

book a measure that will meet the requirements not merely of this year but of many years to come.

On motion by Hon. C. Sommers, debate adjourned.

House adjourned at 10.13 p.m.

Legislative Assembly,

Wednesday, 15th November, 1916.

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

QUESTION—ROCKY BAY PROPOSED BRIDGE.

Mr. S. STUBBS (for Mr. Allen) asked the Minister for Works : 1, What has been the total amount of expenditure incurred from 1st January, 1910, to date, in connection with a proposed bridge across the Swan river, below Perth and above Rocky Bay ? 2, What was the object of the work ? 3, Have any plans been prepared—(a) of the proposed bridge ; (b) of any works having collateral relation thereto ? 4, Has a report on the proposal been prepared by the Engineer-in-Chief ? 5, If plans and a report have been prepared, will they be laid on the Table of the House ?

The MINISTER FOR WORKS replied : 1, £8,012. 2, To ascertain the most suitable location for a bridge, having regard both

to the approaches thereto and the foundations to be obtained in the river. To this end several surveys and many soundings were made and numerous bores put down, and a cast-iron cylinder, eight feet in diameter, sunk in the worst position, filled with concrete and sand, and loaded with rails, to ascertain the bearing capacity of the underlying stratum. This test is at present in progress. 3, (a) Diagrams have been prepared. (b) Sections of the approaches to the bridge have been drawn. 4, No ; data being incomplete. 5, Answered by No. 4.

BILLS (3)—FIRST READING.

1, State Salaries Commonwealth Taxation. (Introduced by the Premier.)

2, Nelson Rates Validation. (Introduced by the Minister for Works.)

3, Footwear Regulation. (Introduced by Hon. J. D. Connolly, Honorary Minister.)

MOTION—MINING PROFITS,

FEDERAL TAXATION.

Mr. FOLEY (Leonora) [4.43] : I move—

That in the opinion of this House the tax on mining profits, as proposed by the Federal Government, is unfair in its incidence, and will prejudicially affect mining in this State.

I am not doing this with the intention of allowing any portion of the State or section of the people to escape payment of what I consider a fair meed of taxation when we compare it with the taxation paid by every other section of the community. Before I have finished I will endeavour to prove that the motion is justified. The first aspect of the question to be taken into consideration is the relative importance of our primary and secondary industries. Ready as we are to gratefully acknowledge what has been done for the State by other primary industries, all are forced to admit that gold mining was primarily, and in the first place solely, responsible for the advancement of the State. It provided opportunity for men, not only to make fortunes for themselves, but to lift the State out of a position of obscurity and advertise it throughout the world. After the gold-

mining industry had made strides and our mines deepened, many men left the industry and went into other avocations. Some of the best men we have in our farming areas at the present time are those who spent the earlier years of their lives delving in the deep mines of Western Australia. Again, I am not pleading for the wage-earner alone. There are men with initiative who went out and endeavoured to do something for themselves. No matter what avenue of employment a man enters, he does not do it from a philanthropic standpoint. There is selfishness in everything we take on. But those men did something for the advancement of the State. They went out further than anybody had gone previously, and, if they were successful, they benefited not only themselves but also the community as a whole. Many of those men made money, and they went on the land and became good agriculturists. Now I come to another class of men, a little higher up from a financial standpoint—the men who went out and got something other than the small mining man or working miner could get. Those men looked around and saw land which could be turned into something other than an arid waste. Their knowledge led them to put stock on that land. Be it said to the credit of that class of men, there is scarcely an acre of our eastern, northern, and Murchison gold-fields capable of carrying stock, but is carrying stock to-day. Unfortunately, there is not at the present time in Western Australia sufficient stock to absorb the full capacity of those areas. Absolutely, the gold mining industry has been directly responsible for this development. The development is such that one can scarcely go within 10 miles of water without finding stock. That class of men need encouragement, whether they have a little money or much money, whether they are on the level of capitalists or on that of wage-earners. If they have saved sufficient money to do something to benefit themselves, while at the same time benefiting the country, we should encourage them. We ought not to tax that class unjustly in comparison with what other taxpayers have to bear. All of us realise that at any time, but especially at the present time, taxation is absolutely necessary. Just now

it is essential for the carrying on of the war. Further, it will be necessary for the bearing of the aftermath of the war, which we know will be just as serious a question as the carrying on of the war is at the present time. So far, at all events in my hearing, there has been only talk of what shall be done. When the time comes for doing something, the legislative bodies throughout Australia will not shirk their responsibilities; otherwise it will be the duty of the people to put other legislators in their places. My reason for moving the motion is my belief that the gold mining industry is differently situated from every other form of mining. We pride ourselves on having in this State almost every class of metal, precious as well as base, known to Australia. But, unlike the mining of base metals, gold mining has not been advantaged by the war. All the base metals that can be produced here at the present time have, by reason of the war, appreciated in price by 100 up to 200 per cent. The price of gold, however, has not risen at all; and, indeed, I think the House will admit that indirectly the price of gold has fallen, because the purchasing power of the sovereign has decreased to a very considerable extent. It is to the lasting discredit of Australia that, up to very recent times indeed, most of the commodities needed for the extraction of gold from the ores and for the refining of the gold have been obtained from beyond the confines of Australia. We could produce more gold per man than any other country in the world, not even excepting South Africa, and at a cheaper cost than any country except South Africa, which has black labour. But Australia has not been obtaining the benefit of the manufacture of the requirements connected with the production of gold. I am glad to say that the war has been responsible for throwing Australia on her own resources in a good many respects. The war, in that aspect, has furnished an object lesson to gold mining and to every industry connected with gold mining. We have had to pay the price of our past remissness, and that price has raised the cost of production of gold here, through imposts paid at the Customs and through extra charges, by as much as 15, 25, and even 35 per cent. I personally

would not grumble at that extra cost, nor, I believe, do those engaged in the mining industry grumble at it, inasmuch as it means that Australia is learning a lesson. But those engaged in the gold mining industry think it wrong that, whilst they are bearing a largely increased cost of production and not receiving a higher return from their commodity, and whilst the mining of base metals has benefited by advances of from 100 to 200 per cent. in prices, taxation of profits accruing directly from the war should be imposed on gold mining. If anyone from the Federal Treasurer downwards can convince me that a tax on gold mining is justified by reason of the war, I shall be free to change my opinion. But there is no one in Australia can point out, or has pointed out—not even the Federal Treasurer himself, in introducing a certain measure—any justification for an increased tax on gold mining based on war considerations. The producers of gold are deriving no advantage whatever from the war. The Federal Treasurer did say that the production of gold at the present time was a very serious question, and that the production of even an extra ounce of gold at this juncture was a very important matter for Australia. He pointed out that gold was just as essential to the winning of the war as men are. That was on the one hand. On the other hand, the Federal Treasurer said he intended to tax gold mining. Now, the gold mining industry wants taxation but also representation. The gold mining industry does not object to equitable taxation; no one should object to equitable taxation; but those engaged in gold mining contend that they do not obtain representation equivalent to that which other industries have. With those other industries, I contend, gold mining is not on an equal plane in the matter of representation. On the question of munitions, we all know that Australia can produce munitions, although up to the present time we have not done so, for various reasons. Australia can produce the component parts of every commodity required in the production of munitions. From a technical point of view the shells made in Australia have stood comparison with the shells made in any other part

of the world. Only one component required in the manufacture of steel was defective. Were it not for that, we should be producing munitions at the present time. Had that been the case, the owners of mines yielding the requisite ores would be deriving great benefit from the manufacture of munitions, and would be paying corresponding taxation. The Federal Treasurer tells the gold miner to go on producing more largely, knowing that the industry is not receiving any higher price for its product. I contend, the Federal Treasurer is not consistent in his endeavour to have as much gold produced as is possible in Australia at the present time, when he proposes to lay further burdens on the gold mining industry. Undoubtedly, the more gold Australia can produce, the higher will be its credit abroad. That cannot be gainsaid. If we could produce another three million ounces of gold per annum, our credit at Home would be so much better. As regards other metals, we can produce them; but gold is absolutely essential to the purchase of the other metals after they have been produced. That is why I contend that the gold mining industry should not be further taxed. We know there are mines in this State which are now paying as much as 25 per cent. extra taxation imposed on them by the Federal Government; and I have never heard any man, big or small, connected with those mines, or indeed any man engaged in the industry, contend that that taxation should not be borne. I have heard some men say that the tax was a little high, and I have heard others say that they did not think even 25 per cent. high enough. My contention, however, is that if an extra 25 per cent. is got from the gold mining industry, it should be got from other industries as well, then the whole of the industries will be on a fair basis. If, however, taxation goes any further, the effect will be to burden unduly every man engaged in gold mining. Some of the mines are said to be making large profits; but the profits are diminishing at the present time. Moreover, those profits are not being made as a result, either direct or indirect, of the war. That being so, those profits should not bear the taxation which the Federal Treasurer has

said represents taxation on profits accruing from the war.

Mr. Gardiner: The cost of production has increased as a result of the war?

Mr. FOLEY: Yes, and the industry is being taxed more heavily because its cost of production has increased. If they are making big profits they should pay, but it ought to be pointed out that there are some mines working on a very low margin and in some cases it would mean either closing down the mine or just keeping it going. I have often heard it said that if a certain set of conditions obtained, such and such a mine would be closed down. I know the industry sufficiently well to be able to say that I have heard people remark—"If you do a certain thing we will close down." But if such a thing did happen they would take good care to open up again as quickly as possible. Many who uttered that threat would, however, only close down when absolutely forced to do so. There are, at the same time, many mines which are being worked and the profits from which are so small that the extra taxation proposed will have the effect of reducing those profits to a vanishing point, especially when we consider that the little revenue which those mines have to put by as a reserve from month to month is going to be taken from them; then their margin will be so small, if there be a margin at all, that it will not be possible for them to carry on. From that point of view the incidence of the tax is unfair. Then again, not only has the manager of a mine in this State to satisfy the Federal authorities, but he has also to satisfy his directors in other parts of the world, and those directors are paying their share of taxation to the British Government, such taxation being considerably higher than that which is proposed in Australia. The mines have to pay State and Federal income tax, and in many instances English income tax, which brings that taxation to a very high point indeed. The position is, that the average investor in the older countries of the world, and especially in Great Britain, requires to see at the very least 15 per cent. profit on a mine extending over a period of 20 years before he will invest in it. We know it is hard to look at a

mine and say that in 20 years' time it will pay off the whole of the money invested in it, and then show a 15 per cent. profit. There is scarcely a business, if it is a legitimate business, that will do that; at any rate it certainly cannot be done by the average mine. If the Federal Government require any further proof of that they have only to go to the Melbourne investors and ask them what is a fair margin to allow when they are going to invest their money in a mine. We in this State do not desire that there shall be any action taken which will prevent investors putting their money into the mining industry. We want all the money we can get for the industry. In Melbourne they desire to see a 17 per cent. profit before they will invest in mining. In America, what they contend is a fair thing for a mine with a life of about 15 years is a profit of 25 per cent. We cannot show that here. The companies, rich and poor alike, will be taxed by the State according to their position, and with their profits at a vanishing point are they then to be taxed again by the Federal Government? The mines will not be able to stand all the taxation, and the only result will be that many of them will have to close down. What will we do if the investor declares the proposal is not good enough for him to embark his money in? The figures I have given to the House were figures which were quoted as a fair thing before the war. We all know that many of the moneyed men are looking for a little extra, and when they invest capital in mining they are not looking for more now than they expected before the war. I want to say definitely and distinctly that my object in moving the motion is not to assist in any shape or form the stockbroker, or the stockjobber, but it is to help to work the mines in Western Australia in a legitimate way and to keep the industry going. We all know that there are things happening—I do not say criminal things—in share dealing that are not altogether right, but I have no desire to criticise any sharedealer or stockbroker, I merely want to say that what we want to get down to is that this big impost which is proposed will fall heavily on the men who are working in the mines and on the shareholders. If we contend that the

margin of profit which existed before the war started was not fair, I contend it is now the duty of the House to do all it can to strengthen the hands of the people in the State to prevent any additional burden being imposed, and to uphold the industrial status of Western Australia by enabling it to produce as much gold as the State possibly can. I want briefly to refer to a mine on the Murchison which has been assisted by the State to reach the producing stage. The previous Government helped the Great Fingall mine to the extent of a few thousand pounds and enabled it to become a mine from a mere hole in the ground, and it is now showing a small margin of profit. That profit it is now proposed to tax, and it is going to be taxed unfairly when we compare the position to-day with that which existed before the war, and when we compare that mine with some of the bigger gold mines in the State which are paying dividends. The Edna May for instance has been paying dividends for the past three years, and the greater part of the money which has come out of that mine has been put back into it. They are going to be taxed. Is such a thing proposed in connection with any other industry? There is no other industry in the State which would stand the proposals which have been suggested by the Federal Government. The Great Fingall mine which I have just mentioned was assisted by the Seaddan Government and the owners of it are to-day doing something to help the allied nations win the war. If that mine were idle they would not be able to do that, and it has to be remembered that if it had not been for the war that mine would have been producing the same amount of gold, but the owners of it would have been reaping greater dividends because at the present time the cost of producing gold has increased considerably, while the value of the product itself has remained stationary. I do not think there is any necessity to go into the question much further, because the whole position is so obvious. There is, however, one phase of the question that I would draw attention to. I have pointed out that the Fingall mine is making a little profit to-day. There are other mines in the State making small or big profits.

What is going to happen in many instances is this: if the profits that the mines are going to make during the continuation of the war are going to be taxed in the manner that the Federal Government propose, we shall see a reduction in the profits. The mining companies will reduce the grade of ore which they are treating and only work that class of ore which will just enable the mine to pay wages and ordinary working conditions. This may not be a patriotic action to adopt, but is there anyone who will blame them following such a course when it is remembered the burden which they are asked to carry and the fact that the value of the product has not increased at all? If some of the mines in the State are forced to adopt the course of reducing the value of the ore treated, there will be some mines which will be compelled to close down. It must be pointed out too, that if some of the mines do close down it will take many thousands of pounds to open them up again at a later date. I fear, however, that many of the mines which will close down will remain closed for all time because it will take more to open them than it will require to keep them going even with a small margin of profit. There is no one who has had anything to do with mining who will gainsay that. This is not a party question, and it is not a matter of putting the capitalist or the speculator against the working man. It is a question of a proposed tax which is considered to be unjustifiable because on account of the existence of the war the profits from gold-mining have been considerably reduced. Thirdly, if they have to reduce the grade of their ore it will mean the closing down of some of the mines, which will never be opened up again, because it is going to take more to do so and place them on a working basis than they would be worth. It will be impossible to get the men to go into them because perhaps they could see better investments for their money elsewhere. We want to make mining as attractive as we can in this State. I contend that the Government will be lacking in their duty, and so will the House, if they do not back up a motion of this sort and endeavour to do something to assist those in an industry which has brought this State out of obscurity and given it an opportunity of

taking its place amongst the foremost States in Australia. I move the motion standing in my name.

