better than the suggestion of the Government. He still thought that the Collie coal could well be taken over No. 4 route by Pingelly, or along the No. 1 route by Wagin. He was certain that the other Chamber would find it incumbent upon them in the best interests of Western Australia to delay this for five months.

The MINISTER FOR WORKS would not enter into the merits or demerits of the scheme suggested by the member for the Murray. He believed the hon. member was actuated by the best of motives. If, however, the amendment were carried, the hon. member would not get his line, because this Bill would have to be placed on one side and a fresh measure introduced. What the hon. member proposed was another railway altogether, and totally foreign to the Bill which we spent so much time over. The terminal point was very different. The present Bill was for the construction of a railway from Collie to Narrogin, but the proposal of the hon. member was for a line from Narrogin to Pingelly. If the hon. member's proposal were carried, no one would get anything, for there would be no railway at all, and he was sure the hon. member did not desire that.

Mr. TAYLOR: If the line to be constructed was to be purely for agricultural purposes, it would be wise to start it from the south-west and run it towards the Collie through the country proved by experts and the Minister for Lands to be good agricultural country, travelling through that good country for 40 miles to the 40-mile peg marked on the map, that portion of the line being constructed with, say, 60lb. rails. If that were the terminal point, and the country surrounding that part of the line were taken up and settled, then the line could turn, as indicated by this amendment, towards route No. 2, and thence along in a north-westerly direction to No. 4, and about 40 miles towards the Williams River. Then it would come towards the Great Southern Railway with light rails at a low cost. If there were a necessity for the line to go from the 40-mile peg to Collie to convey Collie coal, that portion of the line could be constructed with heavy rails to meet that traffic. The Government should adopt this scheme, for the country was thoroughly settled for 35 miles from Narrogin to Williams. The State should not be put to the expense of building the railway proposed unless it was for the carriage of coal to the goldfields. However, he considered the line should start from the Great Southern Railway, go through agricultural land, and afterwards be continued to Collie, for it would be many years before Collie coal was used on the goldfields.

Amendment negatived, and the schedule passed.

Preamble, Title—agreed to.

Bill reported with amendments, and the report adopted.

ADJOURNMENT.

The House adjourned at 1·22 a.m. (Saturday), until the next Monday afternoon.

Legislative Council,

Monday, 14th December, 1903.

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The PRESIDENT took the Chair at 4·30 o'clock, p.m.

Prayers.

PAPERS—LIQUOR LICENSES, CORRESPONDENCE.

Hon. A. G. JENKINS (North-East) moved:

> That there be laid upon the table of the House copies of all correspondence from the Premier and Attorney General to any member of the various licensing benches throughout the State, in regard to the granting or refusal of licenses to sell liquor.

The Premier and Attorney General had told a recent deputation that he believed the majority of applications for liquor licenses ought to be refused because the need for them was never established, and that he would send a memo. to that effect to the members of licensing benches. Hon. members would doubtless agree that any such communication to the benches from the Premier or Attorney General was to say the least highly improper, because if the Premier assumed, as he apparently did, the right to direct the bench that new licenses should not be granted, he might as well assume the right to say that certain licenses should be granted. It was not a question whether the granting of fresh licenses was right or wrong, or whether there ought or ought not to be more licenses. No undue influence should be brought to bear on a bench which was appointed year by year by the Attorney General. It seemed almost indecent for the Attorney General, who appointed the bench, to tell the magistrates how to act. One believed a circular had been sent to the magistrates, and apparently it was not the first circular sent out, but unfortunately it was not made public property that a previous circular was sent to the licensing benches throughout the State. If the Premier claimed the right to send opinions to magistrates, he might claim the right to send opinions to the Supreme Court Bench, but if he did so the Supreme Court would know how to deal with him. But magistrates could not be expected to uphold the dignity of the bench to the same degree, because they were officials of the department and could not well call the Attorney General before them for contempt. It was a most gross contempt, and the Premier ought to know better than send out such circulars. The House should have an opportunity of seeing what circular the Premier chose to send in pursuance of his reply to the deputation.

