

personnel of the Government. It was somewhat amusing. He said that there had been many changes, and that the Premier was still at the helm. I am glad to say that the Premier is still at the helm, and intends to stay there as long as the House desires it, and not a day longer; for when I find that I have not the confidence of the members of this House, you will not find the Premier anxious to stand at the helm. (Cheers.)

Mr. SIMPSON moved the adjournment of the debate until next day.

Agreed to.

ADJOURNMENT.

The House adjourned at 10.15 p.m., until next day.

Legislative Council.

WEDNESDAY, 15TH JULY, 1896.

Address-in-Reply; presentation of—Fares on Eastern Railway—Southern Cross-Coolgardie Railway; taking over of same by Government—Kalgoorlie Railway; why no tenders called—Companies Act Amendment Bill; first reading—Supply Bill; first reading; second reading; third reading—Adjournment.

The President (Hon. Sir Geo. Shenton) took the Chair at 4.30 o'clock, p.m.

ADDRESS-IN-REPLY.

THE PRESIDENT (Hon. Sir Geo. Shenton) announced that he had, in company with hon. members, proceeded to Government House and had presented the Address-in-Reply, and that His Excellency had been pleased to receive the same and reply. (*Vide* Legislative Council Votes and Proceedings, July 15th, 1896.

FARES ON EASTERN RAILWAY.

THE HON. E. RICHARDSON asked the Minister for Mines: Does the Railway Department intend to reduce the

passenger-fares on the Perth-Fremantle line, and, if so, when?

THE MINISTER FOR MINES (Hon. E. H. Wittenoom): Not at present.

SOUTHERN CROSS-COOLGARDIE RAILWAY.

THE HON. F. T. CROWDER asked the Minister for Mines: 1. Was the first section of the Southern Cross-Coolgardie railway (taken over by the Government last week) fully ballasted, and in every way finished according to specifications? 2. If not, why was it taken over and the contractors relieved from all further responsibility?

THE MINISTER FOR MINES (Hon. E. H. Wittenoom) replied: 1. The answer to this question is No; the section was not fully ballasted or finished according to specifications, the terms on which it was taken over from the contractors being as set forth in a memorandum produced, dated 9th May, 1896. 2. The contractors were not relieved of any responsibility. This will be evident from the memorandum already referred to. In addition to the stipulations in the memorandum above quoted, the contractor was also caused to give security, in addition to his contract, by lodgment of £4,000 per month for 10 months, commencing in April last, *vide* agreement dated 29th April, 1896; total, £40,000.

COOLGARDIE CONTRACT.

The due date for handing over works (as extended by adding lengths to Kalgoorlie)—

First Section, 11th June, 1896.

Second Section, 11th December, 1896.

Consideration of contractor's claim for extension of time by reason of Rolling-stock not being delivered to him when asked for.

1. Date for handing over First Section to be 30th June, 1896, and three months after that be allowed for completion of all the works appertaining to that Section, after which the penalties provided for in the contract will be enforced. The contractor to maintain the railway at his own cost during the said three months allowed for completion of works, and the term of six months' maintenance provided for in contract to commence when the

said three months has expired, unless the said works are completed sooner, in which case the term of maintenance provided for in contract would commence sooner accordingly.

2. The date for handing over of the whole work to be 31st December, 1896, and three months to be allowed after that date for the final completion of the works, after which the penalties, as provided for in the contract, will be enforced. The contractor to maintain the railway at his own cost during the said three months allowed for completion of works, and the term of six months' maintenance, provided for in contract, to commence when the said three months has expired, unless the said works are completed sooner, in which case the term of maintenance provided for in contract would commence sooner accordingly.

3. The rates to be charged by the contractor for the carriage of goods over such portions of the line as may remain in his hands from time to time to be in no case exceeding *one shilling per ton per mile*.

4. The rate similarly for passengers, including luggage, to be in no case exceeding *fourpence per mile first class*, and *three pence per mile second class*.