On motion by Mr. Harrison debate adjourned.

RETURN—RAILWAY SECTIONAL RETURNS, EASTERN GOLDFIELDS.

Mr. GREEN (Kalgoorlie) [5.17]: I move—

That a return be laid upon the Table of the House, showing the amount of revenue derived from railway freights on goods on the Eastern Goldfields railway system to all stations East of and including Southern Cross for the financial year ending 30th June, 1916, under the following rates:—
(a) Class 1; (b) Class 2; (c) Class 3.

I do not desire to take up the time of the House over this motion. The reason for it is obvious. I frankly admit that I desire to know the amount of revenue that will be extracted, in addition to the ordinary amount, by the added 10 per cent. for the stations on the Eastern goldfields. I may be met with the objection that it is not possible to get this return, but I contend that this return can be secured and without any great difficulty. There is not the slightest doubt that the books of these different stations show a record of the goods under the different headings arriving at these different stations. If the Minister is prepared to grant me this information it will be at the disposal of the House. At the present time, under the railways, we do not know the amount that we are contributing by way of freights, but under this it will be made a business proposition and we shall know precisely for the information of the goldfields people just what this additional revenue will mean. We will see the amount of additional revenue extracted from the people on the goldfields area because of this increase. I trust, therefore, that the Minister will see his way clear to allow this motion to pass.

The Minister for Works: It is the same on all sections of the community all over the State.

Mr. GREEN: I admit that that is the position. I am not, at this stage, trying

to prove that the Southern Cross and Coolgardie stations, for instance, are paying more than any other railway stations at the same distance from the metropolis. The goldfields people are very anxious to have this data and to know what they are paying to date in connection with this matter.

Hon. J. D. Connolly (Honorary Minister): They are not paying higher than the rates existing on the Great Southern Railway.

Mr. GREEN: I have just admitted that. I want to know for book-keeping purposes how we stand. I am sure the Minister would have a poor opinion of the business methods of, say, Boan Bros. or Foy & Gibson or any mining company, if they were unable to show any costs in any of their particular branches. It is simply a business proposition and for the information of the people on the goldfields, who are interested in the matter. I am satisfied that the Minister will raise no objection to the motion.

Hon. J. D. CONNOLLY (Honorary Minister, Perth) [5.20]: I hope the House will not agree to the motion. The member for Kalgoorlie (Mr. Green) hardly, I think, expects it. I find on looking at the papers that it is an old friend of the hon. member because he moved a similar motion in 1913.

Mr. Green: Was that not asking for a return and not really a motion?

Hon. J. D. CONNOLLY (Honorary Minister): So is this asking for a return.

Mr. Green: I did not think the other was a motion.

Hon. J. D. CONNOLLY (Honorary Minister): It appears in *Hansard* in the year 1913. Then, again, a similar motion was moved by the late member for Coolgardie, and by the Hon. J. W. Kirwan, in the Upper House in 1908. It was explained on all these occasions that in the first place no good purpose would be served by supplying the information. It would cost a great amount of money to obtain and even then would not show the information that the hon. member desires. In a word, the railways do not keep sectional returns and, therefore, they would have to set up a special lot of books and go right through the whole thing in order to arrive at what the hon. member asks for.

Mr. Green: They have the records at each station now.

Hon. J. D. CONNOLLY (Honorary Minister): The hon. member must know that he was told by the member for Boulder (Mr. P. Collier), when Minister for Railways, in 1913 that the return could not be supplied. On the explanation of the then Minister for Railways the House refused the request, because if the return had been got out it would have supplied information which would have been worth nothing and would have cost a great deal of money. We do not keep the different earnings of the railways in sectional returns, and to get the information it would take three or four clerks a considerable time. I do not think the hon. member desires at this stage in the history of the State that we should incur any unnecessary expenditure. After all, it is quite unnecessary just because the hon. member wants to show what the 10 per cent. amounts to on a section of our railways. The hon. member for Boulder told the House that the rates were exactly the same, I do not think it would be any great information to the public to know that £5,000 is raised by 10 per cent. over one section and £4,000 raised over some other section.

Mr. Green: It would show the additional expenditure.

Hon. J. D. CONNOLLY (Honorary Minister): I do not know what purpose would be served at all. It is a 10 per cent. increase.

Mr. Green: Tell me what the total would be: I would be satisfied with that.

Hon. J. D. CONNOLLY (Honorary Minister): I ask the House not to agree to the motion. It will convey nothing except that the hon. member may say to the goldfields people that they have been asked to pay so many thousands of pounds more.

Mr. E. B. Johnston: We might want the same information.

Hon. J. D. CONNOLLY (Honorary Minister): If this information is given to the hon. member for Kalgoorlie other members may require similar information in regard to sections in their constituencies. The department is under-staffed on account of enlistments at the present time, and therefore, it would mean upsetting the

work because men could not be spared to put on to a special duty of this nature. It would mean taking on special men and this would cost even more than if ordinary employees were kept upon the work. Side by side with the information which the hon. member asks for there would also have to be supplied the classification of all the conveniences, and the unattended stations and the stations which are attended, and the particular class of trains that are running to make the information complete.

Mr. Green: I am not asking for that.

Hon. J. D. CONNOLLY (Honorary Minister): Unless all this information was supplied the result of the carrying into effect of the motion of the hon. member would not give any valuable information at all. It would be no use unless the whole lot of information was supplied together.

Mr. Scaddan: The object of the hon. member is to discover how much you are imposing upon the people who use that particular branch of the railway system.

Hon. J. D. CONNOLLY (Honorary Minister): It is only 10 per cent. It is the same as anywhere else.

Mr. Scaddan: No.

Hon. J. D. CONNOLLY (Honorary Minister): I object to giving information, on exactly the same ground as was given by the Minister for Railways in 1913.

Mr. Scaddan: It is a different proposition. The motion then was for district returns.

Hon. J. D. CONNOLLY (Honorary Minister): The motion was that returns should be laid on the Table showing the profit or loss, by sections. It was a return which would really be better and convey more information.

Mr. Green: It would cost more to prepare.

Mr. Collier: The information asked for covered a period of 20 years.

Mr. Scaddan: There is no trouble in getting this particular return.

Hon. J. D. CONNOLLY (Honorary Minister): That is not correct.

Mr. Scaddan: It is absolutely correct. I asked you the total amount received from all the systems and you gave it to me the following day under all these classes.

Hon. J. D. CONNOLLY (Honorary Minister): The hon. member knows well that the railway Department do not keep sectional returns. They could give in a few minutes what 10 per cent. amounts to, for they have only to take the total of the whole of the railway earnings. You cannot take it in that way at all. It is here on record by the late Minister for Railways. Listen to what Mr. Collier said in 1913 on a similar motion.

Mr. Scaddan: It was not a similar motion.

Hon. J. D. CONNOLLY (Honorary Minister): It was a similar motion. This is what Mr. Collier then said:—

I hope the hon. member will not press the motion for the reason that it would be impossible to supply the information I hold that the information given with regard to the earnings of the Railways which appear in the annual report of the Commissioner of Railways is as full as can be reasonably expected.

That was the reply, and the House was satisfied with that in 1913. It is similar to a reply which was given in 1908 by another Minister for Railways. In 1904 a similar reply was given by Mr. Holman. The House was satisfied then, and exactly similar reasons apply to-day. The hon. member (Mr. Green) was satisfied to accept that reply from the then Minister for Railways. Mr. Collier goes on to say:—

Even if the information were available I say it is impossible to take out the earnings and expenses of a section.

Then again he says:—

The member for Kalgoorlie should realise that it is quite different where we have separate sections, such as those two lines are. It is possible in these circumstances to give the information he is asking for, but it is quite hopeless for him to expect the department to supply the information for a section of the Yilgarn lines, and moreover, to go back for period of 18 years.

That applies in exactly the same way to the motion now before the House.

The information the member for Kalgoorlie is asking for with regard to the Yilgarn-Kalgoorlie line has never

appeared in any report, for the reason that it would be simply impossible to take the results of the working of a section, say from Merredin to Kalgoorlie, out of a line which is 600 miles in length. I would like to point out to the hon. member that, after all, Kalgoorlie is not bearing the lion's share of the operations of these railways, as he thinks.

Mr. Green: A different position has arisen now by reason of this 10 per cent. increase.

Hon. J. D. CONNOLLY (Honorary Minister): Exactly the same argument applies as applied to the motion upon which the member for Boulder asked the House not to agree on the score of expense. The same reason applies to-day. The information desired by the hon. member could be obtained by adding 10 per cent. Then the report goes on—

Mr. Green: I did not say Kalgoorlie, I said the Eastern Goldfields

The Minister for Railways: Nor the Eastern Goldfields. The total from the Eastern Goldfields may be larger in comparison with the total receipts from other lines, but that is only by reason of the fact that the Goldfields are doing a big business. The rates from Kalgoorlie are on the same proportion as the rates elsewhere.

Mr. Green: I know that.

The Minister for Railways: Then it is not correct to say that the Goldfields are bearing the lion's share. They are not paying a higher rate than the people of the Great Southern.

I do not think the question needs further labouring. The information is not withheld for any reason except on the score of economy. The Leader of the Opposition knows perfectly well it is so.

Mr. Green: If you loan me the books at Kalgoorlie I will get the information out at once and will not charge you for it.

Hon. J. D. CONNOLLY (Honorary Minister): The hon. member would get out information which would suit himself in probably half an hour, but considerable time must be devoted to the work if the information, when it is got out, is to be of any value.

Mr. Scaddan: He does not want to know the profit or loss; he wants merely to know

the amount of freight paid on goods in classes 1, 2, and 3.

Hon. J. D. CONNOLLY (Honorary Minister): I say that in the first place we would not be warranted, and in the second place the return, if supplied as asked for, would convey nothing. It would say probably that there has been a five hundred or a five thousand pounds increase over a certain section; but it would not prove anything unless side by side with it were given the other information I have mentioned with regard to the expenditure together with the conveniences on that particular line; then there would be some information of value. I ask the House not to agree to this motion, not for any departmental reason except on the score of economy. The information is desired simply in order that the hon. member may be able to say we are burdened with an extra £3,000 on our particular line. Is it fair or reasonable that the Government should be put to a work which would probably cost hundreds of pounds merely that the hon. member might have the opportunity of saying we are burdened with one thousand or two thousand pounds as the case may be? I repeat, is it fair to do this when we have a falling revenue in the railway department? I do not think the hon. member could have thought the matter out when he moved his motion, having regard to the particular way in which he has asked for it.

Mr. COLLIER (Boulder) [5-36]: The honorary Minister has confused the two questions, the question asked by the member for Kalgoorlie in 1913 and the one now being dealt with, and he has quoted remarks of mine when replying to the hon. member (Mr. Green) in 1913. There is a wide distinction between the two; this is an entirely different proposition altogether. In his motion of 1913 the member for Kalgoorlie desired to have the profit or loss on this line, and not only for that or the preceding year, but for every year since the inception of the system. To have supplied the information then desired would have required a staff of clerks to go right through the books of the railway department in order to ascertain not only the total of revenue received on that par-

ticular section but to ascertain the profit or loss.

Hon. J. D. Connolly (Honorary Minister): That is the position in regard to the present motion, though in a less degree.

Mr. COLLIER: Not at all. The information now desired by the member for Kalgoorlie is available at a moment's notice, and would not involve any considerable amount of work; but with regard to the motion moved in 1913 I very much doubt whether it would have been possible to obtain the information at all. Take the section between Merredin and Kalgoorlie. To obtain the profit or loss on that long section would mean allocating the running expenses of every train running over the section, together with the revenue received at every station on the section, and the task would be an almost impossible one. Cannot the hon. member realise that that is not at all what the member for Kalgoorlie is asking for on the present occasion? As a matter of fact a reply given to a question by the Leader of the Opposition yesterday at a day's notice demonstrates that this information is available.

Hon. J. D. Connolly (Honorary Minister): What question was that?

Mr. COLLIER: It is given on the Votes and Proceedings of yesterday. The Leader of the Opposition asked—

'What was the total revenue earned by the Railway department for the year 1915-16 from goods classed as 1, 2, and 3. That is the total revenue earned for the whole system.

The Premier: That is an entirely different matter.

Mr. COLLIER: It is not, except that this motion involves less work. The Leader of the Opposition wanted information covering the whole of the railway system.

Hon. J. D. Connolly (Honorary Minister): But you know that they do not keep sectional books.

Mr. COLLIER: The member for Kalgoorlie asks only to be supplied with the same information covering goods classed 1, 2, and 3 over a particular section of this system, that is the eastern railway system. The fact that the information was supplied yesterday demonstrates that it is available.

The Premier : It is not information of the same character.

Mr. COLLIER : It is, except that the one covers the whole system and the other only a section. I say that this information is available at a moment's notice in the books of the department ; but it is entirely separate and distinct from the information sought to be had in the motion of 1913, and which the hon. Minister, by quoting from *Hansard*, would have us believe to be the same thing.

Hon. J. D. Connolly (Honorary Minister) : It is exactly the same thing as this, only larger.

Mr. COLLIER : The honorary Minister will surely see this distinction, that the 1913 motion asked for profit or loss, while the present motion asks only for current revenue. One involved going through the books right back to the inception of the system. Take Kalgoorlie, it would have been an impossible task to have got out the information for even one year. The reason why I opposed that motion was that the member desired it to cover the whole of the system since the inception of the lines. The department does not keep any books giving information which will show the profit or loss over any particular section of the railways. If I were to ask for the profit or loss on the section between Armadale and Pinjarrah the railway department could not give it to me, for the reason that it is impossible to allocate the expense of through trains to Bunbury running over the section or of the revenue earned by such trains. But if I ask for a return showing the amount received for the carriage of goods that information would be available at once.

Hon. J. D. Connolly (Honorary Minister) : That is what this motion asks for, the earnings on a certain section.

Mr. COLLIER : And I am endeavouring to point out that to ask for the earnings on a section is a different proposition from asking for profit or loss.

Hon. J. D. Connolly (Honorary Minister) : But you know that books are not kept for any section.