HON. F. M. STONE (North): The papers would be of some interest to the House. Suggestions of some kind had been sent round to all the licensing benches by the Premier, and he (Mr. Stone) agreed with Mr. Jenkins that it was a most improper thing to do. The magistrates were appointed to administer the law as it stood, and it was not right for the Premier to suggest or in any way influence the bench in carrying out the law. If the Premier was of opinion that two many licenses were granted in the State or that licensed houses should only be carried on by the State, it was for the Premier to bring that matter before Parliament, so that members could deal with it and say that no licenses were to be granted in the State or else that all licensed houses should be carried on by the State. Until the law was altered it was wrong for the Premier to suggest to any bench the way they should carry out the Act. The House should see in what way the Premier had addressed the licensing benches.

THE COLONIAL SECRETARY: There was not the slightest objection to the papers being laid upon the table, but he differed strongly from the views of the two members who had spoken; indeed he thought it would have been better had these two members shown a sufficient case for asking for the papers, and have postponed the remarks about the enormity of the offence until they had seen what the Premier had written.

Question put and passed.

PRIVILEGE—ABSENCE WITHOUT LEAVE.

THE COLONIAL SECRETARY brought up the report of the select committee appointed to inquire into the question of a vacancy in the Metropolitan-Suburban Province, caused by absence without leave of the Hon. W. G. Brookman.

Report received and read.

THE COLONIAL SECRETARY moved that the report be printed, and considered at the next sitting.

HON. J. W. HACKETT: There was a matter of the first importance to the country at large which should be referred to. It had been stated that this was not the first time a member vacated his seat owing to his failure to obtain leave of absence during two consecutive months of a session. That was a reflection on the House and on every member of it; it was also a reflection on the member referred to. It was stated that the Hon. F. M. Stone, having broken the law, presumed to again take his seat in the Council to which he no longer belonged, and that the rights of his constituents

and the whole community had thereby suffered. Surely the House was never guilty of such a dereliction of duty. Mr. Stone was now in his place, and no doubt would make a statement as to the aspersion cast on him.

Hon. F. M. STONE: In 1901 he went to London, and on the 28th August leave of absence for two months was asked on his behalf. Instead of two months being granted, one month was given, and that leave expired on the 28th September. He (Mr. Stone) received a communication in London that the House would not grant him leave, and he at once sent out his resignation; but when that resignation arrived leave had been granted. He (Mr. Stone) had been informed that his leave would not be up until the 28th November; but having returned to this State on the 6th November he attended the next sitting on the 10th of that month. Therefore he thought he was within 18 days of the expiry of the time granted to him. He made an explanation to the House at the time, which members were good enough to receive; and a resolution was passed that the explanation was satisfactory, and that any contempt which he had committed under the Standing Orders should not be taken notice of.

The PRESIDENT: It was well that members should understand the exact position from the records of the House. The report in *Hansard* of November 18, 1901, was as follows:—

Hon. F. M. Stone (North), who attended for the first time during the session (having been absent in England), took the oath and signed the members' roll.

The President: On the 28th August leave of absence was granted to the Hon. F. M. Stone, which leave expired on the 28th September; therefore Mr. Stone had brought himself under the provisions of Standing Orders 17 and 42.

Hon. G. Randell (Metropolitan): It was the right and the duty of the President to bring under the notice of the House any infringement of the Standing Orders. In this case, the infringement had doubtless been due to misapprehension; and he therefore moved that Mr. Stone be he heard in explanation. Several hon. members, himself included, had been under the impression that the leave had been considerably extended; and that the hon. member had not been granted farther leave was owing to some inadvertence arising from the unsettled nature of business in the House.

The Minister for Lands (Hon. C. Sommers) seconded the motion. After hearing the explanation, the House would probably be satisfied.

Motion put and passed.

Hon. F. M. Stone (in explanation): Thanks were due to the House for this opportunity of explaining his absence. Till he came to the House this afternoon, he had been under the impression that his leave did not expire till the 27th November. It was for that reason he had not hurried out from England, and he craved hon. members' indulgence.

