compassionate allowance he presumed that Mrs. Shenton was the widow of the gentleman who was killed on the North-West coast. Would this amount be an annual one?

The Treasurer: No; it was a compassionate allowance.

Mr. TROY: While he supported the Government whenever they voted a compassionate allowance to the relatives of officers who had been killed, he was inclined to think that in this case unusual generosity had been shown in comparison with allowances made in other cases. Would the Treasurer tell the Committee how long this officer was in the service, and whether as the result of the accident any compensation other than the amount on the Estimates was paid?

The TREASURER: Most hon. members who knew this young fellow, the son of Mr. Edward Shenton, were aware that he started as a cadet in the service and at the time of his death was about 28 years of age. He was in the service for 12 or 14 years and became one of the engineering staff of the Public Works Department. His death was one of the saddest cases known. He was a most promising officer, with plenty of ability and energy. Unfortunately too he was killed only six months after his marriage. While erecting a crane on a jetty the crane fell on him and killed him. The Government thought the least they could do would be to give an amount which was equal to two years' salary. No other compensation had been paid.

Vote put and passed.

Vote — *Government Savings Bank*, £14,806:

Mr. HOLMAN: Would he be in order in asking for information in connection with a loan from the Savings Bank?

The CHAIRMAN: The hon. member would be in order.

Mr. HOLMAN: It was his desire to touch on the question of the loan granted to Mr. Pat. Stone. The Treasurer promised to bring up the papers, but they were not yet before the Committee. The question was one that should be ventilated. A loan was made to Mr. Stone on a certain block of land, the estimated value of which was £500. It was found that the block was rated by the roads board at £30, and a loan of £1,500 was advanced on it. The annual value of the whole 100 acres of which this block formed a part was set

down by the roads board at £50. What system of inspection was carried out when loans were made, was what he desired to know. Other experiences should have taught us to be more careful in dealing with loans in connection with this institution. He had asked who was the Government valuator at that time. The person who had made the valuation of this block of land, the owner of which was alleged to have paid £60 for it, valued it at £500.

Mr. Draper: When was it bought?

Mr. HOLMAN: Not long ago; perhaps a year or two. The same block of ground was offered at one time, in 1904 or 1905, to the Government for about £10 an acre, and there were 100 acres of it. In the first place the block in question was sold for about £30. He was not speaking from authentic information, but his figures were practically correct. Mr. Stone paid £60 for this land. Mr. Earle who valued the land was, he believed, a bookkeeper for Mr. Stone when he made the valuation.

Mr. Troy: This man had been out of Mr. Stone's employment for two or three years.

Mr. HOLMAN: He had at any rate done some work as a bookkeeper for Mr. Stone. But what he desired to know was why such matters did not receive more careful consideration. Even before the foundations of the building were laid £400 was advanced.

The Treasurer: Oh no.

Mr. HOLMAN: To his mind it was a very poor way of doing business. When a little money was spent on the property, and even before the building was completed, Mr. Stone got out of the property and secured a considerable sum of money from it. He did not altogether blame Mr. Stone, but he did blame the Government officials and the persons in charge of the department for not seeing that a more careful valuation was made when advancing the people's money. Had the parties who purchased the building not secured a licence for it, he was satisfied that the Government who advanced £1,500 on it could not have got £500 for the structure. It certainly cost £2,000, but a considerable portion of that money was spent after Mr. Stone got rid of the property. The

information which had been supplied to him (Mr. Holman) had been sent down by a man who lived in the district and it was declared that without the hotel business it would have been quite impossible to realise more than £500 on the building. And when the money was advanced there was no licence obtained, and there was no certainty of getting a licence at the time.

The Treasurer: A provisional licence had been granted.

Mr. HOLMAN: His desire was to speak accurately on the matter and he did not want to do anybody an injury.

The Treasurer: The hon. member could bring the matter up again at a later stage.

Mr. HOLMAN: He would take that opportunity, but in the meantime he would ask whether it was wise for the Government to advance £1,500 on the security of a block of land worth about £60 or £100 at the outside and in the face of the licence not having been granted for the building which was being erected. Surely it was too great a risk to take, to advance money on such terms. Greater care should be taken before such advances were made. Such matters left a nasty taste in the mouths of the people of the State. He was doubtful whether, if any individual outside the House had made such an application the proposition would have been considered for one moment. He had no desire to say anything that could be taken personally by Mr. Stone, or anyone else. His object was merely to impress upon the Treasurer the necessity of safeguarding the funds of the State, and of treating all applicants for advances alike, whether they were members of Parliament or private individuals.

The Treasurer: There was only one mistake made by the member for Murchison—his premises were wrong to start with. Mr. Stone had received precisely the same treatment that would have been accorded to any outside applicant. The member for Murchison had a motion on the Notice Paper for the tabling of the papers in connection with these advances. Without waiting for those papers to be tabled he could see them at any time he might call at the office. On making the application for that advance Mr. Stone had showed that he had a

very good property at Walkaway, and that he had a provisional licence for a hotel, on the construction of which he proposed to expend £2,000. The building was certified to cost this amount, while the land had been valued at £500, making a total of £2,500 on which Mr. Stone secured an advance of £1,500. Before he agreed to make the advance he (the Treasurer) had instituted inquiries, as a result of which he learned that it had been the custom to make these advances against buildings in the course of construction; or at all events that such advances had been made on one or two occasions. He believed that Mr. Stone had had a similar advance made some years before on a building he was then erecting. Before agreeing to make the advance he (the Treasurer) had submitted the matter to the Crown Law authorities by whom he was informed that the transaction would be perfectly legal.

Mr. Collier: Did not the Solicitor-General advise against it?