Mr. COLLIER : How was the information available to be supplied to the Leader of the Opposition yesterday ?

The Premier : That was for the whole of the railways.

Mr. COLLIER : If they have returns from the different stations they must have the details ; otherwise they could not give the totals.

Hon. J. D. Connolly (Honorary Minister) : Does not some of the revenue received in Perth go to Kalgoorlie ?

Mr. COLLIER : The hon. member has asked for a return of the revenue earned at these particular stations. If it does not give him all the information he desires, so much the worse for him. He has asked for the revenue earned on this particular section for the carriage of a certain class of goods.

The Attorney General : I asked for a similar return to this last year and the present Leader of the Opposition then explained how difficult it was to give it to me.

Mr. COLLIER : If you look up the question you will find that it was the same thing as the hon. Minister has just told us the 1913 return was.

Hon. J. D. Connolly : (Honorary Minister) The 1913 return was the same as this, only larger.

Mr. COLLIER : Not only is it larger, but it is quite a different proposition. The hon. member asked that a return be laid upon the table of the House showing the profit or loss. Anyone reading the motion of 1913 will at once realise that the hon. member's motion was entirely different from the one he is now moving. He then asked for a return showing the profit or loss on all sections, including the profit or loss on all branch or spur railways throughout the State. It is positively absurd for the hon. Minister to claim that that motion is on all fours with the one now before the House and to quote in reply the legitimate objection which did lie against the request, for the return in 1913.

Hon. J. D. Connolly (Honorary Minister) : He asks for the whole of the earnings. This asked for only the three classes.

Mr. Scaddan : You gave them in separate classes yesterday.

Hon. J. D. Connolly (Honorary Minister) : But it would be necessary to dissect the whole of the earnings to get the classes.

Mr. COLLIER: No. The member for Kalgoorlie asked for the profit or loss. That is not asking for the earnings. The information concerning the earnings can be supplied. I have never known of a similar request being denied in the House. For the past 10 years efforts have been made by members to obtain information as to sectional profits or loss. The railway authorities said they did not keep the separate returns, and therefore it would be impossible to supply the information. But this is a different proposition altogether, and a request for information of this character has not previously been refused. It is simply asking for a return on all fours with the request made yesterday by the leader of the Opposition and acceded to. I hope the Minister will not persist in his opposition to a reasonable request for information which can be readily supplied.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [5-47]: I hope the motion will not be pressed. The amount of labour which will be entailed on the staff of the Working Railways to prepare this return will be exceedingly great. The information can be got, but it is a question of expense and time. Many years ago, when I was Commissioner for Railways, Mr. Teesdale Smith, then a member of the House, succeeded in getting a motion passed for a return, and to the best of my memory four or five years elapsed before that return was completed.

Mr. Green: You do not suggest that this will take all that time.

The MINISTER FOR WORKS: No. But I wish to show the danger. Members are apt to ask for information, thinking that it can be easily supplied, whereas it often happens that the supplying of that information is not so simple. The information required in this instance can be secured, but how long it will take to get it is impossible for anyone to say. I should say it might take two or three men three months to get out the return.

Mr. Scaddan: An almost similar question was answered in 24 hours.

The MINISTER FOR WORKS: The hon. member who guffawed does not know anything at all about it. I do. Another thing: I cannot see that this return will

give the hon. member any more information than he has at the present time. There is one way by which he might secure a satisfactory basis of the information required. It might be very much easier to give him the tonnage of the different classes that have been received, because that could be secured. But to give him the earnings would mean extracting from practically every station return sent along. I do not think the hon. member would wish to put the State to such an expense. The hon. member is desirous of showing the gold-fields population what this 10 per cent. means to them.

Mr. Green: That is a legitimate desire.

The MINISTER FOR WORKS: I am not suggesting that it is not. He desires to show that as far as they are concerned it means so many thousands of pounds more to pay. If he thinks it is of sufficiently great importance he will press his motion, but I ask him to remember that in an executive administration like the Railway Department, with a staff reduced owing to the conditions of war, and without the machinery to easily ascertain what he desires, it is not advisable to press the motion for a return of this sort, in face of the Commissioner's recommendation. The hon. member is within his rights, but is the return he asks for worth all the trouble and expense involved?

Mr. Green: Do you mean to tell me that the inward revenue from Perth to Kalgoorlie could not be obtained within a few hours?

The MINISTER FOR WORKS: Yes. But when it comes to analyses of the different classes, it means an examination of the return of every station sending goods to Kalgoorlie. To carry it out accurately would mean that every station return would have to be analysed. To carry it out practically, I suppose returns of the stuff sent from Fremantle to Perth would suit his purposes. But it means an examination of the accounts of every station right up the line.

Mr. Scaddan: No.

The MINISTER FOR WORKS: But it does. I know what this means. I am the only member of the House who has occupied the position of Commissioner of Railways, and as a working Commissioner

for five years, so I should know something about it.

Mr. Scaddan: What do you mean by that? Do you infer that the other Commissioners do not work?

The MINISTER FOR WORKS: No. I mean that hon. members, although perhaps good workers in their own particular lines, have not been called upon by a grateful country to occupy the important position of Commissioner of Railways. The hon. member occupied the position of Premier of the State for 4½ years, more or less badly. He did not learn much. He has not learnt much yet, not even how to behave himself.

Mr. Scaddan: Take the halo off your head.

The MINISTER FOR WORKS: I know my subject and I do not want the hon. member's insolent reminders. Let the hon. member keep himself where Nature has given him special abilities, namely, barracking on the football ground, and he will be all right.

Mr. SPEAKER: Order!

The MINISTER FOR WORKS: I am glad you have called him to order; he requires it.

Mr. SPEAKER: I call you both to order.

The MINISTER FOR WORKS: I hope the member for Kalgoorlie will not insist upon this motion. There is a way by which he can get what he requires in regard to tonnage. That may be readily prepared.

Mr. Angwin: Of what good is the tonnage?

The MINISTER FOR WORKS: From the tonnage he can form his average to get out the amount he wants. I can show the hon. member how to do it.

Mr. SCADDAN (Brownhill-Ivanhoe) [5:54]: I rise with some temerity to discuss this question in view of having been preceded by the only railway authority in the House or in Western Australia, the one man who has ever occupied the position of working Commissioner of Railways, whatever that may mean.

The Minister for Works: The one member.

Mr. SCADDAN: The hon. member emphasised the fact that he had occupied the position of Commissioner of Railways,

and working Commissioner at that. I infer he meant that no other Commissioner had worked. It is, as I say, with diffidence that I follow the only railway expert in the House or in Western Australia on this question. As a matter of fact this is merely a question of common business methods, and I am surprised that our friends opposite, who have so frequently claimed that they were going to insist on proper business methods being applied to Government departments, are found so early in their career refusing information that ought to be available at a moment's notice if the work of the department were carried on in a businesslike manner. As has been already explained, I yesterday asked the Acting Minister for Railways the following question:—

1, What was the total revenue earned by the Railway Department for the year 1915-1916 from goods classed as 1, 2, and 3? 2, What is the estimated additional revenue that will be earned by the increase of 10 per cent. on these classes? 3, Would it not be more equitable to apply any such increase on a sliding scale? 4, Are the following included in Classes 1, 2, and 3, to which such increases apply:—(a) articles of food, such as dairy produce, fish, bacon, hams, beef, pressed pork, groceries, canned fruits, and tinned milk; (b) agricultural machinery; (c) mining machinery, other than second hand; (d) mining explosives and chemicals such as cyanide; (e) building material and galvanised iron; (f) oils, including kerosene?

The reply given was—

1, £373,257. 2, £37,326 per annum. 3, As the rates are calculated on a sliding scale, the percentage increase is equitable—for example, Class 1, 100 miles, the rate is £2 4s., whilst for 400 miles, the rate is £6 9s. 1d., and not £8 16s., which will be a proportionate increase. 4, (a) Fish, beef, and fruit in truck loads are carried at less than Classes 1, 2, and 3. Quantities under truck loads, in common with the other articles mentioned, come under the increased rate. (b) Yes. (c) Mining machinery, in truck loads, is carried at Class "C," which is a lower rate than 1, 2, and 3. The increase would therefore only apply to

smaller quantities. (d) Yes. (e) Building material, such as bricks, stone, lime, cement, hardwood, are carried at the lower special class rates when in truck loads: galvanised iron, yes. (f) Yes.

It is thus seen that at a moment's notice the department were able to give me, through the Minister, the information I desired.

Hon. J. D. Connolly (Honorary Minister): But one is a sectional return. This is not the same.

Mr. SCADDAN: I will come to that. Therefore we have the admission that the earnings of Classes 1, 2, and 3 goods in our railway system are kept separate from earnings of other classes of goods. So, all the member need have done was to ask the question "How much of the total of £373,257 earned from Classes 1, 2, and 3 was earned on the railway system between Southern Cross and the railway to Leonora?"

Hon. J. D. Connolly (Honorary Minister): Why did not you advise him to do it?

Mr. SCADDAN: He did not seek my advice. We have had the statement that the member for Boulder, when Minister for Railways, refused information of a similar nature. It is not necessary to read out the information then sought to show that it was of an entirely different nature. It was a motion asking the department to supply information of an intricate character which could have been supplied when sectional returns were kept, eventually the department decided not to keep those sectional returns, with the result that they could not have been supplied without the tremendous work which would have been necessary to go back over the period covered by the motion. So the points are entirely different. The Attorney General, by interjection, mentioned that similar information was required by him last session, and that on that occasion the hon. member was asked not to press his motion because of the difficulty that would be encountered in supplying the information. I propose to read what I told the House on that occasion and also to point out to the hon. member how different was the information he was then seeking and to prove by it that the Railway Department can, without difficulty, supply the in-

formation asked for by the member for Kalgoorlie, whereas it would have had difficulty in supplying the information asked for by the member for Canning. The hon. member's motion was—

That a return be laid upon the Table of the House showing (a) the number of tons of Collie coal brought from stations south of Gosnells to Midland or passing through Midland Junction to any station beyond Midland (all lines) during twelve months ended 30th June, 1915; (b) the number of tons of railway sleepers and timber brought from stations south of Gosnells to Midland or passing through Midland Junction to any station beyond Midland (all lines) during twelve months ended 30th June, 1915; (c) the number of tons of all other freights brought from stations south of Gosnells to Midland or passing through Midland Junction to any station beyond Midland (all lines) during twelve months ended 30th June, 1915;

Up to that point the information could have been supplied without difficulty. But the hon. member went on to ask—

(d) the total cost of hauling the total tonnage referred to in paragraph (a) 10 miles during the said period; (e) the total cost of hauling the total tonnage referred to in paragraph (b) 10 miles during the said period; (f) the total cost of hauling the total tonnage referred to in paragraph (c) 10 miles during the said period.

That was the hon. member's motion. This is what I said in reply—

I want to ask the hon. member who moved this motion to agree to its withdrawal. I have made inquiries from the Commissioner of Railways in regard to it, and have been informed that it will be almost impossible to obtain accurately the information which the hon. member desires. It would also be rather expensive to comply with the hon. member's request, because of the limited staff the Commissioner has available, and moreover, the Commissioner suggests that to comply with the request would serve no purpose, because the particulars which would be furnished would not be accurate, and under the circumstances it would not be desirable

to attempt to comply with the request. Further, to supply the information would require the whole of the large records being turned up for the 12 months, because of the fact that the department has been carrying a huge quantity of material for the Trans-Australian railway by different routes, and that has been done merely to suit the department's own convenience. The Commissioner, however, will supply the hon. member with any information he has at his disposal.

What does that prove?

The Attorney General: Read what the member for Canning further said.

Mr. SCADDAN: I like to be fair, and I will read it—

As I understand that my motion, if carried, will cause some inconvenience to the department, and that, when convenient, the figures will be made available, I will, by leave, withdraw it.

Mr. Green: The motion of the member for Canning was obviously absurd.

Mr. SCADDAN: As a matter of fact, the Commissioner is not desirous of supplying the information now asked for any more than he was desirous of supplying the information asked for on the occasion I have quoted. I told the House what the Commissioner told me, because the Commissioner operates the railways under an Act of Parliament and must be allowed to operate them according to his judgment. The Commissioner did not deny that he could supply the information, and I did not deny it on his behalf, but said—

... to supply the information would require the whole of the large records being turned up for the 12 months, because of the fact that the department has been carrying a large quantity of material for the Trans-Australian railway by different routes, and that has been done merely to suit the department's own convenience.

The proposition put forward by the member for Kalgoorlie is comparatively simple, and does not demand the expenditure of much time and money.

The Premier: The Commissioner says so. Why do you not listen?

Mr. SCADDAN: All the information asked for by the member for Kalgoorlie can be supplied from the records which the department must keep. The report of the Commissioner of Railways, which has been distributed to-day, is, after all, only an analysis of the work of the department. That report gives the various classes of goods consigned to and from each station, and the earnings of each station. Indeed, the Commissioner's report discloses the losses on certain railways. It even supplies the balance of profit and loss in respect of spur lines to which district rates apply. If the Commissioner has all this information available, if he could in one day tell me the total amount of revenue earned under various classes on the entire system, surely he could in two or three days supply the information desired by the member for Kalgoorlie.

Hon. J. D. Connolly (Honorary Minister): It is only a question of expense.

The Minister for Works: It would mean the analysis of over 20,000 returns.

Mr. SCADDAN: Will the Minister for Works explain how the Commissioner could so expeditiously give the information which I sought, if he had to analyse 20,000 returns?

Hon. J. D. Connolly (Honorary Minister): Your questions referred to the whole railway system.

Mr. SCADDAN: May I ask the Honorary Minister how that total was obtained if not from bringing into one central book the returns from the different sections?

Mr. Nairn: But not sectional returns.

Mr. SCADDAN: Let me tell the hon. member interjecting that the difference between sectional returns and sectional profit and loss accounts is a very great one. The two things represent entirely different propositions. The hon. member will continue to confuse sectional returns with sectional profit and loss accounts. The Commissioner of Railways keeps books showing where every penny of his revenue is earned. He must do that.

Mr. Smith: If the hon. member is given access to the books, will he extract the information for himself?

Hon. J. D. Connolly (Honorary Minister): If the member for Kalgoorlie will go to the

Commissioner, that officer will give all information he can to the hon. member.

Mr. SCADDAN : If the Honorary Minister will agree to that course, the member for Kalgoorlie can get the information in half an hour.