Hon. G. Randell moved "That the explanation offered by the hon. member be accepted by this House as satisfactory; and that the penalties provided by the Standing Orders be not enforced."

It is not a question of the hon. member having vacated his seat but rendering himself liable for a penalty of £50 for contempt by a breach of Standing Orders in exceeding the number of days leave of absence. It was not a breach of the Constitution Act but of the Standing Orders.

Question passed, and the consideration of the report made an order for the next sitting.

COLLIE-NARROGIN RAILWAY BILL.

Received from the Legislative Assembly, and read a first time.

EVIDENCE AMENDMENT BILL.

Read a third time, and transmitted to the Assembly.

AGRICULTURAL LANDS PURCHASE ACT AMENDMENT BILL.

Read a third time, and *passed*.

AGRICULTURAL BANK ACT AMENDMENT BILL.

SECOND READING.

The COLONIAL SECRETARY (Hon. W. Kingsmill): Members will perceive that the main object of this Bill is to increase the capital available for the services of the Agricultural Bank. Agricultural members at all events know that the bank was started in 1894 with a capital of £100,000, which capital has since been increased to £300,000. It is now proposed that the capital shall be farther increased to £400,000. Members acquainted with the working of the bank understand that its operations up to date have been extremely successful from the

point of view not of the Government only but of those who have been reaping the advantages which the institution confers. I am informed that there have been practically no losses sustained with the exception of one of, I think, £10; and when we are dealing with sums like £300,000, I think the manager of the bank and his officials have every cause to congratulate themselves heartily on the results.

HON. J. W. HACKETT: All depends upon the manager.

THE COLONIAL SECRETARY: Yes; and I think in this case we ought to congratulate the State also on having such a capable man at the head of the institution. The position of the capital account to-day is that we have a total of £259,287 advanced on loan, leaving a balance available of £40,713. These agricultural advances are being clamoured for very loudly; and it is on the cards—indeed, it is almost a certainty—that the balance available will not last until a new Parliament can deal with the subject next session. It is therefore thought advisable to bring in, even at this late hour, a Bill to increase the capital so that there may be a sufficient sum available to meet expected applications. Advances are now being made at the rate of £13,500 a month. The same care is observed as in the past; but members will I am sure understand that with the increase in the scope of the State's agricultural development it is necessary to increase the scope of the bank. I note from the information supplied me that in New Zealand the Agricultural Bank is dealing with over three millions of money; so there is precedent for a large capitalisation. The present limit is £300,000, and the Bill proposes to make it £400,000. The maximum advance is at present £1,000; not many loans exceeding £500 are granted; and this is advisable, because persons who have security for loans of £1,000 or over should be able to negotiate them with private institutions. The bank is for the assistance of struggling settlers; and when a man has security sufficient to justify his borrowing more than £500 he has, I think, ceased to come under the difinition of a struggling settler.

HON. G. RANDELL: Has New Zealand a separate Act for land purchase?

THE COLONIAL SECRETARY: I think so. The corresponding institution in New Zealand is termed the Agricultural Bank. Clause 3 of the Bill proposes to repeal Section 6 of the Agricultural Bank Act Amendment Act, 1902, which section provides as to repayments that the borrower shall in certain circumstances begin to pay back the principal at the expiration of one year from the first day of January or the first day of July, as the case may be, next following the date of the advance. Past experience has, it is thought, made it necessary to alter this, and to revert to the old system by which the borrower began to pay back at the expiration of five years from the date of the advance. I think members will admit that this is a good Bill, and that its object is laudable. I have pleasure in moving the second reading.