The TREASURER: The Solicitor-General had said that it would be inadvisable to make such an advance; at the same time he had declared to its perfect legality. He (the Treasurer) decided that it would be quite safe to make the advance so long as it was properly safeguarded. The payments were only to be made against work actually done. Then the question of valuation had cropped up. The valuation of £500 was one made by Mr. Earle. He (the Treasurer) had written a minute instructing that this valuation must be endorsed by Mr. Victor, the Perth valuator. A reply had come back from the Under-Secretary intimating that Mr. Earle had already valued for the Government on property in that district, and that it would be an expensive matter to send Mr. Victor up. On receipt of this minute he (the Treasurer) had naturally accepted Mr. Earle's valuation, and the transaction was carried through. It might be that, as the member for Murchison had said, the land was over-valued; at any rate the security was ample. In addition to the land and building the department had Mr. Stone himself as security. The Treasury had not taken very much risk in the transac-

tion, even admitting that possibly the department had been misled as to the value of the site. According to the member for Murchison himself Mr. Stone had since been able to sell out at a considerable profit.

Mr. Nanson: You advanced on the strength of the licence.

The TREASURER: The licence had been a factor in the transaction. A flour milling building was not of much worth except it were used for the purposes of flour milling; so too with a brewery, except it were used for the purpose of a brewery the building was not of much value.

Mr. Draper: The licence could only have been a provisional one.

The TREASURER: Even a provisional licence was worth something. The member for Murchison had shown that the property had since changed hands at a very considerable profit to the seller. An inspection of the papers would show that the transaction had been one perfectly clear and above board. No exception whatever could be taken to the transaction; it was a safe and profitable investment for the Treasury. Indeed, very few of the advances made by the Savings Bank had turned out at all risky.

Mr. COLLIER: The explanation of the Treasurer showed that the Treasury had been travelling over very dangerous ground; it disclosed the fact that Mr. Stone's own valuation had been accepted.

The Treasurer: No, Mr. Earle's valuation.

Mr. COLLIER: After all it had been Mr. Stone's valuation, for Mr. Earle had acted as Mr. Stone's valuator. He (Mr. Collier) would accept Mr. Earle's valuation in regard to any other property, but seeing that he had already valued this property for Mr. Stone his valuation should not have been accepted by the Government without endorsement. The Treasurer would hardly accept without verification his (Mr. Collier's) valuation of a property on which he (Mr. Collier) desired an advance. In this case Mr. Earle, although a Government valuator was also Mr. Stone's valuator. Indeed, prior to this Mr. Earle had been in the

employ of Mr. Stone. Yet the Treasurer had accepted Mr. Earle's valuation for no better reason than that it would be expensive to send up a special officer. Had it been plain John Brown or Jim Smith instead of Mr. Stone, M.L.A., the valuation would not have been accepted. The Treasurer had stated that it was customary to make advances of this kind on hotels in course of construction.

The Treasurer: I did not say that.

Mr. COLLIER: The Treasurer had said that it was customary to make advances of this kind, which amounted to the same thing. It could be learned from the report of the Auditor-General that this practice of lending money for the purpose of erecting hotels was not approved of; and the Solicitor-General, while admitting the legality of the transaction had expressed the opinion that it would be inadvisable to carry it through. Hotel property was not generally considered good security at all. Certainly a provisional licence had been granted for this particular hotel; but that was no guarantee that the general licence would ever be issued. In any case the hotel might have been deprived of its licence at any time; where then would be the security of the Treasurer? The property had been valued by the roads board at £30; Mr. Stone himself had paid only £60 for it, and had then gone to the Treasury and valued the land at £500.

The Treasurer: How do you know he paid only £60?

Mr. COLLIER: It had been authoritatively said that Mr. Stone had paid only £60 and he (Mr. Collier) was satisfied that the information was correct. Certainly the roads board had valued it at £30. The Treasurer himself would not deny that. Yet Mr. Stone had been able to secure an advance of £1,500 from the Savings Bank on the score that he intended to erect on this land a building valued at £2,000. If the Treasurer proceeded on these lines, he would make some bad deals. It would be difficult for any individual other than a member of Parliament to secure this advantage.

The MINISTER FOR WORKS: There was at Walkaway a hotel owned by

Mr. Stone that the licensing bench had ordered to be re-built, and Mr. Stone obtained a provisional licence for a new building, so that it was merely a transfer of the licence from the old building to the new. In view of the fact that Mr. Earle held from the Government his licence to value, the means whereby he gained his livelihood, it was of the utmost importance that in any dealings in which the Government were concerned his valuation should be fair and reasonable; otherwise, assuming the facts were as stated by the Opposition, his licence to value would be cancelled. In a matter like this the Treasurer could only act on the advice of his responsible officers who were continually dealing with these transactions. If financial institutions refused to advance on buildings in course of construction, there would be very little money loaned on property. It was an every day transaction, and if Mr. Stone had been a private individual, instead of a member of Parliament, there would not have been a single word said about the matter; but there was always a tendency, especially on the Opposition side of the House, to look for "the nigger in the fence." From his experience, those who were always capable of suspicions of this description, would be capable of improper actions themselves.

Mr. HOLMAN: That was a characteristic remark from the hon. member. The information had been asked for in a proper manner, and inferring that the Opposition were doing wrong, was despicable on the part of the Minister. Members were perfectly justified. The whole hundred acres of which the portion on which the hotel was built formed part, was valued at only £50. The Solicitor General in reply to the Auditor General had forwarded the following minute in regard to the matter:—

"So long as the amount advanced for the time being does not exceed three-fifths of the valuation of a person nominated by the Treasurer. I am not prepared to advise that it would be unlawful to entertain a proposal for an advance on the security of land and buildings to be erected thereon to be made in instalments as the buildings

progress; but as dependence would have to be placed on the borrower to provide a portion of the funds required to complete the buildings from other sources, and in case of default the statutory limitation as to the amount to be advanced would prohibit the Treasurer from supplementing the advance, the Treasurer would, in my opinion, be ill-advised to advance against a security of that kind."