Hon. J. D. Connolly (Honorary Minister) : If the information asked for by the motion can be obtained so easily, the member for Kalgoorlie can go down to the railway offices in the morning, when I will undertake the Commissioner will give him the information.

Mr. SCADDAN : The Honorary Minister himself is confusing sectional returns on a profit and loss basis with sectional records, which must be kept for the business of the department. The department must keep returns of earnings by different sections, even from different stations.

The Premier : The motion is as to goods consigned to the goldfields from the whole system. That means that the returns from every station throughout the railway system would have to be analysed.

Mr. SCADDAN : No. The information supplied in reply to my question was available, because every district keeps a record of its earnings from different points, which are eventually concentrated in one book. In the absence of such a system, how could the Commissioner advise his Minister with regard to the increasing or decreasing of freights ? How does the Commissioner advise as to increase or decrease of fares and freights, unless it is because he has at hand information showing the earnings of the different sections, and because he knows, according to the cost of mileage whether the traffic pays on the rates obtaining ? Does the Commissioner run the risk of disorganising the whole railway system by a reduction of mileage run, such as was recently decided upon, without first taking such details into account ? I believe that Minister and Commissioner alike view the motion of the member for Kalgoorlie as expressing a desire for the sectional returns which certain members have demanded for years past, but which meant costly expenditure and, after all, did not yield reliable information. I think the last Commissioner of Railways abolished those returns.

The Minister for Works : Yes. They were of no use to anybody.

Mr. SCADDAN : But this motion is an entirely different proposition. Suppose the Minister for Railways called into his office the Commissioner of Railways and said to him, "I am of opinion that the traffic between Southern Cross and Malcolm and intermediate stations does not warrant the present train service." Then the Commissioner would immediately refer to his returns of passengers and goods carried and earnings and cost of running for that section, and would say to the Minister either "You are right," or "You are wrong." Is it not worth the cost of calling upon the Commissioner to supply to the public information which the Minister would be able to obtain from the Commissioner to-morrow ? The member for Kalgoorlie represents a section of the community who have to carry the increase of 10 per cent., and therefore, he is entitled to know how the 10 per cent. increase will bear on his constituents. Is he to be refused the information on the ground that it is going to cost thirty shillings for clerical labour ?

The Premier : Thirty shillings ? Absurd. The leader of the Opposition knows nothing of the subject.

Mr. SCADDAN : I quoted a figure which I thought the Premier would appreciate. Shall I say, a million pounds ? The Premier denies the right of the public to get this information.

The Premier : You yourself on another occasion refused to supply such information.

Mr. SCADDAN : I wish the Premier would read the three motions. The Minister administering the Railway Department ought to be able to furnish this information for the purpose of satisfying the public that the 10 per cent. increase is a fair one. But the hon. gentleman says he cannot tell us the reason for the increase. What proportion of that extra burden is going to be laid on people resident in distant portions of the State ? We are not told. All we are told is that we cannot have the information. I contend it is right and just that the information should be supplied, even if it costs a thousand pounds to collect. I do not

think, after all, that it will cost so much to collect, because it is information which the Commissioner may expect the Minister to require from him at any moment. Surely a member representing a section of the community who are to bear the burden is entitled to have this information, even at the cost of a few pounds.

Sitting suspended from 6.12 to 7.30 p.m.

Resolved: that motions be continued.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning) [7.34]: I was very much astonished to hear the remarks of the leader of the Opposition on this subject because I generally listen to him as a man of much experience whose arguments carry weight with members, but when I find he uses the same arguments against a motion I made last year for an identical return, as to why the return should now be presented to Parliament, then I shall lose faith in anything that may come from him in the future. Last year I asked for a return of the number of tons of railway sleepers and coal which were carried on the South-Western Railway across to Midland Junction.

Mr. Bolton: And other things.

Mr. Scaddan: And the other things were important.

The ATTORNEY GENERAL: They were not important.

Mr. Scaddan: Then why did you ask for them?

The ATTORNEY GENERAL: The only puzzling question I asked, and it was puzzling to no one except the then Minister for Railways, was in regard to the continual conveyance of these goods across the gap I have referred to, to Midland Junction, and I wanted to know the cost of it. What I desired to find out was whether there was any loss being incurred by the conveyance of those goods over the additional 10 miles of country involved by carrying them around *via* Perth to Midland Junction, and if there was a loss, what that loss was. It was a simple question to answer. The then Minister for Railways told me that it would be difficult to obtain such information and that it could hardly be given accurately with the limited staff available in the Commissioner's

office. The Commissioner I was further told would have difficulty in furnishing this return and I was asked to defer my motion and to go to the Commissioner's office myself and I would be supplied with the information.

Mr. Scaddan: Did you go?

The ATTORNEY GENERAL: When a Minister of the standing of the member for Brownhill Ivanhoe (Mr. Scaddan) made that statement, I replied that as I understood that my motion would cause inconvenience to the department I would withdraw it.

Mr. Taylor: You were younger then in politics.

The ATTORNEY GENERAL: I was no younger then than I am now; I may have been a hundred and the argument that would convince me then would carry the same weight with me now. I have quoted what the then Minister for Railways said. I am advised now by the present Minister for Railways that the earnings of the different sections of the railways are not kept separately, and to get the information required would mean the employment of some clerks for some time to extract it from the general returns, and if that were done other necessary work would have to stand by and the department would be inconvenienced. Further, if the motion be agreed to, unless the sectional returns and the expenditure involved in such sections be given, the return will be of little value. Those words are almost identical with the advice that was given by the Commissioner of Railways to the then Minister for Railways.

Mr. Scaddan: It is a stock argument he uses when he does not want to be bothered.

The ATTORNEY GENERAL: Having had four and a-half years' experience with the Commissioner, if it was good enough for the then Minister for Railways to study the Commissioner and back him up, with only a few months experience of the Commissioner, I am not going to fall short of my duty. I am here to back up the Commissioner and I will raise my voice against the Opposition who desire to get such information from the Railway Department, to cause inconvenience for no possible purpose whatever. If the member for Kalgoorlie will go to the Commissioner's

office the books and figures will be placed at his disposal, and as we know he is such an expert in figures he, no doubt, will be able to extract the information he requires from the files of the department. For those reasons I oppose the motion, and I ask hon. members to do similarly.

Question put and negatived.

PAPERS—RAILWAY CARRIAGE OF MAILS.

Mr. HICKMOTT (Pingelly) [7.39]: I move—

That all papers in connection with the carriage of mails by the Railway Department be laid on the Table of the House.

My object is obvious. At the present time in my electorate there are two railways that do not carry mails. The Federal Government say that the charge imposed by the State Government is too high, namely £7 10s. per mile. That in round figures on the Brookton-Corrigin line runs to something like £400 and on the Yilliminning-Kondinin line it would amount to between £500 and £600 per annum. By not having the mails carried on the railways, the people in those districts are subjected to great inconvenience and in a number of cases they are getting their mails by parcels post, which causes an expense by reason of the fact that they have to get someone to collect and carry them. The object of the motion is to ascertain whether the cost of the carriage of mails by this State cannot be reduced so that people living in distant centres can be granted this convenience. At the present time, a mail is carried by vehicle to Pingelly out east and if the people do not get their mail by parcels post along the Brookton-Corrigin line, they have to go 15 or 16 miles to get their weekly mail, whereas if it were carried by train, not only would these people be benefited to a great extent, but the State would derive some revenue, and we require revenue badly enough. The mails could be carried at a reduced cost, and my object is to ascertain why the Railway Department are not assisting the out-back settlers in this direction.

Mr. Carpenter: Do you want this information in connection with all the railways? You ought to limit it to some extent.

Mr. HICKMOTT: I only desire the information in regard to those railways not carrying mails at the present time.

Hon. J. D. CONNOLLY (Honorary Minister—Perth) [7.43]: I do not desire to oppose the motion for the same reason that I opposed the last motion. This motion does not involve any expense but there are other questions involved in it. The Commissioner of Railways writes to me to-day in respect to this letter—

I wish to point out that at the present time the matter of a new agreement with the Federal Government in connection with the carriage of mails is to go before the Interstate Commission for decision very shortly, the States and the Postmaster General having failed to come to an agreement as to the rights and conditions. The Victorian Railway Commissioners are acting for all the States and are preparing our case. It will be highly undesirable for the papers to be produced while the matter is *sub judice*.

The Commissioner goes on to say that if Mr. Hickmott indicates the information he requires it will be supplied to him.

Mr. Taylor: He and the member for Kalgoorlie can go down to the Railway Department together.

Hon. J. D. CONNOLLY (Honorary Minister): If the hon. member will only communicate with me I will get the information for him. There is no objection to supplying the information but it is not desirable that the papers should be produced. Whatever fault there is it does not lie with the State, which has tried to meet the Postmaster General's Department, but the trouble lies with the Commonwealth Government.

The Minister for Works: It has been that for the last 16 years.

Hon. J. D. CONNOLLY (Honorary Minister): That is so. If the hon. member will indicate to me any particular information that he requires, if we can without prejudice give it to him, it will be given.

Mr. E. B. JOHNSTON (Williams-Narrogin) [7.45]: I wish to back up the remarks of the hon. member for Pingelly (Mr. Hickmott) so far as they relate to the carriage of mails on the new lines, and par-

ticularly the Yillimining-Kondinin line. There is a large number of settlers out there and there is at present one train per week each way. It is one of the few districts where the area under crop has increased during the past season. The hon. member did good service in voicing the grievance of these people, who see the train come in week after week but find it does not carry any mails. I would remind the Honorary Minister and the Commissioner that the railways of Western Australia are owned by the people of the State. Surely the Postal Department and the State Railway Department could meet half-way and steps be taken to the end that these people shall no longer be subject to their present inconveniences.

Hon. J. D. Connolly (Honorary Minister): They have offered in some instances to convey the mails for nothing, and they are in fact carrying them for nothing.

Mr. E. B. JOHNSTON: I should be pleased if the Minister would give an assurance that this course would be pursued as regards the Yillimining-Kondinin line. The Honorary Minister's remark shows that the Railway Department are prepared to negotiate in a sympathetic manner with the Federal authorities with a view to securing these conveniences to the people.

Mr. HICKMOTT (Pingelly—in reply) [7.48]: If we could get the information which the Honorary Minister has told us we can get, I am satisfied. I only want the information, and if I can get that I am prepared to withdraw the motion.

Motion by leave withdrawn.

MOTION—FLAT RATE FOR CHAFF.

Order of the Day Postponed.

Order of the Day read for further consideration of the motion moved by Mr. Thomson (Katanning). "That this House is of opinion that the principle of a flat rate for chaff and other produce as laid down by the Industries Assistance Board is not consistent with justice, and strongly recommends that for produce supplied to settlers under the Act, the market rates ruling at the time of purchase be charged."

Hon. J. D. CONNOLLY (Honorary Minister—Perth) [7.50]: 1 move—

That the Order of the Day be postponed.

Mr. Scaddan: Why do you not discharge it?

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

Ayes	..	..	..	24
Noes	..	..	..	12
Majority for				12

AYES.

Mr. Allen	Mr. Mullany
Mr. Butcher	Mr. Munsie
Mr. Connolly	Mr. Nairn
Mr. Cunniffham	Mr. Plesse
Mr. Gardiner	Mr. Robinson
Mr. George	Mr. Smith
Mr. Griffiths	Mr. S. Stubbs
Mr. Hardwick	Mr. Veryard
Mr. Harrison	Mr. Wansbrough
Mr. Hickmott	Mr. F. Wilson
Mr. Hudson	Mr. Male
Mr. E. B. Johnston	(Teller.)
Mr. Lefroy	

NOES.

Mr. Angwin	Mr. Scaddan
Mr. Carpenter	Mr. Taylor
Mr. Chesson	Mr. Underwood
Mr. Collier	Mr. Walker
Mr. Foley	Mr. Bolton
Mr. Green	(Teller.)
Mr. W. D. Johnson	

Motion thus passed; Order of the Day postponed.

MOTION—TRUST FUNDS ADMINISTRATION, SELECT COMMITTEE TO INQUIRE.

Order of the Day read for further consideration of the motion moved by Mr. Smith, "That a select committee be appointed to inquire into the administration of trust funds, real estate, and personal property controlled or managed by any officer of the Supreme Court and Curator of Intestate Estates, including estates which may have been wound up during the past 10 years."

Mr. SPEAKER: The question is that the motion be agreed to. Before the vote is taken I wish to say that I understand

from the Minister for Works that some hon. members are of opinion that they are voting for the adjournment of the debate. The question before the House is Order of the Day No. 2, and the vote is to be taken on the motion which I have read to the House. I hope hon. members understand the position.

Mr. Carpenter: How does the Minister for Works know how they are voting?

Mr. Hudson: He should mind his own business.

Mr. SPEAKER: He is probably doing so.

Mr. Hudson: He is not a schoolmaster, anyhow.

Mr. SPEAKER: Order! The Minister for Works is quite entitled to raise the question if he is in error himself.

Mr. Bolton: He is always in error; he is never anything else.

Mr. Hudson: What are we voting for?

Mr. Bolton: I have signed the teller's sheet, so never mind.

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

Ayes	..	..	..	..	18
Noes	..	..	..	..	15

Majority for 3

AYES.

Mr. Angwin	Mr. Plesse
Mr. Butcher	Mr. Robinson
Mr. Connolly	Mr. Smith
Mr. George	Mr. S. Stubbs
Mr. Griffiths	Mr. Taylor
Mr. Hickmott	Mr. Veryard
Mr. E. B. Johnston	Mr. Wansbrough
Mr. Letroy	Mr. F. Wilson
Mr. Nairn	Mr. Hardwick

(Teller.)

NOES.

Mr. Carpenter	Mr. W. D. Johnson
Mr. Chesson	Mr. Mullany
Mr. Collier	Mr. Munie
Mr. Cunningham	Mr. Scaddan
Mr. Foley	Mr. Underwood
Mr. Green	Mr. Walker
Mr. Harrison	Mr. Bolton
Mr. Hudson	

(Teller.)

Question thus passed.

Ballot taken, and the following appointed a select committee, namely:—Messrs. Butcher, Heitmann, Taylor, Willmott, with the mover (Mr. Smith), with power to call for

persons and papers, to sit on days over which the House stands adjourned, and to report on 6th December.

MOTION—BILLS INVOLVING EXPENDITURE.

Proposed New Standing Order.

Debate resumed from the 8th November on the motion moved by Mr. Carpenter—
“1, That in the opinion of this House no Bill should be introduced or considered if it contains any provision which is an evasion of Standing Order No. 387. 2, That the Standing Orders Committee be requested to prepare a new Standing Order in accordance with the foregoing resolutions.”