HON. W. MALEY (South-East): I have great pleasure in supporting the second reading, being satisfied that the outlook for agriculture is now far better than it was at the time the bank was established, and that it fully justifies the increase of capital. When we consider that over 2,000 people hold free grants of 160 acres each from the Crown, we may safely conclude that the agricultural industry is highly prosperous. Engaged in the timber industry throughout the State are less than 3,000 people; so that the number of actual holders of free homestead farms now approximates to the number of men employed in the timber industry. I do not know how many people are engaged in the agricultural industry. The *Statistical Register* does not give the figures. But one would be safe in saying that at least 20,000 people are now engaged in agriculture within the boundaries of the State. I take it that £400,000 is a very modest sum to distribute among so many people; and I am satisfied that if the Bill increased the amount to a million pounds that would not be one pound too much. The country is now being so rapidly opened up that instead of lending money to people settled in the wilderness, we are lending it on the security of farms which may safely be called farms—farms in settled districts which have all or many of the conveniences of civilisation. What with schools and similar institutions, living in the country has

become quite attractive; and whereas the Agricultural Bank was a few years ago the only bank doing business on the Great Southern Railway, there is now a large number of banks catering for business along that line, and keenly competing for loans on agricultural properties. Therefore, unless the Agricultural Bank moves with the times and keeps up to date, unless it makes reasonable advances on securities offered, there will be less business done; and the bank will fall into the background, and have to take ninth or tenth place instead of the first place it has hitherto occupied. I hope the second reading will pass without dissent.

Hon. C. E. DEMPSTER (East): As an agriculturist I have great pleasure in supporting the Bill, and should like to assure the leader of the Government that advances of money for the encouragement of agriculture are appreciated throughout the State. No Government measure has done more good to the community than the Agricultural Bank Act. I hope the Government will continue this good work, and that the efficiency of the management will be maintained. Future results will then be as satisfactory as those of the past. In view of the extensive settlement now proceeding, the Bill must be of immense benefit to those occupying our agricultural lands.

Question put and passed.

Bill read a second time.

IN COMMITTEE, ETC.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Standing Orders suspended

Bill read a third time, and *passed.*

MINING BILL.

IN COMMITTEE.

Resumed from 3rd December; the Colonial Secretary in charge of the Bill.

Clause 55—Rent for gold-mining leases:

Hon. Z. LANE moved as an amendment:

> That all the words after "land," in line 4, be struck out.

Some of the coal mines at Collie were paying sixpence per acre rental, while others were paying £1 per acre. Some of the mines were paying more than sixpence per ton royalty while others were paying only sixpence. After the first 10 years the coal cost more to get, for it was farther away. There was increased haulage, winding, and pumping; therefore it was a very heavy tax indeed on the owners, if a mine worked as long as 10 years, which at the present time, was very doubtful indeed.

The Chairman: The clause dealt with money which had to be paid into the general revenue, therefore the amendment would have to be by way of suggestion to the Assembly.

Hon. Z. LANE moved (in altered form):

> That it be a suggestion to the Legislative Council that all the words after "land," in line 4, be struck out.

The COLONIAL SECRETARY: When members considered what the terms in regard to rent and royalty in the other States were, the coal owners of Western Australia were on a very good basis. In Victoria there was no royalty, but the rent was not less than 1s. nor more than 20s. per acre.

Hon. Z. Lane: Some of the companies here were paying 20s. per acre.

The COLONIAL SECRETARY: If the land was taken up as a coal-mining lease, how were these companies paying £1 per acre? Sixpence per acre royalty was the payment according to the law at present. If companies at the Collie were paying 20s. per acre then they had better abandon the land under the present title and exchange it for a coal-mining lease. In New South Wales, which was the coal State of the group, a royalty of sixpence per ton was charged all round. When no right was given to occupy the surface the rent might be reduced from 2s. to 1s. 6d. per acre; when the land was wholly under water the rent was 1s. per acre. The conditions under which coal mining was carried on here, as far as rent and royalty were concerned, were better than in Victoria and New South Wales.

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

Ayes	4
Noes	17
Majority against ...	13

AYES.	NOES.
Hon. A. G. Jenkins	Hon. E. M. Clarke
Hon. Z. Lane	Hon. A. Dempster
Hon. C. Sommers	Hon. C. E. Dempster
Hon. J. T. Glowrey (*Teller*).	Hon. J. M. Drew
	Hon. J. W. Hackett
	Hon. W. Kingsmill
	Hon. R. Laurie
	Hon. W. T. Loton
	Hon. W. Maley
	Hon. M. L. Moss
	Hon. G. Randell
	Hon. J. E. Richardson
	Hon. F. M. Stone
	Hon. J. A. Thomson
	Hon. Sir E. H Wittenoom
	Hon. J. W. Wright
	Hon. B. C. O'Brien (*Teller*).