What minute would the Solicitor General have written, if he had been informed that the value of the land was only £30 instead of £500? He (Mr. Holman) still maintained that no one outside of the House would have secured the same good terms. Just previous to this loan, there was no man more active against the Government than Mr. Stone, but afterwards he came forward and moved the gag on every occasion. Members were justified in asking for this information, yet when they did so in order to try to prevent things like this occurring again, they were accused of seeing "a nigger in the fence." One could see where a man who was a partner in a laundry had been, it was believed, appointed a hydraulic engineer; that was "a nigger in the fence." There was no existing licence for this particular block of land, the licence was for premises on the opposite corner, and it was understood that one of the reasons why this block was bought was because terms could not be made with the lessee in occupation of the existing premises. There was a great deal more information in his (Mr. Holman's) possession, and he would have been stronger in his remarks if Mr. Stone had been in the Chamber with opportunity to defend himself. The only desire now was to impress on the Treasurer that what was fish for the goose should be fish for the gander, and he used the word "fish" purposely, because this transaction was so highly flavoured.

Mr. DRAPER: With every desire to be fair, and with no desire to make any insinuations against any member of the Government or of the House, he thought this was rather a hasty way of discussing a matter of this kind. When we were dealing with the investment of moneys placed in the Savings Bank by the peo-

ple of the State, surely members had the right to see that the provisions of the statute governing the investment of those funds were carried out, and the right to criticise. Property unimproved of the value of say, £100, was offered to the Government as security for a loan of £1,500. No doubt a provisional licence had been obtained, and it was intended to build a hotel on the block. It was true the applicant had other premises across the road holding a licence, but those premises and the licence were not giving a security for the loan nor were they mentioned in the application. A valuation was made by Mr. Stone's valuator, and not by the Government valuator. On receiving that valuation the Treasurer at first thought he should have another valuation made. It was a pity that intention was not carried out, because anyone knew that accepting the valuation made by a person employed by the one desirous of getting the loan was a somewhat risky proceeding. No doubt, unintentionally sometimes, people placed higher values on their property than they should. In this case the Treasurer accepted the valuation given by Mr. Earle instead of having an independent valuer as required by the Act. The Act also provided that advances must not be made to more than three-fifths of the value of the property, but the only property at that time was this block of land worth say, £100. Quite true, if a hotel was erected on the land the property would be worth considerably more, but it was obvious there was at the time nothing like the margin required by the Act. Again, the Government placed themselves entirely in a false position. The real security for the loan was not in the building or the land, but in the licence, and if the licensing bench at a later date had refused a licence it would have been interesting to see the comments sent by the Crown Law Department or some other department to the licensing magistrates. At all events, where funds of the Savings Bank were invested, it was due to the depositors to see that the requirements of the Act regarding investments were strictly adhered to. Mention was made of the fact that advances should not be made for the pur-

poses of building, but that was an every day transaction.

Mr. Hopkins: Hear, hear.

Mr. DRAPER: It was done in a very simple way, and if carried out with due precaution there was little risk, because advances could be made from time to time upon the progress certificates of the supervising architect. There was little to be said upon that part of the question, but one must complain that the advance was made upon the valuation of the agent of the applicant, and that no care was taken to see that the margin required by the Act was not exceeded.

The TREASURER: The hon. member had said he desired to be fair and yet went on to put two aspects of the case before the Committee which were absolutely erroneous. First he said the Act stipulated that the valuation must be made by a valuer appointed by the Treasurer. The answer to that was that as soon as he, as Treasurer, appointed Earle, that gentleman became the Government valuer for that particular property. Then the member said the margin of advance had been exceeded, at the same time implying that a three-fifths advance of the value was made before the building was erected, and yet immediately afterwards he said it was proper to make advances when a building was in course of erection. The Treasurer had absolute power to appoint any valuer he liked and to accept any valuation. Mr. Victor was the Government valuer, and frequently applications for advances were sent in accompanied by Mr. Victor's valuation. The client knew that Mr. Victor was the Government valuer and went to him direct before applying for the advance, obtained his valuation, and then submitted both together to the Treasurer. The fees had to be paid in any event by the applicant, and time was saved by attaching to the application Mr. Victor's valuation, and it also effected the purpose of enabling the applicant, if he did not get the advance from the Treasury, to send in an application immediately to some other institution. It did not worry him at all whether the valuation by Mr. Victor was obtained before the application was sent in or afterwards. It was not to be suggested for one moment that

the Government valuer would be swayed in the slightest by the fact that the applicant had come to him and obtained a valuation before he had sent in his application for the advance. In the case in question the valuation of Mr. Earle came in. He was not aware that Mr. Earle had previously valued for the Government, so he said he could not accept it, as a valuation must be obtained from a Government valuer. The minute was returned stating that Mr. Earle had previously valued for the Government, and under those circumstances he accepted the valuation. If he thought that Mr. Earle had given the value of the land at £500 whereas the real value was not more than £100, that gentleman would not receive further work from the Treasury so long as he was there.

Mr. Taylor: It is a fact, is it not, that the land which was valued at £500 is not worth more than £100?