Mr. GARDINER (Irwin) [8.14]: I beg to move an amendment—

*That all the words after “that” be struck out, and the following inserted in lieu:—
“The Standing Orders Committee be requested to frame for the consideration of the House an amendment of the Standing Orders to provide that Bills involving the expenditure of public moneys shall only be introduced by a Minister of the Crown.”*

I think there is a desire in the House to, as far as possible, protect the privileges of the House, and see that when it comes to money matters Ministers alone shall be responsible. Under these circumstances I think the amendment will meet the views of the hon. member for Fremantle (Mr. Carpenter) and other hon. members. My only desire is to protect the House and give to it the assurance which I think the hon. member tried to give in his motion.

Mr. WALKER (Kanowna) [8.16]: I do not think it is necessary to speak at any length on the subject. Had it not been for the innovation under which the Government handed to a private member what is purely a prerogative of the Crown, there would not have been any question as to what the Standing Orders mean, and what the constitutional practice of this and all other Parliaments in the British Empire has been ever since constitutional government has obtained. I do not think the question requires argument, because when the innovation was made it was under a sort of apology, and nobody seriously defended the course taken.

It was a clear evasion of a governmental responsibility. It was not defended on constitutional principles, but was defended merely to meet the emergency. I hope we shall stick to our principles and practices, and to the constitutional law that has hitherto prevailed. I trust the amendment will be carried.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning) [8.18]: I will support the amendment. The original motion did not touch the question that the amendment now provides for. In a measure the amendment provides for what the member for Fremantle (Mr. Carpenter) tried to say, but did not know how to say. As a matter of fact, the original motion was a reflection on the Chair, because the hon. member moved, "That in the opinion of the House no Bill should be introduced which contains any provision that is an evasion of the Standing Order." Of course the Speaker would not permit a Bill to be introduced which was an evasion of the Standing Order.

Mr. Carpenter: As a matter of fact, he did.

The ATTORNEY GENERAL: Therefore it did not require any motion to say that the Speaker would do his duty. I am perfectly sure that he would do it and do it very well.

Mr. Carpenter: The Speaker declared the Bill to be an evasion.

The ATTORNEY GENERAL: No, he said nothing of the kind.

Mr. SPEAKER: Order! The Attorney General is not permitted to discuss the Speaker's ruling on a motion after the matter has been disposed of.

The ATTORNEY GENERAL: I do not know that I was the guilty one. If so, I am sorry. At all events, there is little more to be said on the question.

Mr. UNDERWOOD (Pilbara) [8.20]: I would ask the House to use a little caution on this question. We have had before us a Bill that was not altogether right, according to the opinions of most of us. If the motion as amended be carried, and we get a new Standing Order, we are likely to find the rights and privileges of members curtailed. Under the motion a Standing Order could be framed which would prevent a private member introducing any Bill whatever, be-

cause there never yet has been a Bill that did not involve the expenditure of money.

Mr. Taylor: That is not so.

Mr. UNDERWOOD: There is an expenditure of money, even in the printing of a Bill, to begin with. I would remind the hon. member of the Shearers Accommodation Bill, which involved an expenditure on inspectors. Are we going to lay it down that a private member is not to be permitted to introduce a Bill of that description? I warn hon. members not to swing too far across and take away the rights of private members.

Mr. Walker: That will depend on the framing of the Standing Order.

Mr. UNDERWOOD: Exactly. I am putting in a word so that when the committee start to frame the Standing Order they will know that they have something to come up against. It is of no use locking the stable door after the horse has escaped. I suggest to the Standing Orders Committee that in trying to frame the proposed new Standing Order they take particular care that they do not whittle away the rights of members.

Mr. CARPENTER (Fremantle—in reply) [8.22]: I am glad the hon. member has uttered the warning. If I thought that the acceptance of the amendment would be followed by the acceptance of a Standing Order in accordance with the amendment, I would certainly oppose very strongly anything but the original motion. However, with the hon. member's warning, and with the knowledge that the Standing Order when framed will come before the House for consideration, the danger contained in the amendment is to some extent removed. The Attorney General became somewhat facetious at my expense, and I am not at all surprised that opposition to the motion as framed is centred in the Treasury bench.

Mr. Taylor: And largely in the Attorney General.

Mr. CARPENTER: It is remarkable that the Premier was very careful to make it clear that whatever blame attached to the introduction of a certain Bill, upon which the whole of this question has been raised, did not attach to him or any of his colleagues, except the Attorney General. The Premier distinctly told the House that the

Government ought not to be blamed for what the Attorney General did.

The Premier: I said nothing of the sort.

Mr. CARPENTER: Well, *Hansard* says you did. The hon. member distinctly declared that what the Attorney General had done as an individual in this matter the Government were not responsible for.

The Premier: No.

Mr. CARPENTER: Let the hon. member turn up his own words and satisfy himself.

The Premier: Nonsense.

Mr. CARPENTER: I am not at all surprised, either, that the introduction of this motion has caused something like a flutter in the Ministerial dovecote. I wish to repeat that the present Government, or, to accept the Premier's correction, the Attorney General, has been guilty of introducing or attempting to introduce a practice in the House which has been tried in the British House of Commons, where it was regarded as highly dangerous, and where steps were taken to prevent its recurrence.

The Attorney General: The Premier did not say so, and the Attorney General did not do what you accuse him of.

Mr. CARPENTER: I am somewhat astonished at what was either gross negligence on the part of the Premier or an attempt to mislead the House. The hon. member very freely declared that in quoting *May* on this subject, as showing what was the practice in the House of Commons, I attempted to mislead the House; and he at once took up another authority, namely, *Todd's Parliamentary Government in England*, and pretended to quote from that something which he asserted was a declaration of the established practice in the House of Commons. If the Premier had not told the House that the book had just been handed to him there would have been only one course open for me, namely, to declare the Premier guilty of gross misrepresentation?

The Premier: What is this?

Mr. CARPENTER: But the Premier had the book handed to him. Who made the selection that he read, I do not know, but I declare that the lines the Premier quoted from *Todd* in his endeavour to prove that this practice was the practice of the House of Commons, were quoted from pages which

were intended by that author to prove the very opposite and to declare how this practice had grown up in the House of Commons, how its danger had been recognised, and what steps had been taken to obviate it in the future. Referring to the practice of introducing Bills with the proviso of which we complained in connection with the Bill introduced by the member for Katanning (Mr. Thomson), a proviso that certain things should be done if Parliament makes an appropriation for that purpose, the Premier told us—

It was following out the established practice as laid down by *Todd* which takes place in the House of Commons.

I wish to repeat, and I am going to prove, that the Premier when he used those words had not read the whole of the section from which he quoted; for, had he done so, his own personal honour would have prevented him from making that quotation to support the contention he was putting up.

The Premier: The portion that I read certainly supported my contention, did it not?

Mr. CARPENTER: I have before me the book and the section from which the Premier quoted. The section is headed, "Restrictions upon Parliament in matters of supply." I do not desire to weary hon. members by quoting whole pages, but shall read merely the pertinent portions. The section begins—

According to ancient Constitutional doctrine and practice, no moneys can be voted by Parliament for any purpose whatsoever except at the demand and upon the responsibility of Ministers of the Crown.

That is the beginning of the paragraph from which the Premier quoted.

In former times the mode of procedure in obtaining grants of money admitted of no expenditure. It left no opportunity to any private member to introduce any scheme of his own whereby any charge could be made upon the people.

The Premier: I did not read that.

Mr. CARPENTER: It is part of the section from which the Premier quoted, and I am endeavouring to show that the author's intention and purpose were the contrary of what the Premier would make them appear.

Mr. Bolton: The Premier knew that, too.

Mr. CARPENTER: The writer proceeds to show how this dangerous practice, which is sanctioned by the present Attorney General, crept in—

In the year 1705 this abuse became so notorious that early in the next session, on 11th December, 1706, before any petitions of this sort could be again offered, the House resolved that it would receive no petition for any sums of money relating to the public services but what is recommended from the Crown.

The House of Commons at once recognised, as I have asked this House to recognise, the grave danger to itself and to the State from the introduction of the practice which I am seeking to remedy by this motion. Later, the writer says—

But while the House of Commons has invariably maintained the principle embodied in the foregoing Standing Order—That was a Standing Order adopted in order to prevent the practice.

so far as directly applicable, the ingenuity of members has discovered a way of practically evading it.

History has repeated itself once more, and the ingenuity of the members of 200 years ago, or the record of their ingenuity, has reached the present Attorney General. Unwarned by the danger which was then incurred, the Attorney General has sought to show how clever he is, as a young Attorney General, by adopting a 200-years old practice and endeavouring to get this House to proceed on the same dangerous lines as two centuries ago were prohibited in the British House of Commons. The writer further says—

Where such Bills—

That is, Bills like the one we were discussing when this question arose.

have originated with private members, they have, as a general rule, all been productive of great abuse by encouraging injudicious and extravagant expenditure.

This is the danger, and I want hon. members to follow particularly the next few lines.

If the principle of the Bill obtains the sanction of Parliament—

That is, without the necessary authority from the Crown.

the faith of Parliament becomes pledged to the outlay involved, and Ministers are obliged to include in future Estimates distinct provision for it, and when the particular grant that is required to carry out any such measure is brought forward in Committee of Supply, any objection to its principle is commonly met by the assertion that it is useless, if not unfair, to oppose it at this stage, inasmuch as Parliament has already agreed that the proposed expenditure ought to be incurred. Hon. members will see from these quotations how wrong the Premier was—

The Premier: I was not wrong.

Mr. CARPENTER: In selecting a few sentences from this section.

The Premier: I do not think you are quoting from the same portion as I was.

Mr. CARPENTER: I have the same book and the same page.

The Premier: Why do you not quote what I read?

Mr. CARPENTER: What the Premier quoted was simply the author's relation or narrative of a practice formerly existing.

The Premier: You read my quotation, and you will see where you are out of order, as you usually are.

Mr. CARPENTER: These are the words which the Premier quoted from page 189—

The Premier: I quoted whatever was relevant to the Bill.

Mr. CARPENTER: The writer had been referring to the very Bills of which I am complaining, and to their very dangerous character. In the lines quoted by the Premier, however, the writer simply declares what was the practice which was then remedied by the adoption of a new Standing Order.

The Premier: Read out what I read. I read the Standing Order, too.

Mr. CARPENTER: The writer says—

But whatever might be the precise object of these Bills, inasmuch as they establish grounds of expense—

Let hon. members listen to this; the Premier quoted this—

they are an evasion of the Constitutional rule—

I hope the Attorney General is listening, because he declares there was no evasion.

The Attorney General: That is quite right. You do not understand what you are reading; that is the point.

Mr. CARPENTER: The writer says—
are an evasion of the Constitutional rule which forbids the grant of money by Parliament except on the application of the Crown.

That is what we are contending for, and that is what the author is contending for, and that is what the British House of Commons accomplished by the Standing Order referred to and by the abolition of the practice.

The Premier: Please finish my quotation.

Mr. CARPENTER: I am going to finish it. I have the Premier on the hip, and it is no use for him to squirm or wriggle. The quotation continues—

In order to admit of the proposed grant, although a direct violation of Constitutional practice, Bills of this description invariably contain a clause to this effect, that the necessary expense to be incurred thereby should be defrayed out of moneys hereafter voted by Parliament.

The Premier: Yes, exactly.

Mr. CARPENTER: Exactly. The author is just simply pointing out the trickery adopted by private members and even by Ministers of the day to escape their obligation and to get round the Constitution.

The Premier: No.

Mr. CARPENTER: That is what the author's intention is here.

The Premier: That is the practice.

Mr. CARPENTER: If the Premier had read the whole of that section—

The Premier: I did.

Mr. CARPENTER: He would have known—

The Premier: I did read the whole.

Mr. CARPENTER: He read those few sentences only. He omitted what went before and what followed after. If the Premier had read in front of his quotation, or after it, he could not, as an honest man, have tried to make the House believe that the words he quoted supported his contention at all. They destroy his contention. They are up against his argument. They went to prove altogether the very opposite of what the Premier was trying to make the House believe.

The Premier: Go on and finish the quotation, please.

Mr. CARPENTER: I will read the whole of the book if the Premier pleases. It is real good stuff. If anything were wanted to show the House and the country to what the present Government have descended, or—to accept the Premier's correction—to what the present Attorney General has descended, there could be nothing better than voluminous quotations from this same book. I will just finish the quotation which the Premier read—

The facility attending the introduction of such Bills has frequently induced Ministers themselves—

Like the Attorney General.

to take advantage of this mode of obtaining the sanction of Parliament for their legislative measure.

The Premier: Go on.

Mr. CARPENTER: Why should a Minister, either 200 years ago, or to-day, have to take advantage of subterfuges of this nature?

The Premier: You said that this was not done in the House of Commons, and I proved to you that it was done there.

Mr. CARPENTER: No. I said that it was done in the British House of Commons 200 years ago, but that a private member introduced a motion to put a stop to the practice. On the other hand, the Premier told the House that it was still the established practice of the British House of Commons. That is the point, and that, I say, is where the Premier misled the House. To crown his misrepresentation, he said that the member for Fremantle had been guilty of misleading the House, when the misleading came entirely from himself.

The Premier: Now please finish the quotation.

Mr. CARPENTER: I will. It is too good to miss—

Moreover, in certain circumstances, and with a view to facilitate the progress of public business, Bills of this class have even been permitted to originate in the House of Lords.

The Premier: There you are, you are blown out.

Mr. CARPENTER: The Premier is getting deeper and deeper into the mud. He

does not quite see where he is getting to. The adoption of this evasive practice, this dangerous practice, was taken advantage of, not by the Attorney General of the day, but even by the House of Lords, by men who have, and had, no right whatever to initiate money Bills. They followed that bad example and introduced Bills containing this dangerous proviso, got them through, and then looked to the Government to bring down the appropriation some time later. Then, of course, they claimed, as the author points out, "The House has adopted the principle of the Bill, and it is not fair to knock the Bill out now; the money is being voted now as the Bill was passed a long time ago and endorsed; therefore pass the money and let the appropriation go through." It was an absolute piece of trickery which grew up two centuries ago, was abolished by resolution of the House of Commons, and is revived to-day by that young spring chicken, the Attorney General. The Minister for Works gets up and says, "Pretty clever, was it not?"

The Minister for Works: I did not say a word; but what about the amendment now?

Mr. CARPENTER: I am giving the quotation. Have members opposite had enough of it? There is plenty more.