Amendment thus negatived, and the clause passed.

Clauses 56 to 66—agreed to.

Clause 67—Right of entry pending application:

HON. Z. LANE moved that in line 2 after "application" the words "and until it is proved to the satisfaction of the Minister that the lease contains payable alluvial gold" be inserted.

Amendment negatived.

HON. Z. LANE moved as an amendment—

That the following be added to the clause: "Provided that the applicant shall have the exclusive use of such portion of the land not exceeding one-fourth of the whole as he may mark off for his building, shafts, and workings pending the application."

The applicant should have room for his buildings, machinery, tailings, etc., and one-quarter of a 24-acre lease was little enough for the purpose.

SIR. E. H. WITTENOOM: It was a pity these important matters were overlooked in another place, but if members there were satisfied with the clauses he would not interfere.

THE COLONIAL SECRETARY: The Mines Department had pointed out that if the amendment were carried it would enable an applicant to hold ground against the alluvial miner. If a man wanted to get 12 acres for certain all he would have to do was to peg out a 24-acre lease which he was able to do under the Bill, and then he would have an absolute monopoly of 12 acres of alluvial ground. The difficulty was met by Clause 77, by which it was possible for the Governor, instead of granting or refusing to grant a lease, to postpone dealing with an application, and to give an applicant the right to work the ground for reefs and lodes under such conditions as to rent, etcetera, as the applicant would have been subject to if his lease had been granted, and subject to the conditions of Clause 67. This was the best solution of a serious difficulty, for it gave the applicant security of title and the right to work the land applied for; but it did not give him the lease until in the opinion of the Minister the land was thought suitable for reefing or lode mining exclusively.

HON. Z. LANE: All the amendment asked was that the applicant should have the right to one-fourth of his 24 acres for buildings, machinery, shafts, etc. If the alluvialist could take possession of the 24 acres, how could the applicant sink his shaft and prospect the ground? Such ground was generally worked pending application if the applicant were serious; therefore he should have some protection, otherwise his shaft might be hemmed in by alluvialists. Protection to the applicant should not be discretionary with the Governor.

HON. A. G. JENKINS: As the Bill originally drafted contained a somewhat similar provision, making the protected area one-eighth instead of one-fourth, how could the Government oppose the amendment? The clause as it stood would inflict great hardship.

HON. J. T. GLOWREY supported the amendment. One-fourth was a reasonable area for buildings and machinery; and the applicant would suffer great loss if his works were surrounded and perhaps destroyed by alluvialists.

SIR E. H. WITTENOOM: The Government had for some time refused to grant leases of land until fairly sure that alluvial was not present; but by the clause, so as not to prevent lode or reef mining on land applied for pending the granting of lease, a title was granted subject to certain conditions which the amendment sought to alter so as to give the applicant for lease an exclusive use of an area not exceeding one-fourth. The applicant must, however, take some risk; and it was not obvious how any absolute title could be granted pending the approval of application.

THE COLONIAL SECRETARY: Under the old law an applicant for lease of ground which undoubtedly contained alluvial was promptly refused. Now the Government proposed to postpone the application till the alluvial was worked

out, and in the meantime give the applicant permission to work reefs or lodes on the ground. Thus the applicant was highly favoured in comparison with the treatment he had hitherto received. Pass the amendment, and a man wanting a 12-acre lease could peg out 48 acres and thus get a title to 12 for the alleged purpose of erecting buildings and machinery. This would defeat a valuable object. Similarly, by taking up 24 acres he would get absolute control of six. As to the alluvial, the officers of the department would determine when it was to be considered worked out.