The TREASURER: would not say that. If that were a fact and he could take away Mr. Earle's licence he would do so. He had to depend upon the valuation sent in. The valuer had been previously trusted to value property and, therefore, he was justified in accepting the valuation on another occasion. Supposing the property was worth £100 and the building was worth £2,000, then the applicant would be entitled to ask for a loan of £1,250. None of the money was received before a start was made with the building.

Mr. Holman: He got £500 before the foundations were built.

The TREASURER: That was not correct.

Mr. Holman: On the 15th December he was granted £500, and he received another £400 on the 23rd January.

The TREASURER: It could easily happen that the work done between those dates would be sufficient to warrant the advance being made. No advance was made in such cases except on the architect's certificate. The papers showed that the transaction was perfectly clear, and although he would admit the correctness of the member's contention that there was some risk in an advance of that kind if everything failed, still there was always some risk, and the lender had to take into consideration the stability of the borrower.

If the lender knew that the borrower was well worth the money he would perhaps not be quite so stringent as if he had to depend entirely upon the property for security. The Act had been obeyed in its entirety.

Mr. McDOWALL: The discussion on the item had shown that the transaction was not properly carried out. Indisputably the borrower appointed his own valuer. What was meant by the Government valuer? Did that simply mean a sworn valuer under the Transfer of Land Act? Anyone who had had experience in business of that description knew the mode of procedure. In Melbourne during the land boom he had extensive business in matters of that kind, and the mode of procedure was to put in an application for money, submitting the security to the Government or the institution, who would then appoint their own valuer. The necessary fee was paid by the applicant, and an estimate was made of the value of the security. In accordance with the value of that security so did the institution either lend or refuse to lend the money. It was evident that the advance was only made up to the figure borrowed by inflating the value of the land. This inflated value was put down at £500 and the value of the building at £2,000; therefore, on those figures the applicant would be entitled to borrow £1,500. It was evident that the land was not worth £500, consequently the Act was not properly complied with. If the business of the Savings Bank or any financial institution was to be carried out in a manner like that, losses of considerable magnitude must eventually take place. Evidently the valuation was submitted with the application. Personally, he would like when borrowing money to be able to always choose his own valuer, for if so, he would have some pretty good transactions. The Treasurer had said that one had to look at the stability of the borrower quite independently from the security. So far as a public institution was concerned that was an erroneous idea. It was all very well for a private individual who had money to lend to look at the stability of the borrower, but in a public institution where it was provided that money should be lent upon the value of

the security, such an aspect of the case should not be considered. It had been clearly shown that the business of the bank was not conducted on a sound financial basis.

Mr. ANGWIN: As to the question of advancing money for the purpose of building hotels, it appeared that in this case the money was granted especially on the intention of the licensing court to grant the licence in the event of the hotel being constructed in a proper manner. It appeared to him if the Government had launched out in lending money wholesale on hotels through the State, there seemed to be reason for delaying the introduction of the local option Bill. It must be that the securities which the Government held were so numerous that if this Bill came into force those securities would entirely vanish. His hope was that that was not so; but it would be interesting to members if the Treasurer could tell them how many hotels throughout the State the Government had advanced money on; how many hotels they held securities over, and what interest they held in the liquor traffic.

The TREASURER: It was not possible to tell the hon. member off-hand, but he did not think that many advances had been made on hotels.

Mr. WALKER: From what the Treasurer had stated very little money had been advanced on hotels.

The Treasurer: Not much has been advanced.

Mr. WALKER: The present instance was more or less an exception?

The Treasurer: The hon. member is not going to try and draw me into making a statement.

Mr. WALKER: Then there was the statement of the Treasurer that in advancing to borrowers there was the element of personal character, and knowledge of the man, to be considered, independent of the security he offered for the loan. What he would like to know was how many there were in this exceedingly fortunate position. Doubtless Mr. Stone had been a fortunate business man, but how many were there similarly situated and to whom the Government had advanced loans? It would be interesting

to have a return of that kind. While personal character he admitted was an element of security, some men might not have a penny of assets, but who by their integrity and business capacity might be perfectly trustworthy, and it might be safe for people to give them a loan knowing well it would be redeemed in the course of time. How many were there who could go to the Savings Bank and ask for a loan under such circumstances? There were scores and hundreds in the State whose character stood high, whose integrity was much trusted, and who in fact had no black marks against their names, and yet if they went to the Savings Bank and offered the security that Mr. Stone offered, they would be politely told that the Government was not doing business. Who had had advances made beyond the value of their securities?

The Treasurer: No such advances have been made.

MR. WALKER: But the present was one of the kind.

The Treasurer: No.

MR. WALKER: It showed that if Mr. Stone had not been what he was, the loan would not have been advanced.

The Treasurer: No.

MR. WALKER: The Treasurer had gone to the trouble of stating that there were other elements.

THE TREASURER: The hon. member was misrepresenting what had been stated. In answer to an argument used by the member for Murchison and the member for West Perth that if this building had not been given a licence, what would the Bank have recovered on, as the value would not have been there; he replied that there was the man behind also, and he was a man who was well known. That was what he had said. The advance was not one beyond the value which had been set forth.