An Agreement made the 29th day of April, one thousand eight hundred and ninety-six, between the Honorable Frederick Henry Piesse, Director of Public Works for the Colony of Western Australia, and hereinafter referred to as "The Minister," of the first part, John Wilkie, of Perth, Contractor, and Adam Wilkie, of Perth, Contractor, and hereinafter referred to as "The Contractors," of the second part, and John Murray Watson, of Perth, Contractor, and Horton William Atkinson, of Perth, Ironfounder, and hereinafter referred to as "the sureties" of the third part. Whereas the said John Wilkie and Adam Wilkie are the contractors for the construction and completion of a line of railway from Southern Cross to Kalgoorlie, *via* Coolgardie, and the said John Murray Watson and Horton William Atkinson are the sureties for the due construction and completion of the said line of railway by the contractors: And whereas, by the general conditions of the contract made and entered into the

eighteenth day of June, one thousand eight hundred and ninety-five, between the parties hereto, power is given to the Minister to take the work out of the hands of the contractors and to carry them on under the direction of the Executive Engineer should the contractor fail to make such progress with the works as the Engineer-in-Chief shall deem sufficient to ensure their completion within the specified time: And whereas the contractors have failed to make such progress as aforesaid, and have become liable to the exercise by the Minister of the power contained in the said contract, and with a view to obviate the exercise thereof the contractors, with the concurrence of the sureties (testified by their executing these presents), have made certain proposals to the Minister which the Minister has agreed to accept upon the terms and conditions hereinafter set forth: Now this Agreement witnesseth that in consideration of the premises the contractors hereby agree to deposit with the Colonial Treasurer, on the execution of these presents, the sum of Four thousand pounds, and to make a further deposit of a like sum on the fourth day of each succeeding month during the continuance and until the completion of the work.

Provided that the total sum so deposited shall not exceed the sum of Forty thousand pounds. Such deposit shall be held by the said Colonial Treasurer upon trust for the following purposes:—That is to say, should the Contractors at any time hereafter do, commit, or suffer any of the acts or things mentioned in the Seventeenth Clause of the General Conditions annexed to the said contract, and the Minister should thereby deem it necessary to exercise any of the powers vested in him by the said Seventeenth Clause of the General Conditions of the said Contract, then the said deposit shall be paid over by the Colonial Treasurer to the Minister to be disposed of in like manner and for the same purposes as any balance of the contract price remaining unpaid, deposit money or retention money due under the said Contract may or could under like circumstances be disposed of: Provided, nevertheless, and it is expressly agreed and declared that this Agreement shall in no way be considered as a waiver of any breaches of the Contract which may heretofore have been or hereafter

may be committed, nor shall it in any wise vary or affect the said contract or the general conditions thereof for anything done thereunder: Provided, lastly, that upon completion of the said works the said deposit, or such balance thereof as shall remain, shall, subject to the provisions of this agreement, be returned to the Contractor. As witness the hands and seals of the parties hereto.

Signed, sealed, and delivered by the said John Wilkie in the presence of—
(Sgd.)

R. L. CREAGH.

(Sgd.)
JOHN WILKIE.

Signed, sealed, and delivered by the said Adam Wilkie in the presence of—
(Sgd.)

R. L. CREAGH.

(Sgd.)
ADAM WILKIE.

Signed, sealed, and delivered by the said John Murray Watson in the presence of—
(Sgd.)

R. L. CREAGH.

(Sgd.)
J. M. WATSON.

Signed, sealed, and delivered by the said Horton William Atkinson in the presence of—
(Sgd.)

R. L. CREAGH.

(Sgd.)
H. W. ATKINSON.

Signed, sealed, and delivered by the said Frederick Henry Piesse in the presence of—
(Sgd.)

M. E. JULL.

(Sgd.)
F. H. PIESSE.

KALGOORLIE RAILWAY.

THE HON. F. T. CROWDER asked the Minister for Mines: Why did the Government, instead of calling for fresh tenders, give Messrs. Wilkie Bros. an extension of three months in which to complete their Coolgardie contract, in consideration of their undertaking to construct the railway from Coolgardie to Kalgoorlie at the same rate per mile as charged for the former line, instead of

compelling them to fulfil their first contract?