Hon. W. MALEY: The Bill evidently sought to give a dual title. Clause 67 stated that the applicant for lease might take possession of and hold the land applied for pending the application; but by Clause 77 the application might be postponed. How could one person be said to hold land when another had the right to enter and work on it? The Bill was unfair to both alluvialist and applicant for lease. The applicant being first in possession should have nine points of the law on his side; but apparently he would never be safe, because the discovery of the smallest particle of alluvial would allow the alluvialist to work the same land.

The Colonial Secretary: Not the smallest particle.

Hon. Z. LANE: Surely an applicant was entitled, without interruption, to sink a shaft and prospect the ground. Sometimes he must wait six months or two years to get a lease.

The COLONIAL SECRETARY: The Bill would give the applicant much better rights than he now possessed; indeed, at present he had no rights pending the granting of the lease. By the clause his application would be registered, and its consideration postponed till the alluvial was worked out. Thus the applicant got a title, and was so much better off. The amendment was not reasonable. In this State the alluvialist was generally first in the field, and the Bill sought to preserve what appeared to be the natural order of things. When the two classes of mining were practically simultaneous, the alluvialist must be allowed to work the ground, for this would result in the acquisition of gold which the lessee, if given exclusive possession from the start, would not trouble to look for.

Hon. G. RANDELL: If an applicant erected buildings on the ground he would be running a very considerable risk. By Clause 69 the application for a lease must be heard by the warden in open court after the lapse of 30 days and then it must be heard at a time named by the warden. By Clause 73 the hearing might be adjourned from time to time. If alluvial was found, the warden might postpone the application for 12 months. Clause 77 contained a farther protection to the alluvial miner. The alluvial miner was well protected by the Bill, while very little advantage was given to a company. It did not follow that an applicant could not apply for a lease of ground that contained alluvial.

The COLONIAL SECRETARY: The applicant for a reefing lease was better off under the Bill than he had ever been. Clause 77 was intimately related to Clause 67 as it protected the applicant for a reefing lease more than he was ever protected before. The applicant got his application registered, and he could get it considered; he was in a position that he had never been in before. The man who applied under the Bill received a title, while the man who applied at present got no title. The position of the applicant was very much better in every way than at present. This measure was undoubtedly the best the lessees ever had and he asked those who were speaking in their interest not to go farther. In a year or two there might be reasons for amending the Bill in the way indicated; he could not see any reason now, neither could the Minister for Mines see any reason for going farther than we had gone under the present Bill.

Hon. J. D. CONNOLLY: A lessee now could not get a legal title until the alluvial was worked out, nor could the alluvialist get a title under the Bill. While not approving of the amendment, there was a good deal to be said in its favour. If the amendment were passed it might be open to grave abuse: a man applying for a 48-acre lease might take 12 acres of what was practically alluvial ground and hold it under the plea that it was for his shafts, machinery and buildings, and in that way he could crush out the alluvial miner. If it were not for the

alluvial miner there would be no mining at all, and it was unfair that the alluvial ground should be taken up and held by leaseholders. The amendment might be altered to read, "Provided that the applicant shall have the exclusive use of such portion of the ground as is approved by the Minister, not exceeding one quarter," then the Minister could see that the land was held for a *bona fide* purpose, and the State Mining Engineer could say that the applicant could have a certain portion of the land for his machinery and buildings.

SIR E. H. WITTENOOM: This was part and parcel of the policy adopted some time ago that alluvial land belonging to the Crown should be reserved for alluvial miners. The idea was that no lease should be let which in the opinion of the Government Geologist contained alluvial. The clause provided that the applicant for land could go on any land whether it contained alluvial gold or not and apply for a lease, but during the time of the application any person could go on the land for the purpose of searching for or obtaining alluvial gold or minerals. As the clause stood, no person could go on to any portion of the land during the currency of the application. Until the alluvial was taken from the ground, the land was at the mercy of the alluvial miner, and if a man attempted to put up machinery or buildings, the alluvial miner could easily undermine those buildings. After the approval of the application no man could go on to the lease except the owner, which was a proof that in the interim the alluvial miner could go on to the land. He had always been in favour of the alluvial miner having the alluvial gold: therefore he would vote for the clause as it stood.