The Premier: Did I quote all that?

Mr. CARPENTER: Referring to the same class of Bill, in the same section, from which the Premier quoted, we have these words—

Where such Bills have originated with private members, they have, as a general rule, been productive of great abuses— That we have seen here. Let hon. members listen to this—

great abuses by encouraging injudicious and extravagant expenditure.

The writer proceeds to point out how this danger was recognised, and what steps were taken to remedy it by the adoption of a new Standing Order.

The Minister for Works: Now give us the amendment.

Mr. CARPENTER: The whole of that section continues in the same strain, and if the hon. member wants to understand the danger which is involved in the evasive practice adopted by the Attorney General, I only ask him to take *Todd* and read for

himself particularly the sections from which the Premier quoted a few sentences. I am aware that the hon. member who has moved this amendment desires the same object that I had in view. The motion proposed levels a charge against the Government which he does not wish to sanction or support. I do not hesitate to say that I submitted my motion in the form I did because I believed and still believe that the Government were departing from Constitutional practice in adopting dangerous and evasive tactics, and that they were leading the House and the country into danger. Believing that, I did not hesitate to put my motion in the form which would bring home both to Ministers and members and to the country, my opinion of what had been done. Personally, I do not care whether the motion or the amendment be carried. I repeat that the hon. member who has moved the amendment has the same object in view, with this qualification, that it proposes to do something more than the member himself had in view when he wrote the amendment, and with the reservation that the Standing Order when framed shall be submitted to the House and that the Standing Order shall preserve all the rights of private members and at the same time insist upon the observation of all the obligations of the Government, I leave it to hon. members to say whether they will support the motion or the amendment.

The PREMIER (Hon. Frank Wilson—Sussex) [8.43]: I took exception to the hon. member's motion because he introduced it in an antagonistic spirit.

Mr. Carpenter: Quite justifiably.

The PREMIER: The motion is one of censure upon a member of the Government.

Mr. Carpenter: Exactly.

The PREMIER: And as such I was not prepared to accept it, but I told you. Mr. Sreaker, and the House before I sat down, that I was just as jealous as any other member could be to preserve the control of financial matters in the hands of Parliament, and that I would not object to taking a hand in the framing of an additional rule or Standing Order to give fuller effect to that conviction. I have not misquoted the hon. member at all. He waxed indignant in repeating his charges to-night. If it gives him any satisfaction, he is at liberty to do

so as often as he likes and as often as the rules of the House will permit; but at the same time I must say that his charge against me of wilfully misleading the House is one that I cannot accept in silence. I had no intention whatever of misleading the House and I contend I did not mislead the House when I quoted from *Todd*.

Mr. Carpenter: Then someone misled you.

The PREMIER: I quoted *Todd* as reported in *Hansard*, and as the hon. member by much prompting on my part to-night has re-quoted for me. By that quotation he has substantiated my contention that he was completely blown out in his argument. He said that the House of Commons never did a thing of this sort and would never allow such a state of affairs to exist; it was far and away above trickery such as had been exposed on this occasion. I proved to him that the House of Commons had established a custom to get over a Constitutional practice by the very means that the member for Katanning had adopted, and I went further and said that whilst I had no concern, and the Government had no concern, personally, with the measure, that if it were carried by Parliament and it became law, I should deem it my duty to bring down the necessary appropriation accompanied by a message from the Governor.

Mr. Heitmann: You are beaten.

Mr. Carpenter: You are climbing down.

The PREMIER: That was the attitude I took up, and so far from being beaten, as the hon. member puts it, the motion moved was defeated and, as the hon. member knows, he helped to pass out the Bill without any debate. It was not my measure. I carried out my pledge.

Mr. Carpenter: You slipped out of it.

The PREMIER: I did all in my power to have the measure discussed. I objected to the attitude which the hon. member took up, when not content with the defeat of the amendment which had been moved by the member for Mt. Margaret and the subsequent loss of the measure, he then tabled a motion which was practically one of censure. The amendment proposed by the member for Irwin (Mr. Gardiner) is one that I mentioned I am quite willing to accept. I said it was an abstract principle and I was pre-

pared to agree to some motion of that description. But that did not convey that the Government had been guilty of any wrong in connection with the measure introduced to the House by the member for Katanning.

Mr. Carpenter: The framing of this Standing Order will prove that you are wrong.

The PREMIER: On the contrary it will prove we are right. It will prove that the Speaker was right and that the House was right and that the hon. member was wrong in his contention. It may prove, if hon. members accept the recommendation of the committee when it comes, that the House went further to safeguard its control over legislation of this description, and I will not blame them if an amendment in that direction is accepted. The hon. member will remember my saying that I was quite prepared to take part in the framing of Standing Orders in this connection as I was as jealous as any other hon. member to safeguard the control of financial matters by the Government. That is the position briefly. Instead of the hon. member casting innuendoes against members of this Government and against myself, and making charges of misquotations; charges of misrepresentation and accusing us of every crime in the calendar, he should gratefully and graciously accept the support I have given him and gratefully accept the amendment which the member for Irwin has moved, and which will attain his object without all the rancour and vindictiveness which he has displayed.

Amendment put and passed.

Question, as amended, agreed to.

BILL—TRADING CONCERNS (No. 2).

Second Reading.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington), [8.58], in moving the second reading, said: Hon. members will remember on the 4th December, 1912, the then Premier (Mr. Scaddan) introduced what was termed a Government Trading Concerns Bill, and in the course of his remarks on the introduction of that measure he spoke as follows:—

The Auditor General expressed an opinion which has been frequently expressed

in this House that the law should be framed so that proper accounts of all trading undertakings should be kept and submitted to Parliament. That is the desire we have and a desire expressed at some time by nearly every member of Parliament, but for some reason no Government have previously taken the opportunity, perhaps through pressure of other business, of presenting to Parliament a Bill which would compel that desire to be given effect to. The measure I have the pleasure of introducing to-night is for that purpose.

Then further on the then Premier said—

If we are going to undertake these trading concerns we ought to be in a position to show to the country exactly how they stand at the end of the year, just as if a company or a firm were operating them. We are placing these concerns exactly on the same basis as if they were run by a private firm. I am also providing that where money is found from the Consolidated Revenue Fund to provide capital for trading concerns, such as the Gwalia State Hotel, the department shall in their books debit interest as if the Government was utilising loan money.

I am making these references not with the idea of reflecting upon the Government, because I believe that you, like myself, had the impression that the trading concerns account measure, as placed before us, filled the bill in the way that the trading concerns should be carried on, identically in the same way as a private business should be carried on, but unfortunately the carrying on of those concerns has disclosed to the officials controlling them that there are many restrictions which hinder the operation of them, and there are various conditions in connection with the Audit Act which render it difficult to produce for the House a proper statement of affairs. It has been realised, regarding the trading concerns under consideration, that they are not working on sound commercial lines, that the financial operations as disclosed on the Consolidated Revenue Estimates are not correctly stated, and that it is not possible to obtain a correct view of the financial position of each concern.

Mr. E. B. Johnston: That is a most serious charge.

The MINISTER FOR WORKS: I will elaborate on that later on. It is not a charge against the late Government.

Mr. Collier: It is due to the defects in the Act.

The MINISTER FOR WORKS: I said at the commencement of my remarks that I felt that the then Premier had the belief, and that other members also had it, that the Trading Concerns Act would give us what we thought it would, that is, a proper statement of accounts. I said I was not making a charge against the Government, and I do not propose to make a charge against the late Government upon that particular line, but with the experience of the years which have gone by various defects have disclosed themselves, and in order to remedy these defects and put the trading concerns upon a sound basis, this Trading Concerns Bill which is before the House has been designed, and it is thought will place them upon a proper foundation. It was recognised clearly by the House at the time that although there was a number of members who disagreed with the idea of the Government entering into trading concerns, it was, at any rate, desirable that the trading concerns should be placed upon such a footing that it would be absolutely disclosed whether their operations were profitable or not, whether they were doing what it was said they were expected to do, and whether they were falling short of the expectation that their authors had of them. We maintain that if it is found that the machinery in regard to the book-keeping does not keep as full a check upon the concern as it should do and that the House cannot judge whether these trading concerns are justifying themselves or not, some arrangement should be made whereby the House will be in full possession of the facts. I have stated that it is not possible to obtain a correct view of the position in our trading concerns. One of the reasons why this is not possible is as follows:—take the sawmills; in their statements of accounts interest can only be charged under the Act on £94,000 of the capital, and yet to carry on this concern a capital has to be provided of something like £350,000. We

maintain, and I think every member will agree, that if that concern had been started by borrowing money from any one of the banks, the concern would have had to pay interest to the bank on every penny that it obtained in order to carry on. It must follow that unless that course is carried out it will be impossible for people to arrive at the correct position of these trading concerns. Suppose an hon. member started a trading concern with his own money. If he is wise, although it is his own money, when he is making up his accounts for the year, he will debit his profit and loss account with the interest which the money would have furnished had it been placed out on mortgage, or had it been lent to anyone else. Then he knows that the difference between that and his profit and loss account tells him what he has made above the interest on the money by his trading throughout the year. If, instead of using his own money, he had to borrow from the bank, then he would have had to pay the interest to which I have referred. Consequently his gross profit must be reduced by the interest on the money he could have earned, or the interest he has to pay in order to carry on. This state of affairs was considered by this Government, and I think possibly may have been considered by the previous Government, as not being entirely satisfactory. We determined that an attempt should be made to remedy this state of affairs and place the concerns, whether we carried them on or disposed of them, on sound foundations right through. In order to do that the Colonial Treasurer and his Ministers discussed the situation and then called together the Under Treasurer, the accountants, and other officials who understand these questions, and they were given instructions to go into the matter thoroughly and to draft a Bill—after consultation with the Solicitor General—which would carry out what we have stated, namely, place these concerns on the same basis as an outside concern. Further than that it was found necessary that the financial position of the trading concerns should be gone into more carefully and placed fully before the House in this Bill. If hon. members will turn to the schedule of the Bill they will find that there are five

columns. In the first of these the amount of what is considered as the fixed capital is given, then the amount of capital needed to be used to carry on, the floating capital of the trading concerns, and further, a sum of money which it is considered advisable should be placed to the credit of each of these trading concerns as a sort of reserve upon which to draw in case of need. In all the instructions that were given it was stated that the concerns should be placed upon a sound commercial basis, similar to that of an incorporated company, that the cash operation should be shown on separate trading concerns estimates, and that these estimates were to be entirely distinct from the Consolidated Revenue Fund Estimates. That means that, instead of including in his Budget the gross receipts of each trading concern on the one side and the full details of expenditure or estimated expenditure on the other, the Treasurer would bring to account in the estimates of these different concerns the estimated results of the year's trading. Hon. members will see, if they take the clauses right through with me, that each clause follows on one with the other, providing the machinery to build up the system of accounts desired.

Mr. Angwin: They will have difficulty in doing that.

The MINISTER FOR WORKS: We are going to try and succeed. If the hon. member will help we cannot fail.

Mr. Angwin: You are bound to fail.

The MINISTER FOR WORKS: No, we are not. With the hon. gentleman's help we could not but succeed. Hon. members will see that the matter starts in this way. The Bill commences with the beginning of the concern, its authorisation, then the provision of the money, and then follows clause after clause which ensures that the ordinary business working of the concern shall be indicated to those who have to carry it on, and indicated, we believe, with some amount of success. Hon. members may notice that some of the trading concerns have been left out. I will give a list of those and give the reason why they have been left out. They are the Albany Cold Storage Works, the Aborigines cattle station, the Government Refrigerating Works, the Kalgoorlie abattoirs,

the metropolitan abattoirs and sale yards, the Perth State markets, and the State dairy farm at Claremont. These concerns are not considered to be trading concerns in exactly the same sense as the sawmills or the State Implement Works and have been so left out, but the provisions which are included in the Bill before the House would enable the operations of this Bill to apply to these, so far as it is found to be necessary in carrying them out.

Mr. Collier: The Bill also provides that no new trading concerns may be established without the consent of Parliament.

The MINISTER FOR WORKS: I intend to refer to that as I get on with the Bill. It will be seen that the initial difference between this Bill and the one which is the Act to-day is that the Trading Act of 1912 was to apply to such Government undertakings and such works and services temporarily financed from public funds and hereafter referred to as trading concerns, as the Governor may by Order-in-Council declare to be under and subject to the Act. The meaning of that is that the Government of the day could on their own initiative start any trading concern that they feel inclined to start without reference to Parliament.

Mr. Green: Or its abolition without reference to Parliament.

The MINISTER FOR WORKS: I do not know about that.

Mr. Collier: They might sell without reference to Parliament.

The MINISTER FOR WORKS: They could start a trading concern without reference to Parliament. We on this side of the House say that that view is wrong; that if the State is to enter into competition with its own taxpayers, the representatives of the people in Parliament should have a voice in saying whether or not such a concern should be started. *

Mr. Angwin: We had no voice in the secret purchase of cattle.

Mr. Scaddan: The purpose of the Bill is to place the whole of these concerns in the hands of the Legislative Council.

The MINISTER FOR WORKS: The hon. gentleman can say what he likes when his turn comes.

Mr. Scaddan: Why did you not put the railways in?

The MINISTER FOR WORKS: I have stated that the Trading Act of 1912 permitted the Government of the day to start any trading concerns that they chose without reference to Parliament. It will be found in this Bill that no trading concern can be started without first of all being approved of by Parliament, and unless it is started by funds which are appropriated by Parliament. That is the great difference between what has been the rule before and what is now provided for. This Bill may be properly divided into about three parts. There is one part which provides for the continuance of trading concerns as they are at present, and also with the addition of other trading concerns if Parliament should think it is right and proper that they should be dealt with. Another part provides for the disposal, either by sale or lease, of any trading concerns which are established at present or hereafter may be established.

Mr. Scaddan: On whose approval

The MINISTER FOR WORKS: The hon. member will see that by the Bill.

Mr. Scaddan: Why do you not say so?

The MINISTER FOR WORKS: I am coming to that clause later on. The other part is to put all the accounts on right lines. The hon. member will see in reading through the Bill that at the start it arranges that certain trading concerns may be continued and carried on subject to the provisions of the Bill. The trading concerns which it is desired to bring under the Bill are shown in the schedule, and if members will turn the schedule, they will find not only the names of the concerns, but full particulars indicating the fixed capital value.

Mr. Angwin: What do you call the fixed capital value.

The MINISTER FOR WORKS: The money actually expended in the concerns against which interest is charged up to the 30th June.