MR. WALKER: The explanation had not aided the Treasurer at all. There were none so blind as those who would not see. The argument had been adduced that if the hotel did not get a licence the value would go down and the Government would not have the security that should be demanded by the amount of the

loan. But the Treasurer said, taking that risk into consideration and the risk suggested by the member for East Fremantle, that if local option came in to-morrow and destroyed the licence, he would take in the man behind it. The ultimate security therefore would be Pat. Stone. That was the argument of the Treasurer. It was a clear admission that they knew the applicant for the loan, and knowing him they could discount the risk of the licence and the risk of anything else and say, "We lent on the personal word and personal integrity of the applicant." That was not sound business. It should not be encouraged, and there should be more caution exercised in the treatment of members of Parliament in their applications for even business favours than was exercised among ordinary citizens, for the purpose of preserving the good name of honest, upright government in the State. It would be far better to let members of Parliament be under a disadvantage than to have the escutcheon soiled in any form whatever. There could be no denying the fact that this transaction had immensely soiled the reputation of the State. It was known outside that the loan was granted altogether irrespective of the security. It was the duty of hon. members to speak out in order that these things might not occur again in the future. A member of Parliament should have no favours shown him. In this instance it looked as though favour had been exercised.

MR. TROY: It was desirable that country depositors in the Savings Bank should be accorded the same facilities as were enjoyed by the depositors in the City. He had had some correspondence with the Treasury on this subject. Country depositors had to give notice of their intention of withdrawing. They ought to be allowed to withdraw in the same manner as city depositors could do.

The Treasurer: So they can.

MR. TROY: The country depositors had to wait 24 hours. A promise had been made by the department that the more convenient system would be introduced in respect of the country depositors.

The Treasurer: I think it does obtain.

Mr. TROY: In reply to a communication which he had recently sent to the department he had been told that the Treasurer intended shortly to make a provision that would place the country depositors on the same footing as those in the city. The matter was of considerable importance to country depositors, and he hoped the Treasurer would carry out his intention in that respect.

Vote put and passed.

Vote—Government Stores, £9,033:

Mr. O'LOGHLEN: It had been credibly stated that owing to the action of the Government in favouring one particular firm other storekeepers in the Denmark and Jarrahwood districts where public works were under construction, were unable to compete with that firm in the matter of stores. So well had that particular firm been treated at the hands of the Government that monopolies had been set up in those centres. He had no wish to drag in the question of that firm being supporters of the Government. If the system of favouring one firm against another could not be otherwise overcome, it would be better for the Government to run stores themselves. The Truck Act had been introduced to prevent collusion between employer and employee, but as hon. members knew, the Truck Act in Western Australia was a dead letter. He had raised the question in the hopes of getting from the Treasurer an assurance that no special favours would be shown to this particular firm.

Hon. F. H. PIESSE: Was this a discussion in connection with the stores of the State? It seemed rather to be in connection with the stores of private individuals.

The CHAIRMAN: The member for Forrest was distinctly out of order in bringing forward the question at that juncture. However, it seemed to him (the Chairman) that as the member was new to the forms of the House, and as he had been making but a few brief remarks, it would be only fair to allow him to conclude. Just the same, the discus-

sion was entirely irrelevant to the vote before the House.

The TREASURER: Notwithstanding that the hon. member had been out of order, if he would supply him (the Treasurer) with the specific information he appeared to be possessed of the matter would be inquired into. He (the Treasurer) knew of no such condition of affairs as was pointed to by the hon. member.

Mr. ANGWIN: The question of Government stores would bear some explanation from the Treasurer. When the last Estimates had been before the Committee the Treasurer had spoken of the saving to be effected by reverting to a system of general Government stores. A board had been appointed for the express purpose of going into that question. That board had condemned the stores situated at Fremantle. He (Mr. Angwin) had then pointed out that the statements made by the board should not, for certain reasons he had given, carry weight with the Committee. The Treasurer had said that under the system suggested by the board and recommended by the Public Service Commissioner a saving of £2,500 would be effected in salaries alone; in addition to which a very large indirect saving could be anticipated. Now it would seem that the savings for the year were estimated to be not £2,500, but £335.

The Treasurer: The system is not yet fully established. You must give it time; you still have the stores at North Fremantle.

Mr. ANGWIN: Only the bulk store remained at North Fremantle, the office having been removed to Perth. Twelve months had been spent in the establishing of this new system, and now the Treasurer said time must be given. In his (Mr. Angwin's) opinion, it showed conclusively that the recommendations of the board, and of the Public Service Commissioner had not been worth the paper they were written on. So far back as 1896 an officer had been sent to the other States for the express purpose of making inquiries into the management of the Stores Department. That officer, who was now the Public Service Commissioner, had pointed out in his report that the

knowledge gained had convinced him that a great saving could be effected if the stores were centrally situated at Perth and placed under one manager. It was now found that these recommendations had not borne fruit. The salary of the manager had been increased, and so also that of the inspector. It was seen too that it was intended to pay the Tender Board, which consisted of officers of the department, fees for attending meetings. It all went to show that this was one of the departments where the pruning knife could be used. When the time came, he would move to reduce the vote by the amount which they had been told would be saved by the introduction of the new system.

The TREASURER : It was to be hoped the hon. member would not be so drastic as to move to reduce the vote by £2,500. Although the hon. member could not see the full advantage in connection with the alteration in the stores branch, it was there, and as soon as the alteration was made in its entirety the full estimated saving would be effected. The complete scheme as set out in the report of the board of inquiry, and recommended by the Commissioner, had not yet been carried into effect. It was true that a stores' manager had been appointed, together with a secretary, but the old Board was still in existence. Moreover, the officers were in a temporary building for which rent was being paid. Even in face of these disabilities, the arrangement was showing a considerable saving as compared with the old system. As yet only a decrease of £335 was shown, but it was to be taken into consideration that there had been very much more saved than was apparent by these figures. For instance, there was the item of £513 for salaries of officers who were still in the employ—officers who would ultimately be transferred to other departments or dispensed with altogether. Then there was the item of £500 for the extra amount of advertising, printing, etc., in connection with the stores contracts. Again, there was a considerable amount included in the incidentals, which would not appear next year. There was an estimated incidental expenditure of £200 in connection

with the stores branch of the Public Works Department for last year included in the item of £708, which was covered by this vote. These made a saving of £1,548. We had also to consider that there would be certain fees amounting to £263 to be paid to the members of the Tender Board when appointed. These Estimates represented a saving of £1,800 on the old system, and when the central stores were established in the near future, though the bulk stores would remain at Fremantle for railway material and coal, there would be the full saving set forth in the inquiry board's estimate, namely £2,500 per annum. The Tender Board was to be established under the scheme almost directly, and would carry on in the present temporary building until we could erect a suitable building with a river frontage at the foot of William-street. It was intended to provide £4,000 on the Loan Estimates for a building which would, for all time, accommodate the department.