THE COLONIAL SECRETARY: It was extremely unlikely that the circumstances pointed out could arise. Under Clause 43 land which was in the opinion of the Minister likely to contain alluvial gold was exempted from leasing. To meet the views of members, he moved that the consideration of the clause be postponed.

Motion passed, and the clause postponed.

Clauses 68 to 85—agreed to.

Clause 86—Amalgamation of leases:

HON. Z. LANE moved that the words "fifty-five," in line 3 of Subclause 2, be struck out, and "sixty-six" inserted in lieu. The understanding come to at a consultation which the Minister for Mines had with the representatives of the Amalgamated Miners' Union and the Chamber of Mines at Kalgoorlie should be adhered to.

THE COLONIAL SECRETARY: It had been adhered to in the Bill as drafted, but another place had altered the clause. He would agree to the hon. member's amendment.

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

Clause 87—agreed to.

Clause 88—Amalgamation of coal-mining leases:

HON. Z. LANE moved as an amendment,

> That all the words after "exceed," in line 2, be struck out, and "five thousand five hundred" inserted in lieu.

Several companies at Collie now carried on unprofitably, and two of the largest had closed down. There were good reasons why existing leases should not be cut up into sections of 2,560 acres. The most prosperous mine working to-day had an area of 5,022 acres, on which were two pits. The clause would compel the company to work both pits, though the present slack demand did not allow one to be worked full time. The depressed state of the industry was largely due to the Government, who had not kept their contract to burn 20 per cent. of Collie coal and 80 per cent. of Newcastle. Last week the Gvernment took only 1,550 tons, whereas for several weeks nearly a year ago they took 3,000 tons weekly. As was recently proved in the Arbitration Court, the mines were working at a loss; and it seemed that everything possible was being done to crush the industry. The Government had received thousands for the Collie township lands; and if the coal contracted for were consumed by the Government the trouble would cease. Labour conditions had nothing to do with the question. If the demand were brisk the owners would employ extra labour. Collie coal could not be stacked, but must be immediately removed. Little more discouragement was now needed to destroy the industry; and if

the clause were enforced the two companies now working must close down.

THE COLONIAL SECRETARY: The connection between the area of leases and the unfortunate state of the industry was not obvious. The hon. member said that the Government were to blame because they would not buy Collie coal. The Government had bought much more coal for the purpose of keeping the industry going than it paid to buy. True, the Government would not go so far as the former Government, who, when the hewing rate was raised sixpence, gave the colliery-owners 3s. 5d. to pay it with. That was extremely disgraceful, and was more harmful to the coal industry than anything else ever done to it. To keep the coalfield going, and to prevent the crushing out of an industry for which there was some hope, the Government were willing to pay somewhat more for the coal than it was worth. Under the Bill the condition of the coal mines, as to amalgamation, would be twice as good as under the existing law. How did the companies work the huge areas they now had? By provisions for special licenses similar to those appearing in Clause 95. Their position would not be altered save for the better. According to the hon. member, the only mine now working effectively covered an area of between 5,000 and 6,000 acres. This area was held by special license, for which the Bill provided. What area were they actually working?

HON. Z. LANE: Between 800 and 900 acres had been worked in two and a half years.

THE COLONIAL SECRETARY: If the labour conditions were carried out, 303 men would have to be employed.

HON. Z. LANE: But the companies could not employ that number unless they could sell the coal.

THE COLONIAL SECRETARY: And the company could not sell the coal unless to the Government; that was the hon. member's inference. The Government were going as far as they possibly could go, and were buying a very considerable percentage of the coal they used at a price which did not really pay them, for the purpose of keeping the Collie coalfield going, and to prevent the crushing out of an industry which was likely to lead to better things. As to the amalgamation of leases or the employment of labour, the Government were acting in a most generous manner. In the mine which had been alluded to instead of 303 men being employed, by special license the number had been reduced to about 230. That was very liberal, and the position was in no way altered by the Bill. The area of a coal-mining lease was increased 100 per cent. by the Bill. If there was any need why special license should not be granted, it would not be granted. The passing of the Bill would not necessitate the opening up of fresh collieries.