THE MINISTER FOR MINES (Hon E. H. Wittenoom): There were a great number of reasons which induced the Government to adopt the course which they did in this case, and it would take a very long time to state them all. Amongst other reasons, however, there was the reason that the railway from Coolgardie to Kalgoorlie could not have been completed in anything like as short a time if let to any other contractors as Messrs. Wilkie Bros. could do it in, by reason of the fact of Messrs. Wilkie Bros. being in possession of the line from Southern Cross to Coolgardie. Even supposing that Messrs. Wilkie Bros. could by any means have been got to complete their contract to Coolgardie by the original date, namely, September next, the platelaying on the section from Coolgardie to Kalgoorlie could not probably have been commenced by any other contractor until that date, namely, September next; whereas it was commenced some time back, and is expected to be completed by about the end of this month. As to compelling Messrs. Wilkie Bros. to complete their contract within the contract date, that could no doubt have been done if the Government had been prepared to forbid all traffic on the line while the works were being carried out; but that was an alternative which could not be seriously entertained for a moment, as the loss to the people on the goldfields by insisting that the traffic should be carried on on a bad road when the rails were there to carry it on would have been enormous. To have completed the works of the contract while at the same time carrying the traffic was simply impracticable, as there was not rolling-stock in the country sufficient to do it, and the Government had therefore to face the alternative of either forbidding the traffic or else allowing the works to get behindhand. No other contractor could have afforded to construct the railway from Coolgardie to Kalgoorlie at the rate which Messrs. Wilkie Bros. did it for—namely, the prices appertaining to their contract from Southern Cross to Coolgardie, as these prices were very much less than the actual value of the work, the difference being made up in profits on the

traffic; but there would not have been sufficient profit on the traffic between Coolgardie and Kalgoorlie alone to make up such deficit. Speaking of the subject generally, it might safely be said that there are only four possible ways of dealing with the construction of these railways to the goldfields, namely:—(1) To forbid the traffic, and insist upon the works being done by due contract date. This, as already stated, could not be seriously entertained, as the public generally would suffer by it. (2) To make a contract which would provide for the carriage of traffic as well as for the construction of the railway, giving adequate time for the construction on that basis, and to provide therein that a considerable portion of the profit of working should come to the Government. This alternative has been already very carefully studied out and submitted for legal opinion, with the result that everybody who has gone into the subject has come to the conclusion that such a contract would involve so many complications and so much risk to the Government (in case of accidents) by being partners with the contractor in the carrying business, that it would be exceedingly inadvisable to adopt it. (3) To do as we have hitherto been doing, with results which are generally, I believe, admitted to have been fairly satisfactory; or (4) to do the whole of the work departmentally.

THE HON. F. T. CROWDER further asked the Minister for Mines: Is it not a fact that there is an understanding between Messrs. Wilkie Bros. and the Government, whereby the Government are compelled to supply railway material as required?

THE MINISTER FOR MINES (Hon. E. H. Wittenoom): It is not at all clear as to what the words "railway material" in this question are intended to apply. If they are intended to imply permanent-way material—which would be the literal interpretation of them—the answer is that the Government has undoubtedly to supply the contractor with rails and fastenings for the whole railway; but this is not a mere "understanding"—it is a matter of absolute contract. If, on the other hand, the words "railway material" are intended to apply to rolling-stock, then the answer is that there is a distinct contract with Messrs. Wilkie

Bros. to supply them with two engines and forty trucks, for which they pay at the rate of 15s. an hour for the engines and 6d. an hour for each truck. If they require any more rolling-stock than this, other than what they have got of their own, they have to hire it from the Traffic Department at ordinary rates, which are higher than the rates above mentioned. I may add that these answers were handed to me by the Railway Department yesterday, half an hour before the sitting of the House, but I had not then time to look into them. I mention this to absolve the Railway Department from any blame owing to the delay.

COMPANIES ACT AMENDMENT BILL.

This Bill was introduced by The Hon. F. M. Stone, and was read a first time.

SUPPLY BILL (£250,000).

This Bill was received from the Legislative Assembly, and was read a first time.

The Standing Orders were suspended.

The Bill then passed through its remaining stages.

ADJOURNMENT.

The House, at 5.15 o'clock, p.m., adjourned until Wednesday, July 29, 1896, at 4.30 o'clock, p.m.