Mr. Angwin : You have offices already at Fremantle; why not use those?

The TREASURER : They were not central enough. The saving by establishing offices in Perth would be enormous. There would not only be the supervision of stores imported by the various departments but also supervision of stores supplied by the different merchants in the State, a supervision that had never been exercised in the past, the goods having been despatched direct from the merchants to the departments.

Mr. Angwin : That is done now.

Mr. Johnson : Are you going to bring the goods up by water?

The TREASURER : Some by water and some by rail. The heavy material must lie at Fremantle, such as coal.

Mr. Johnson : That is now going to Midland Junction.

The TREASURER : Assurance was given only yesterday by the Stores Manager that there was any quantity of coal within the fence at North Fremantle, and that it was replaced as it was used. The stores for the working railways might be being removed to Midland Junction, but material belonging to other departments must remain in the existing stores until

the new store was established, and then North Fremantle would become a bulk store. Any member who had carefully read the report of the inquiry board, which was adopted and strongly recommended by the Public Service Commissioner, must be of opinion that it was a move in the right direction. When the system was in working order there would be the saving estimated, and it would be of great benefit to the different departments.

Mr. ANGWIN: The Minister had evidently been led astray by the Stores Manager. That officer had nothing to do with railway stores. The railway coal was gradually being removed from North Fremantle to Midland Junction. There could be no saving in tearing down or leaving idle one building with ample accommodation sufficient to carry all the stores of the departments, and building new premises to have them centralised in Perth. These Estimates showed that it was impossible to carry out the recommendations of the board. What the Treasurer claimed as savings were the indirect savings the Minister had mentioned last year as additional to the estimated saving of £2,500. Why should we pay rent for premises while existing buildings remained idle? He (Mr. Angwin) was still of the opinion he expressed twelve months ago, that the board's report was incorrect, and that it was the neglect of the officers that had caused the deterioration of the stores at North Fremantle. By means of the telephone system the stores could be as easily managed at North Fremantle as in Perth a quarter of a mile from other departments. It must not be lost sight of that owing to the development of the North-West there would be a great deal of shipping necessary in connection with the Government stores, perhaps as much as railage; also in regard to ralling stores, it was just as easy to send material from Fremantle as from Perth; because as a rule the merchants had their bulk stores at Fremantle, and it was just as easy for them to send their samples to stores at Fremantle as to central stores in Perth. The Treasurer should reconsider the question. If he went into the investigations made

by Mr. Gardiner he would find that what actuated Mr. Gardiner at that time would also actuate him now in altering a condition of affairs which meant increased expenditure immediately on new buildings. Members of the Tender Board who were officers of the various departments drawing high salaries, attended to the work of the board in office hours, yet it was proposed to spend £263 in fees.

[Mr. Taylor took the Chair.]

Item, Stores manager, £420 :

Mr. ANGWIN moved—

That the item be reduced by £12.

The Commissioner had classified the position at £405, and no increase in salary should be given to the officer at the present time, considering the financial position and the treatment being meted out to officials of the Education Department and elsewhere.

The TREASURER: This was a new appointment altogether and was not the same position as that appearing on last year's Estimates. Applications were called for the position, and Mr. Simpson was appointed. The officer was appointed at a salary of £420 at the latter end of last year.

Mr. Collier: He is past the minimum now.

The TREASURER: The position was classified by the Commissioner, when he called for applications, at £420. The classification referred to by the hon. member was that for the position appearing on last year's Estimates, which was different altogether. The same remarks applied to the classification of inspector and secretary in this department, which was newly made when the applications for the positions were called for.

Mr. BROWN: This item showed an increase and he would support the attempt to reduce it. He intended to oppose every increase in salary throughout the Estimates, and this was one among the number.

The TREASURER: There was not an increase in this item. The appointment was a new one altogether, and one made in accordance with the new stores scheme approved of by Parliament last year. The official was now Stores

manager, whereas previously he was but the storekeeper of the Public Works Department. In connection with his duties now he also had to perform those of secretary of the Tender and Supply Board.

Mr. Brown : He should never have been appointed.

The TREASURER : Mr. Simpson was a thoroughly good man, and the member for Perth should not make such a statement.

Mr. Brown : It was a case of favouritism all the same.

The TREASURER : Mr. Simpson had done excellent work in the department for a number of years.

Mr. JOHNSON : Strong exception should be taken to the remarks of the member for Perth. When in office he had come in contact with Mr. Simpson and found him to be one of the brightest men in the public service. When he heard that the officer had been appointed general stores manager and that it was intended to concentrate all the stores in one branch—a very desirable and necessary and economical course to adopt—his estimation of the Public Service Commissioner became much higher than it had been formerly. Mr. Simpson was the right man in the right place.

Mr. Brown : That is your opinion.

Mr. JOHNSON : Yes, and his experience was better than that of the member for Perth, for although he had not a very lengthy experience when in office of Mr. Simpson he had sufficient to recognise his ability, and certainly had much more knowledge on the question than the member for Perth. The Government and the Public Service Commissioner had agreed that it was possible to bring about certain economies by concentrating all the stores under one head.