HON. Z. LANE: Was the Colonial Secretary prepared to include that in the Bill?

THE COLONIAL SECRETARY: And forfeit the discretion given by Clause 45, most certainly not. The Government had gone just as far as they could go to help the industry which the hon. member said the Government were trying to tread in the mire. The Government were endeavouring to keep the industry alive and the people employed, but the Government could not consent to the locking up of huge areas.

THE CHAIRMAN: If the amendment were carried it would leave the clause without any sense.

HON. Z. LANE: The Government had taken into consideration the expenditure of £65,000 by the company, while no return had been received, and it seemed to be forgotten that if it had not been for Collie coal the Government would be paying 20s. a ton for Newcastle coal. Farther than that, the Government were not buying more than they had contracted to buy. According to the agreement, the Government had to purchase 80 per cent. of the Coal from the Collie mines, which they were not doing, and the Commissioner had said in his evidence that the Government were paying fair value for Newcastle coal at 17s. 9d. per ton. Therefore nothing was being lost by the use of Collie coal; but on the other hand the Government were gaining not only directly but indirectly by the use of it. It would make a considerable difference if there was to be any interference with the existing rights and privileges of the lessees.

Amendment negatived, and the clause passed.

Clause 89—Cancellation of amalgamation:

HON. Z. LANE moved as an amendment,

That Subclause 2 be struck out.

Too much was left to the discretion of the Minister. The Colonial Secretary had stated that the Bill was to be recommitted for the purpose of reconsidering a previous amendment, and if the amendment referred to was struck out it would be necessary to have this subclause struck out too.

THE COLONIAL SECRETARY: This clause provided for transferring amalgamations from the present Act to the Bill, so that there would not be two sets of mining laws referring to the same holdings. Where any amalgamation was *bona fide* there was absolutely no need to be frightened over the clause. No objection was taken by the Mines Department to amalgamation as a whole, but the amalgamations registered under the present Act would be registered under the Bill.

HON. Z. LANE: If that was so, why not say it in the clause?

THE COLONIAL SECRETARY: It could not be said plainer.

HON. A. G. JENKINS: It was not fair to those who had amalgamated leases under the old Act to have their amalgamation cancelled.

HON. J. T. GLOWREY: The clause took away the rights of certain persons. There was no undertaking on the part of the Mines Department that a company would again receive amalgamation, it having been cancelled under the old law. While the present Minister was administering the department there was nothing to fear, but one could not tell who might be Minister for Mines in a year or two.

THE COLONIAL SECRETARY: According to the Minister for Mines there existed in this State the amalgamation of leases held by different owners which had been obtained in some cases by fraud. A *bona fide* amalgamation had nothing whatever to fear from the provisions of the Bill.

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

Ayes	... ...	8
Noes	... ...	10
Majority against	...	2

AYES.	NOES.
Hon. J. D. Connolly	Hon. E. M. Clarke
Hon. C. E. Dempster	Hon. J. M. Drew
Hon. J. T. Glowrey	Hon. J. W. Hackett
Hon. A. G. Jenkins	Hon. W. Kingsmill
Hon. Z. Lane	Hon. R. Laurie
Hon. C. Sommers	Hon. W. T. Loton
Hon. J. W. Wright	Hon. M. L. Moss
Hon. A. Dempster (*Teller*).	Hon. J. E. Richardson
	Hon. J. A. Thomson
	Hon. B. C. O'Brien (*Teller*).

Amendment thus negatived, and the clause passed.

Clause 90—agreed to.

Progress reported, and leave given to sit again

ADJOURNMENT.

The House adjourned at half-past 6 o'clock, until the next day.

Legislative Assembly,

Monday, 14th December, 1903.

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THE SPEAKER took the Chair at 2·30 o'clock, p.m.

PRAYERS.

PAPERS PRESENTED.

By the MINISTER FOR WORKS: Alterations in Railway Classification and Rate Book.

By the PREMIER: Report of Government Gardens Inquiry Board.

Ordered, to lie on the table.

ELECTION RETURN, NELSON.

The SPEAKER announced the return of writ for the election of a member for