Mr. Angwin: The figures supplied to members do not follow your statement.

The MINISTER FOR WORKS: They may not, but it has to be remembered that the balance sheets placed on the table of the House are not audited, and they were placed on the table on the distinct under-

standing that they were not audited balance sheets.

Mr. Angwin: Are they audited yet.

The MINISTER FOR WORKS: I do not think so.

Mr. Scaddan: Then your figures should correspond with those in the Bill.

The MINISTER FOR WORKS: The hon. member will understand if I put it in this way. We called fixed capital the amount which has been spent in plant and machinery, railways, and various other things connected with the trading concerns. In the second column is given what the actuaries who have gone into the question have decided is the amount which was in use up to the 30th June, 1916; and the additional capital placed in the next column is something to come and go on, so that when the balance sheets are audited there may be some slight alteration, but it will not be much and cannot interfere with the trading concerns properly working under this Act. We also provide in this Bill with regard to the establishment of trading concerns that Parliament shall have a complete voice in connection therewith?

Mr. Collier: And a complete voice in disposing of them?

The MINISTER FOR WORKS: We shall deal with that further on.

Mr. Collier: It is an equally important point.

Mr. Munsie: Give them enough rope and they will hang themselves.

The MINISTER FOR WORKS: I do not care whether you hang Ministers or whether you hang members of Parliament, but do not hang up this Bill, because it is needed in order to carry on the concerns. We must carry them on until we sell them. If the House is satisfied that this Bill is an honest endeavour so far as the accountants have been able to make it to put the concerns on a proper basis, then members will support the Bill.

Mr. Underwood: Are they on a wrong basis now?

The MINISTER FOR WORKS: I think so.

Mr. Underwood: You are a pretty bad judge.

The MINISTER FOR WORKS: No doubt; but so far as that is concerned the House may judge on the point. That remark arises merely from the exuberance of the hon. gentleman's good nature. We not only say that these concerns shall not continue unless expressly authorised by Parliament, but we also give a definition of what a trading concern really is, that it shall be carried on with a view to making profit, and to producing in competition with other businesses. We think it is as well to place absolutely clearly in this Bill what the objects of a trading concern really are.

Mr. Taylor: Are not the railways a trading concern?

The MINISTER FOR WORKS: Yes, but they are under a different Act. This Bill has nothing to do with the railways. Members will see by another clause that all moneys to be used in trading concerns must be appropriated by Parliament. There is no reference to the railways in the schedule to this Act.

Mr. Taylor: But this Bill indicates that the railways are trading concerns.

Mr. Scaddan: What will you do about trading at Rottneest?

The MINISTER FOR WORKS: When we are dealing with the question of trading at Rottneest I hope to be in the position of telling the hon. member. We are not dealing with that question now, but with the trading concerns mentioned in the schedule. This Act will allow of the establishment of other trading concerns.

Member: What if the Bill does not pass?

The MINISTER FOR WORKS: If the Bill does not pass, then they cannot be dealt with, and, judging by the attitude of the hon. member, he evidently wishes that the Bill shall not be passed.

Mr. Scaddan: By this Bill you are placing the control of the affairs of the State in the hands of the Legislative Council.

The MINISTER FOR WORKS: The hon. gentleman is entitled to take that view if he chooses, but there is nothing in the Bill to show it.

Mr. Scaddan: There is, and you know it absolutely.

The MINISTER FOR WORKS: I defy the hon. gentleman when he speaks on the

Bill to justify that statement. Members will find that in dealing with the trading concerns we put them on exactly the same plane and subject to the same conditions as ordinary traders outside. Members will see by Sub-clause (5) of Clause 6 that—

No petition or right or other proceeding shall be presented to or maintained against the Crown for any matter in respect of which any action may be brought against a Minister, under this section.

Therefore we are placing the different trading concerns in the position that they may be sued at common law in just the same way as an ordinary trader. We are, as one hon. member has suggested, going the whole hog in order that the whole of the trading concerns may be put upon a proper basis. Then it is proposed to establish in the Treasury a banking account.

Mr. Angwin: Will that be under the control of the Minister also?

The MINISTER FOR WORKS: The Colonial Treasurer will establish a banking account in the Treasury and on that account each trading concern will require to issue its cheques and pay its debts, instead of having an account current at the Commonwealth Bank or any other bank. This will give the Treasurer a better grip on the finances of the trading concerns and he will be able to see whether they are over-running the constable or not. By placing this account with the Treasurer, who is also usually the Premier, he is enabled to deal with the Minister controlling trading concerns in just the same way as the manager of a bank deals with a firm on his books whose overdraft is reaching its limit.

Mr. Taylor: I read it that that is not so.

The MINISTER FOR WORKS: I am speaking plainly and I do not wish you to read anything into my words. I am not here for the purpose of casting mud at the trading concerns or at our predecessors, but with the object of explaining the plain provisions of a business Bill. This banking account to be opened in the Treasury by the Colonial Treasurer will have money placed to its credit, but that money must first be appropriated by Parliament; and Parliament will have an opportunity of discussing the trading concerns every time a question of cash comes up. It will place the trading concerns

in an exactly similar position as hon. members dealing with a bank who find they require further advances. They have to go to the bank manager and ask for an extension of their accommodation.

Mr. Taylor: Then the Minister will need to be at the door of the Treasury every week.

The MINISTER FOR WORKS: I do not think there will be any necessity for such a travesty of foolishness. It is foolish to suggest that the Minister will require to be knocking at the door of the Treasury every week. There is no intention whatever of that. Sufficient capital will be placed to the credit of the concerns, and as their money comes in and they pay it out they have this money to work on, just as is the case with ordinary trading concerns. It is provided that should occasion arise in which further moneys are required than are appropriated by Parliament, the Colonial Treasurer may make temporary advances.

Mr. Scaddan: That is a contradiction of what you said just now. You said that they could not draw until Parliament had appropriated the necessary money and you now say that the Treasurer may make advances.

[The Deputy Speaker (Mr. Carpenter) took the Chair.]

The MINISTER FOR WORKS: What I have stated is correct. It is provided further that at the end of each half year there shall be debited to the banking account of each trading concern such an amount as shall be decided by the Colonial Treasurer to be equitable as interest and sinking fund contribution. This will be debited in the same way as interest is debited in a bank. Under the Local Inscribed Stock Act the half per cent. sinking fund is not charged against works until four years after the loan has been raised, but this Act will permit of this debit being placed against a trading concern immediately it is started, which is as it should be instead of having as now to wait for four years.

Mr. Scaddan: Why the difference?

The MINISTER FOR WORKS: Because if we are to place the trading concerns on the same footing as other trading con-

cerns outside it has to be remembered that those outside concerns would be charged up with all their expenses right from the start and not after waiting four years. Does the hon. gentleman mean to say that in connection with outside trading concerns a banker would suspend the payment of interest for four years until the concern has had a proper start, or that the ordinary trading accounts would be held over for four years?

Member: What about the interest on capital?

The MINISTER FOR WORKS: The shareholders have to do without their dividends, but the expenses of a concern are debited from the starting of the business.

Mr. Thomas: Where does interest in shareholders' capital come in. I am questioning your business acumen.

The MINISTER FOR WORKS: The hon. member has yet to prove his business capacity; I have already proved mine.

Mr. Thomas: You think so. Your business acumen is not apparent from this Bill.

The MINISTER FOR WORKS: If the hon. member were as solid as I on the matter of finance he might be entitled to speak.

Mr. Thomas: What do you know of my finances?

The MINISTER FOR WORKS: Nothing; I only know you are foolish. The Bill provides that interest on the daily balances, to be appropriated out of consolidated revenue shall be charged up in the books of the trading concerns. The amount of such interest will be made up half-yearly and carried to the debit of the different trading concerns. The rate of interest will be fixed by the Colonial Treasurer. Another clause enables the Treasurer to effect adjustments between departments and the trading concerns. On the establishment of a trading concern, it may be that a department has surplus plant or machinery which would be useful to the trading concern; and the clause will enable the necessary adjustment between such department and the trading concern to be made.

Mr. Angwin: Will the Treasurer have power to make the other departments pay their accounts?

The MINISTER FOR WORKS: We shall have that, of course.

Mr. Thomas: The hon. member seems to be getting into a tangle.

The MINISTER FOR WORKS: I am not getting into a tangle. It is the hon. member's lack of intelligence.

Mr. Thomas: That is the only class of interjection the hon. member is capable of making.

The MINISTER FOR WORKS: This clause enables the Treasurer to make adjustments between the department and the trading concern in connection with the transfer of plants. It is simply a plain method of enabling the officers to carry on their business. Ministers will have nothing to do with it. It is merely an adjustment as between, say, the Works and the Railways. The Railways may have a locomotive which the Public Works require for a trading concern, and if there be any difficulty of adjustment between the officers it shall be referred to the Treasurer, who will act as an arbitrator.

Mr. Angwin: The Railways will want more for an old locomotive than for a new one.

The MINISTER FOR WORKS: I am not surprised. A few of the lessons which I laid down while there have borne fruit splendidly. The next clause to be referred to provides that all moneys placed to the credit of an account in the books of the Treasury for the capital expenditure or working expenses of a trading concern shall be withdrawn by imprest or certificate as provided in the regulations under the Act. Under this clause the Auditor General retains his full powers. At present all the vouchers have to go to the Treasurer, and that necessitates the keeping of duplicates in the trading concerns for reference. Under the provisions of the Bill that will be unnecessary. It will be for the Auditor General to see that the money provided has come from its proper sources and the total debit there may be in the Treasury books can be followed up in the books of the trading concerns. Instead of the vouchers having to go to the Treasurer, as at present, duplicating work and causing endless trouble, they will be kept by each trading concern and will have to be produced to the Auditor General for him to verify and check and deal with. This will

save a great amount of trouble in the Treasury and in the trading concerns and will not whittle away by one iota the proper powers which the Auditor General has in this connection. Section 7 of the Act has been introduced as Clause 12 of the Bill. It deal with funds that may be in hand and not required at the time by the trading concern. It enables the Treasurer to make use of such funds and place them out at interest in order that they may earn some money. Section 11 of the Act is also reintroduced in the Bill. It deals with the depreciation of the assets of trading concerns. It provides that this shall be dealt with by the Treasurer. Of course that means, dealt with on consultation with the various officers, by the aid of the experienced men whom the Treasurer has at his command. It provides for a uniform system of dealing with the assets of the different concerns so that the rate of depreciation may be fixed on a fair basis in order that the one trading concern may not have one system while another has another. It takes them all as belonging to the State, and provides that the one system in regard to depreciation shall apply.

Mr. Scaddan: Where does it state that?

The MINISTER FOR WORKS: In Clause 15.

Mr. Scaddan: I do not see it there.

The MINISTER FOR WORKS: That is the meaning of it, anyhow. In Section 13 of the Act there appeared the word "Minister." We have removed that and inserted in lieu "Colonial Treasurer," because different Ministers deal with the different concerns, one having one and one another, and each may have a different view of the value of the depreciation. However, by placing it all under the Treasurer that Minister is put in the position of an arbitrator.

Mr. Scaddan: Who is going to advise him?

The MINISTER FOR WORKS: He will get his advice from the different trading concerns and by means of his officers. He will be able to institute one system.

Mr. Scaddan: That is what happens now.

Mr. W. D. Johnson: Have another try.

The MINISTER FOR WORKS: No; it is correct, as I have stated it.

Mr. Scaddan: Try and make some virtue out of it.

The MINISTER FOR WORKS: It would be a big job to make virtue out of the hon. gentleman. He lost it all in his recent troubles.

Mr. Scaddan: You never had any.

The MINISTER FOR WORKS: The next clause provides for annual estimates of revenue and expenditure to be submitted to Parliament separately from the Consolidated Revenue Estimates. The Act provided that they should be part of the Consolidated Revenue Estimates. The object of the clause is to show to Parliament what it is anticipated will be the scope of business during the year, and the anticipated result of the trading.

Mr. Scaddan: Did not we show the same?

The MINISTER FOR WORKS: The hon. member and his colleagues had not acumen enough to show anything but a deficit, and they gloried in it.

Mr. Munsie: Your Government are not showing anything else.

Mr. Angwin: It will all depend on the trading.

The MINISTER FOR WORKS: That is true. In any trading concern at the start of the year one cannot tell what trade will be done. One has to use his experience to guide him as to a fair estimate to lay before his bankers. All that any one can do in regard to trading concerns is to place before Parliament what one honestly believes the result of the year's trading will prove. We have the same position in regard to the State Implement Works. No man can tell how many harvesters will be required during the year, but he can use his judgment, guided by former experience.

Mr. Harrison: Even if he over-supplies, it is an asset.

The MINISTER FOR WORKS: That may be so, but the hon. member was referring to the estimates of profit. Although assets in stock, they would not be put in at sale price. There would be the difference between manufactured cost and realisation. Therefore, all that can be done is to frame an estimate of what the profit is likely to be from work done and what number of machines are likely to be sold.

Mr. Scaddan: It is like squeezing a lemon into soda water.

The MINISTER FOR WORKS: The next clause deals with the revenue receipts of the trading concerns in connection with the working expenses. If the revenue receipts of any trading concern are insufficient to meet the money that has been paid out during the financial year the deficiency shall be provided out of the working capital shown in the schedule of the Bill or provided by Parliamentary appropriation, as the case may be. Another clause provides that if the funds, including working capital of any trading concern are insufficient to meet requirements during the financial year the deficiency may be provided from the appropriation "Advance to Treasurer."

Mr. W. D. Johnson: What change do you make there?

The MINISTER FOR WORKS: I do not know that there is much change there. It is Section 16 in the Act. We are taking the good points out of the Act.

Mr. W. D. Johnson: Why take up our time by explaining what is already in the Act?

The MINISTER FOR WORKS: Because other members desire it.

The Premier: I want it explained.

Mr. Scaddan: You are giving a Committee explanation of the clauses.

The MINISTER FOR WORKS: I am trying to explain the Bill so that the House may understand it. One thing you did was to throw dust in the eyes of the people. I am trying to take it out. The purpose of the clause is this, that if the collection of accounts should be delayed there is likely to be a shortage of cash—

Mr. Scaddan: Not with the present Government.

The MINISTER FOR WORKS: I do not know whether it is in the Standing Orders, Sir, but I wish to God that you could put a cork in that man's mouth.

The DEPUTY SPEAKER: Order! I must say I think the Minister is inviting the interruption.