Mr. O'Loughlen : Have economies resulted yet ?

Mr. JOHNSON : The new scheme had not yet been put into actual operation. In all large undertakings the best way to bring about economy was to have concentration. Take the water supplies for an example. Thousands of pounds a year were wasted because there was decentralisation in administration ; there was one

branch at Fremantle, another at Claremont, another at Perth, and yet another on the goldfields, and each one had a chief clerk, accountant and innumerable other officers. The only way to economise on a large scale was by centralisation and to make one central office wherever possible. Centralisation in certain directions was undesirable but not in a case such as this.

Mr. Bath : When is the economy to come ?

Mr. JOHNSON : When the stores were concentrated under one building. It had been decided to erect a building in William-street on Government land ; the position was a central and good one. After the building was completed stores now in various parts of the metropolitan area would be concentrated. With the decision to concentrate the stores it was necessary to have a stores manager ; applications were called for and various persons applied for the position, with the result that the Public Service Commissioner selected Mr. Simpson. There being an increase in responsibility it was decided to increase the salary, and this increase was provided on the Estimates now under discussion. It was not an increase for the officer but an increase for the office ; it was altogether different from the item appearing on last year's Estimates. The Committee would not be justified in reducing the amount. He desired to congratulate the Government on adopting the suggestion of the Public Service Commissioner to concentrate the stores, and to congratulate the Commissioner on securing the services of a very competent officer.

Mr. BATH : As far as the whole of the Estimates were concerned there would be nothing standing in the way of any one of the departmental staffs of Western Australia going straight to heaven when the time arrived without any sin whatever recorded against him. If the Opposition criticised them the Government replied that they were all right ; the officers were absolutely the very acme of perfection. If the Government did not praise them there was bound to be some member of the Opposition who would say they were all that could be

desired. Therefore there was nothing to worry about. He was still convinced however that there was plenty of room for improvement in the ranks of the civil service of Western Australia, and whatever might be the capacity of these gentlemen, in view of the attitude adopted towards men who were not receiving a fourth of the salary paid in the case under review, the amendment was one which should be supported by the Committee, seeing that £408 seemed to be a fair salary for the position.

The TREASURER : The position had been classified by the Public Service Commissioner and it was advertised at £420 to commence with. Mr. Simpson applied for it. He was receiving £400 and in accordance with custom the Commissioner took into consideration the salary that the officer was receiving at the time that he applied for the appointment and he fixed the salary at £420 rising up to a maximum of £450. Mr. Simpson received the appointment in February, 1908. Supposing the Committee reduced the vote by £20 what claim would Mr. Simpson have against the Government ?

Mr. Jacoby : None at all if the Committee reduced the vote.

The TREASURER : In his opinion Mr. Simpson would have a very strong claim against the Government. Under the Act if the appointment was approved by the Governor-in-Council it became practically a contract ; at any rate it would be unwise and unfair to reduce the item. This gentleman was an excellent officer and had a splendid record in the service of the State. Surely the Committee were not going to dishearten a man for a paltry £20 when he was appointed to the position and selected from many applicants. This gentleman would make a saving of £2,500, which the member for East Fremantle seemed to doubt. In these Estimates, although the figures did not show more than £325 saving, the actual saving this year would be something like £1,800.

Mr. ANGWIN : While admitting all that had been said about Mr. Simpson he wished to point out that the Treasurer, while keeping a man who had been earn-

ing a salary of £408 from getting a further increase of £12, and, according to the Treasurer, disheartening him, there was the poor school teacher who was banished to the bush and was earning only £100 a year.

The Treasurer : Where is he ?

Mr. ANGWIN : It would be wise before the Treasurer's estimates were finished to produce the Treasurer's reply to the deputation of school teachers to remind him of his own statement that the financial condition of the State was such that it was impossible to grant increases which he admitted they were entitled to. It was not the amount he was complaining about, it was whether officers holding high positions should have their salaries increased at the present juncture. From the report of the Public Service Commissioner only one conclusion could be formed, namely that at the start of this work the Public Service Commissioner had been of opinion that £405 was a sufficient salary. But because the officer appointed had been previously earning £400, the Treasurer had said that in the making of the appointment that officer's previous salary had been taken into consideration. He (Mr. Angwin) might ask had that same system been followed in respect of the appointment of the chief electoral officer whose salary was fixed at a lesser amount than that received by the inspector of rolls ?

Amendment put and negatived.

Item, Tender Board fees, £263 :

Mr. ANGWIN : It was scarcely necessary to remind hon. members that the Tender Board consisted of officers of departments, who attended to their duties in connection with the Tender Board during office hours. That being so, it was, in his (Mr. Angwin's) opinion, unnecessary to pay the board any fees, seeing that the members of that board were merely carrying out the duties for which they were already being paid. For that reason he moved :—

That the item be struck out.

The TREASURER : The hon. member was quite wrong in his impression in regard to the Tender Board. These officers could not attend to the business of the

board during office hours. They had to hold their meetings in the evenings.

Mr. Anquin: They used to meet every Tuesday afternoon.

The TREASURER: Under the old system the board had met in the afternoons, but under the new system they had to meet in the evenings. The board consisted of permanent heads of departments, each of whom had a deputy. The members of the board were the Engineer-in-Chief, the Under Secretary for Mines, the Under Secretary in the Colonial Secretary's Department, the Under Secretary for Law, and the Commissioner of Railways. Each had a deputy in case of inability to attend, the deputies being next in command in their respective departments. By this system a combination of practical knowledge of the departments was brought together, thereby ensuring the best results. It was only fair that those gentlemen, when they attended evening meetings, should collect fees, which by the way amounted to a guinea a sitting a piece. The hon. member would be ill-advised in pressing his amendment.