The MINISTER FOR WORKS: Anyhow I am getting it. However, I shall go through with this task if I have to stand here all night. Although this clause is taken from the Act it is not a bad clause. The gentlemen opposite are endeavouring to prevent the public getting the information

it is entitled to. If dust were to be thrown in the eyes of private shareholders in the way it was thrown into the eyes of the public by the gentlemen opposite, and the same process of law could be taken, those gentlemen would not be here to-night. The directors of any private company who tried to throw dust, as the hon. gentlemen did, would have to be dealt with differently from the way in which members of Parliament are dealt with.

Mr. Angwin: The balance sheet you issued shows that the position is very different from that.

The MINISTER FOR WORKS: If it should happen that the funds that have to be collected do not come in fast enough to provide sufficient liquid funds to enable the concerns to go on—or in regard to other concerns, such as the saw mills or the State implement works—where it is necessary to produce stock to keep the men working, the Treasurer has an opportunity of finding sufficient funds to enable this to be done.

Mr. Scaddan: Well, did I not do so?

The MINISTER FOR WORKS: I do not think the hon. gentleman would do anything. His transactions in the Nevanas case show that he knows nothing.

Mr. Scaddan: And yours in respect to the Black Swan Foundry—

The MINISTER FOR WORKS: They were honest.

Mr. Scaddan: At all events mine were as good as yours.

The MINISTER FOR WORKS: The next clause deals with profit and loss account and provides that if there should be any excessive profits not required in the business the Treasurer can have them paid into Consolidated Revenue. I expect every member devoutly hopes that such a position of affairs will come about.

Mr. Munsie: The Treasurer has had a fair amount out of them up to date.

Mr. Angwin: Would it not be better to pay that into a suspense account?

The MINISTER FOR WORKS: The next three clauses are practically the same as the sections appearing in the Act. As hon. members opposite do not wish to have them referred to, I will pass them by. The next clause, in part, represents an

old section, but contains considerable new matter dealing with the Auditor General. While the clause retains to the Auditor General all the powers he exercises under the Audit Act of 1904, it also enables him to carry on a continuous audit, or a continuous investigation, if he so desires. In certain respects the provisions of the Audit Act do not apply to these business concerns. On that point I will give an explanation later. The present clause will enable State businesses to deal with the changing situations of buying and selling and manufacturing. As things are under the Audit Act, the moneys allocated to the trading concerns can be applied only to purposes which are specifically stated. Thus, if it should happen in the conduct of the business that the scope of those purposes has not been made sufficiently broad, either the business is hampered and checked or else an apparent illegality has to take place. In the latter case the Auditor General is compelled to report infractions of the Audit Act or of the regulations thereunder, and steps have to be taken to free those responsible from the consequences. If the clause is passed, it will allow the State businesses to be conducted exactly on the same system as private businesses; and thus a great many shackling conditions applying to other departments—which conditions no doubt are necessary, being in the Audit Act, but which check and hamper, by their want of elasticity, the conduct of trading concerns—will be abolished. It is laid down here as mandatory that the Auditor General shall arrange for a periodical or a continuous audit of the accounts; and I believe he has already adopted that course with several trading concerns, if not with all of them.

Mr. Angwin: I hope the Auditor General will be able to give better reports than he has been giving in the past.

The MINISTER FOR WORKS: I sincerely join in that hope. I had considerable experience of Mr. Spencer and of the present Auditor General when I was Commissioner of Railways, and I found the regulations under the Audit Act very irksome. The regulations under the Audit Act are not adapted for carrying on buying and

selling concerns such as the implement works and the State sawmills.

Mr. Angwin: The Auditor General ought to be able to tell, when money is spent, what it has been spent on; but he cannot do it.

The MINISTER FOR WORKS: The existing Act provides that annual accounts shall be submitted to Parliament. Under this Bill it is proposed that the accounts shall be laid before both Houses of Parliament on or before the 30th September in each year, if Parliament is then sitting, or else early in the next ensuing session.

Mr. Collier: They have not been able to do that in past years.

The MINISTER FOR WORKS: I am not blaming the Government in that respect. Naturally, there are difficulties. This year we met those difficulties by placing what were practically unaudited balance sheets on the Table of the House.

Mr. Scaddan: That is not right.

The MINISTER FOR WORKS: The object was to give information to hon. members. It was expressly stated that the accounts had not been audited, and that they were laid on the Table only for the purpose of giving hon. members early information. I have not got the accounts audited yet.

Mr. Scaddan: But what will happen in the event of the Audit Department not being able to comply with this clause?

The MINISTER FOR WORKS: In that case the accounts will have to be brought in during the next ensuing session.

Mr. Scaddan: But, in that case, why have the clause at all?

The MINISTER FOR WORKS: Because we think it is necessary. The hon. gentleman can knock it out if he likes.

The Premier: It is the same as in the articles of association of a company, which provide that there must be an annual meeting before a specified date.

Mr. W. D. Johnson: And if that annual meeting is not held, what happens?

The Premier: There might be trouble then—an action at law, perhaps.

The MINISTER FOR WORKS: I believe—possibly I am too hopeful—that the audited accounts will be laid on the Table of the House next session before the 30th

September. Every effort will be made to do it, and I think it will be accomplished.

Mr. Scaddan: Why was it not done this year?

The MINISTER FOR WORKS: Because the hon. gentleman retained office so much longer than we desired him, and so we had not time or a proper opportunity. The hon. gentleman has been absent from the House for some time, and he evidently has not read up the records. I advise him to study them.

Mr. Scaddan: But the Auditor General makes the report.

The MINISTER FOR WORKS: Exactly.

Mr. Scaddan: And you do not control him.

The MINISTER FOR WORKS: No; but we get his loyal assistance.

Mr. Scaddan: The report is not here now.

The MINISTER FOR WORKS: A copy was laid on my table to-day.

Mr. Scaddan: It is not here now; and this is November—not the 30th September.

The MINISTER FOR WORKS: Things got into such a slough of despond.

Mr. W. D. Johnson: The Auditor General's Department are slow and incompetent, are they?

The MINISTER FOR WORKS: Are they?

Mr. W. D. Johnson: You implied that.

The MINISTER FOR WORKS: I did not say anything of the sort. I do not want words put into my mouth.

Mr. W. D. Johnson: The Auditor General is the servant of this House and not your servant.

The MINISTER FOR WORKS: I know that. The hon. gentleman is again attempting to put words into my mouth. Clause 26 deals with the transfer of assets, providing for the event of the necessity of adjustment between one department and another. It is perfectly clear and requires no explanation. A clause which I will have to leave for a moment is the clause empowering the Government to dispose of assets. The remaining clauses explain themselves clearly. There is an arrangement under which the Treasurer acts as arbitrator in the event of a dispute between a trading concern and a Government department. There is also power provided for the Gov-

ernor-in-Council to make regulations for the carrying out of the provisions of this measure.

Mr. W. D. Johnson: Now Clause 25. That settles it. There are no other clauses.

The MINISTER FOR WORKS: Clause 25 provides that the trading concerns may be sold. The policy of the late Government was to establish these trading concerns. The policy of the present Government is not to establish trading concerns under the same conditions as the old Government did. The policy of the present Government is to dispose of those trading concerns to the best advantage in the interests of the whole of the country. If we can sell them advantageously—and the conditions are being arranged now—

Mr. Scaddan: Why do you not make provision here for disposal of the funds which will result from the sale of the trading concerns? What will you do with the money when you sell the concerns?

The MINISTER FOR WORKS: Let the leader of the Opposition turn to Clause 26. The necessary provision is made there. However, if anything has been omitted from the Bill, I shall be glad to have the hon. gentleman's assistance. I ask for assistance, and not for carping criticism.

Mr. Munsie: Why do you not give Parliament an opportunity of saying whether the trading concerns should be disposed of or not?

The MINISTER FOR WORKS: That is a debatable question, which the hon. member can raise when the time comes. The Government intend to sell the trading concerns, at the same time conserving the best interests of the State. If the Government cannot sell them, they want to lease them. If they cannot lease them, the trading concerns must be carried on, but not under the same system of management as at present obtaining.

Mr. Munsie: I know who will get the brickworks, anyhow.

The MINISTER FOR WORKS: It will be the business of the Government, if we are given the power, to frame a scheme for the carrying on of these business concerns in the best interests of the State. The scheme will, if necessary, be submitted to Parliament. I do not engage that it will be sub-

mitted, however. A scheme will have to be prepared to alter the arrangement under which the trading concerns are carried on at the present time. It is absolutely silly to expect any Minister to take over a huge concern like the State sawmills, and occupy the responsible position of general manager, and carry on such a concern—with all his other duties and the other business concerns—and come out with anything like success or with any benefit to the State.

Mr. Munsie: No one has expected the Minister to do that in the past.

The MINISTER FOR WORKS: We must put the management on a proper basis.

Mr. O'Loughlen: You have a general manager of the State sawmills.

The MINISTER FOR WORKS: We must have a scheme by which the interests of the State will be adequately conserved. If the State sawmills belonged to the timber combine or to any big timber people, and the concern required reorganising, the proprietors would never dream of appointing to the managership anyone who could not give practically the whole of his time and energy to it. With the trading concerns as they are to-day, we expect the Minister—who may have some experience, or may not; that is a question on which members must form their own opinion—to take charge of such enterprises as the implement works, the State sawmills, and the brickworks, with a total capitalisation of one and a-quarter millions. The Minister is expected, by means of occasional visits, to carry on those concerns properly. That is absolutely unfair to the State. It is unreasonable to make such demands on the Minister, and it is not in the interests of the trading concerns themselves.

Mr. Munsie: The capitalisation is not 1¼ millions.

The MINISTER FOR WORKS: I see I have made a little mistake of £18,000. The hon. member would not make me a liar for that amount.

Mr. Munsie: It is more than that.—

The MINISTER FOR WORKS: The capital grand total is £1,232,331.

Mr. Munsie: You said a million and a-quarter for three of them.

The MINISTER FOR WORKS: There are 10 concerns there.

Mr. Munsie: You mentioned three.

The Premier: He did not say three.

Mr. Munsie: He did.

The MINISTER FOR WORKS: I will not quarrel with the hon. member. Let me take the three concerns, the sawmills, the brickworks, and the implement works. The total capital of these is £800,000. I say that it is silly to expect a Minister with limited time at his disposal to give full and necessary attention to the supervision and the direction of concerns such as those with a capital of £800,000.

Mr. Munsie: They have a manager.

The MINISTER FOR WORKS: Exactly, but the responsibility has to be taken by the Minister. When the member for North-East Fremantle, Mr. Angwin, occupied the position of the Minister for Works, he looked upon those concerns as I am doing, namely, with a sense of personal responsibility. No one will deny that. The hon. member was interested in them as far as his experience went, just as much as I am interested in them as far as my experience goes. And it is impossible to expect a Minister to assume responsibility in regard to those three concerns with a capital of £800,000, bearing in mind the very limited time a Minister of the Crown has to devote to such institutions.

Mr. Collier: Look at the capital involved in the railway system.

The MINISTER FOR WORKS: The hon. member is drawing a parallel which does not apply. The railway business is controlled by a Commissioner, who devotes the whole of the time at his disposal to the concern.

Mr. Scaddan: What is the capital; about £16,000,000?

The MINISTER FOR WORKS: That does not matter. During the time I was Commissioner of Railways I made an effort to bring about a board of three to control the railways, and I still think that three commissioners are necessary to conduct that concern. But the point I am trying to make is that the Commissioner is able to devote the whole of his time to the management of the railway system, and he does not have to attend Parliament. I have tried as far as I can to give an honest explanation of the

Bill as it appears to me. The measure has to be divided practically into three parts. There is the continuance of the present affairs, there may be the addition of others, and there is the putting of the bookkeeping and financial affairs under a proper form, while there is also the question which hon. members may debate amongst themselves regarding the disposal of those concerns.

Mr. Foley: Which hat is the pea under?

The MINISTER FOR WORKS: I do not know what the hon. member means.

Mr. Thomas: He reckons you are playing the political thimble and pea game.

Mr. Heilmann: It is the first time you have been beaten.

The MINISTER FOR WORKS: I do not know anything about it. The Bill is there for hon. members to consider. I have tried to make a clear statement of the position. I move—

That the Bill be now read a second time.

Mr. ANGWIN (North-East Fremantle) [10.5]: I move—

That the debate be adjourned to Tuesday, 21st November.

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

Ayes	..	..	..	14
Noes	..	..	..	15

Majority against .. 1

AYES.

Mr. Angwin	Mr. W. D. Johnson
Mr. Carpenter	Mr. Munsie
Mr. Chesson	Mr. Scaddan
Mr. Collier	Mr. Thomas
Mr. Foley	Mr. S. Underwood
Mr. Green	Mr. Taylor
Mr. Heilmann	(Teller.)
Mr. Holman	

NOES.

Mr. Butcher	Mr. Plesse
Mr. Connolly	Mr. Robinson
Mr. Gardiner	Mr. Smith
Mr. George	Mr. S. Stubbs
Mr. Harrison	Mr. Wansbrough
Mr. Lefroy	Mr. F. Wilson
Mr. Male	Mr. Hardwick
Mr. Nairn	(Teller.)

Motion thus negatived.

On motion by Mr. Scaddan, debate adjourned.

House adjourned at 10.10 p.m.

Legislative Council,

Thursday, 16th November, 1916.

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

PAPERS PRESENTED.

By the Colonial Secretary: 1, Return of Insurance Companies. 2, Mines Regulation Act new general rules.

BILL—WHEAT MARKETING.

Second Reading.

Debate resumed from the previous day.

Hon. C. SOMMERS (Metropolitan) [4.36]: The excellent speech delivered by Mr. Baxter on this Bill last night, I think, made the measure thoroughly familiar to members. Mr. Baxter pointed out many defects in the Bill and put forward a good case for a select committee. I have much pleasure in supporting the appointment of one. The dealings of the pool with the last harvest disclosed many defects, and we wish to avoid the mistakes of the past. As it is impossible in the time at our disposal to deal with this Bill in ordinary Committee, I think the only way to meet the wishes of the producers, and also those of the consumers who are interested in the establishment of the pool, is to refer the measure to a select committee. These pools, I may remark, seem to have come to stay. I understand it is the desire of the producers generally that there should be some uniformity in the agreements existing in the various States. I support the Bill, and shall have pleasure in supporting also the appointment of a select committee. I know the Government are anxious that the measure should go through as quickly as possible. The Minister for Industries (Hon. J. Mitchell) is now in the Eastern States in connection with this matter, and he, naturally, is anxious that the Bill should go through.