[*Mr. Daghish resumed the Chair.*]

Mr. COLLIER: It was to be hoped the member would press his amendment. It looked very like giving plums to those already well provided for. Why should an additional pound a week be given to a man like the Commissioner of Railways, who was drawing £1,500 a year? Every one of the officers mentioned as composing the board was drawing upwards of £600 or £700 a year. Seeing that they met only once a week, surely they could find sufficient time to get away from their duties during the day to carry out the business of the board. If there was any officer of the department who could be spared for an hour or two during the week it was the under secretary. Clerks had regular routine to perform, but the under secretary could get away almost at any time. Hon. members would scarcely be doing their duty if they passed an item like this, providing an additional pound a week for men already drawing

large salaries. He would support the amendment.

Mr. JACOBY: As we were economising in every direction and penalising some of the lower paid men in the service, it would be a disgrace if one voted for the retention of this item. It was regrettable the Government should attempt to ask members to give these officers drawing high salaries further amounts.

Mr. TROY: These officers would not be able to devote the necessary time demanded by such important work as that required from a tender board if they were only to devote one evening in the week to it. It would be far better if they could leave their offices for certain hours during the day. The Auditor General had condemned the slipshod manner in which the Tender Board had carried on. It was because of this slipshod way of doing things that there had been defalcations of thousands of pounds, yet we proposed to allow the members of the board to attend to the work in their spare time. At any rate, officers who received such high salaries should have sufficient patriotism to give this little extra service the State asked from them without extra remuneration.

The ATTORNEY GENERAL: If members rejected this item it would practically mean putting an end to the scheme of reorganisation of which this was only a part. The scheme, which it was admitted should be given a trial, contemplated the formation of a new board under entirely new conditions. The importance of the work done by the board was admitted, but to ask public servants to come back after office hours to do it, and to do it gratuitously, and to expect it to be done properly was to indulge in an hallucination. The other proposition that they should do it in their office hours had been tried and failed. The work was not slumped because the board wanted to slum it, it was because the officers had to hurry the work in order to get back to their offices. It was a matter of considerable inconvenience that the Under Secretary of the Crown Law Department should be absent on Tuesday afternoons.

Mr. Brown : What does he know about stores ?

The ATTORNEY GENERAL: The under secretary should know something about the stores required for his own department.

Mr. Johnson : Would to goodness there were more like him on the board.

The ATTORNEY GENERAL: Certainly if there were more like him there would be considerable improvements. As a result of the work being slummed the State had lost a considerable sum of money. The new scheme was to obviate rushing the work through in office hours and to ask the officers to devote their time after office hours. It was worthy of a trial, and we could only make a success of it if we gave some reasonable remuneration. The fees proposed were certainly reasonable for the important and onerous work the board would be called upon to do.

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

Ayes	21
Noes	16

Majority for .. 5

AYES.

Mr. Angwin
Mr. Bath
Mr. Brown
Mr. Collier
Mr. Gili
Mr. Gourley
Mr. Holman
Mr. Horan
Mr. Hudson
Mr. Jacoby
Mr. Johnson

Mr. McDowall
Mr. Nanson
Mr. O'Loughlin
Mr. Swan
Mr. Troy
Mr. Underwood
Mr. Walker
Mr. Ware
Mr. A. A. Wilson
Mr. Heltmann
(Teller).

NOES.

Mr. Barnett
Mr. Carson
Mr. Cowcher
Mr. Gregory
Mr. Hardwick
Mr. Hayward
Mr. Keenan
Mr. Layman

Mr. Male
Mr. Mitchell
Mr. Monger
Mr. N. J. Moore
Mr. Plesse
Mr. Price
Mr. F. Wilson
Mr. Gordon
(Teller).

Amendment thus passed.

Item, Incidental, £1,350.

Mr. HOLMAN moved—

That the item be reduced by £500.

A considerable increase was shown in this item as compared with the previous year, and the amount might well be reduced.

The TREASURER: The increased sum was necessary this year, as the bi-annual contracts had to be called for, and they necessitated the expenditure of about £500 for printing the forms, etc.; that accounted for the excess this year.

Amendment put and negatived.

Vote (as reduced to £8,700) put and passed.

Progress reported.

House adjourned at 11.20 p.m.

Legislative Council,

Tuesday, 12th January, 1909.

	PAGE
Questions: Port Hedland-Marble Bar Railway ...	1326
Observatory, Perth ...	1327
Papers: Police-constables' widow, gratuity ...	1328
Resolution: Commonwealth Financial Proposals ...	1329
Bills: Fines and Penalties Appropriation, 3s. ...	1329
Workers' Compensation Act Amendment, Com. ...	1329
Fremantle Disused Cemetery, Com. ...	1330
Nannine-Meekeharra Railway, 2s., Com. ...	1330
Adjournment, State of Business ...	1334

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

PAPERS PRESENTED.

By the Colonial Secretary: 1, Report of the Registrar of Friendly Societies for 1907. 2, Report of the Department of Public Works, 1907-1908. 3, Municipality of Perth By-law. 4, Land and Income Tax Assessment Act, 1907—Amendments to Regulations.

QUESTION — PORT HEDLAND-MARBLE BAR RAILWAY.

Hon. R. W. PENNEFATHER, for Hon. M. L. Moss, asked the Colonial Secretary: 1, When is it intended to call for tenders for the construction of the Port Hedland-Marble Bar Railway? 2,