

Mr. James Gardiner: An ultimate loss.

The MINISTER FOR LANDS: Yes. The Council's proposal means writing off part of the capital cost, not deferring rent.

Mr. Heitmann: It must be paid at the end of the term.

The MINISTER FOR LANDS: The amendment does not say so. One could understand the proposal if it referred to land ultimately to be served by railway communication. True, it includes such land, but it includes land which, so far as I can see, will permanently be more than 12 miles from a railway. The land north of Baandee through the Yorkkrakine district is 18 miles from a railway, and it will be many years before the State can build a line between the Eastern goldfields and the Dowerin-Merredin lines. Therefore, this would apply to all land permanently outside the 12 miles radius of a railway.

Mr. Griffiths: Is not that more reason why those people should be assisted?

The MINISTER FOR LANDS: They are being assisted by the reduction in the price of their land. The hon. member might ask why not give them the land for nothing. An hon. member for popularity should not advocate giving away the land, for he has an obligation to the State to see that the people's heritage is not altogether sacrificed. The amendment asks too great a sacrifice. It does not limit the exemption to land newly selected, but applies to all land, whereas the Bill applies to only a portion of the State. Further, farmers around Northam more than 12 miles from a railway, having paid, say, 15 years rent, would be entitled to claim five years exemption. I move—

That the amendment be not agreed to.

The PREMIER: It is due to the country and to myself, as Treasurer, to know how this will affect the finances, and I am not in a position to give the information. The repricing will mean a loss of £30,000 to the revenue, and if there is to be a further imposition we should know

what it will amount to before accepting the amendment. Therefore, I suggest that progress be reported.

[The Speaker resumed the Chair.]

Progress reported.

House adjourned at 7.47 p.m.

Legislative Council,

Tuesday, 23rd November, 1915.

	PAGE
Auditor General's Report	2598
Papers presented	2599
Question: Land rents, re-purchased estates	2599
Bills: Appropriation, re-con.,	2599
Supplementary Loan, £1,300,000, 2s., Com.	2603
Road Closure, message	2638
Licensing Act Amendment Continuanee, message	2638
Sale of Liquor Regulation (No. 2), 2s.	2640
Assent to Bills	2638

The PRESIDENT took the Chair at 3 p.m., and read prayers.

AUDITOR GENERAL'S REPORT.

The PRESIDENT: I have to report the receipt of the following letter from the Audit Department under date 23rd November, 1915:—

In pursuance of Section 53 of the Audit Act, 1904, and following the procedure adopted last year, I have the honour to transmit, for presentation to the Legislative Council, a copy of the Hon. the Colonial Treasurer's statement of the public accounts of the State of Western Australia for the financial year ended 30th June, 1915, together with Part I. of my report thereon. Part II. is in course of preparation, and will be transmitted to you at an early date. I have the honour to be, Sir, your obedient servant. (Signed) C. S. Toppin, Auditor General.

PAPERS PRESENTED.

By the Colonial Secretary: 1, Public Works Department, report for year ended 30th June, 1915. 2, State Sawmills, balance sheet for year ended 30th June, 1915. 3, Perth Municipality, amendments of by-laws.

QUESTION—LAND RENTS, RE-PURCHASED ESTATES.

Hon. W. PATRICK asked the Colonial Secretary: Is it the intention of the Government to introduce a Bill early next session to assist the settlers holding land subject to conditions embodied in the Agricultural Land Purchase Act, 1909?

The COLONIAL SECRETARY replied: Cabinet will take an early opportunity of considering the question.

BILL—APPROPRIATION.

Recommittal.

Resumed from the 17th November; Hon. W. Kingsmill in the Chair, the Colonial Secretary in charge of the Bill.

Schedule D:

Hon. H. P. COLEBATCH: When progress was reported on this schedule I was under the impression that the intention was that the Supplementary Loan Bill should be first dealt with, so that the Committee might take what seems to me the more reasonable course of first voting the money before giving authority for its expenditure. However, if the Colonial Secretary thinks fit to deal with the Appropriation Bill first, I personally have no objection. I see no obstacle to testing the feeling of the Committee, and with that object in view I move an amendment—

That in the item "Other undertakings" the figures "£156,603" be struck out, and "£11,603" inserted in lieu.

Details of the item are shown on page 5 of the Loan Estimates, and it is the amount of £145,000 for State steamers which I ask the Committee to delete. When subsequently we consider the Loan Bill it will be found that the amount for

State steamers is £200,000, but £55,000 of that amount it is not proposed to spend during the current financial year, and consequently that amount of £55,000 finds no place in the Appropriation Bill we are now considering. On Thursday last I gave members some information regarding the cost of the vessel "Kangaroo" for which the £145,000, or at all events £140,000—I am not clear as to the amount—is to be paid as cost of construction. The Colonial Secretary has since made a reply to my statements, but to my mind a very unsatisfactory reply. The hon. gentleman has confined himself to ridiculing the State of Texas as though it were some very small community. Texas has a population as great as that of the entire Commonwealth of Australia, and during the last few years it has achieved a progress and a development which Australia might well envy—a progress and a development achieved principally through the remarkable utilisation of its oil resources. The Colonial Secretary also ridiculed the publication from which I quoted, which is the official organ of a company with a capital of 32 million dollars, or about £7,000,000. The Colonial Secretary further made reference to the publication being "a roofing circular." It is nothing of the kind. The company deal, amongst other things, with roofing material; and this issue happens to be the roofing number. They are one of the chief oil companies in the world, and what these people do not know about oil and oil ships is not worth knowing. If the Colonial Secretary can do nothing better than cast ridicule upon the State of Texas and upon the publication from which I have quoted, then I shall have to proceed as though the truth of my statements were admitted.

The Colonial Secretary: Will you repeat your charges?

Hon. H. P. COLEBATCH: I have made no charges against anybody. The statements I have made are that a boat superior to the extent of one-third to the "Kangaroo" cost to build £83,000, that it was completed in March of last year for the East

Asiatic Company of Copenhagen, Denmark, the same company that sold the "Western Australia" to the State Government—the "Western Australia," which I believe all parties are agreed was a disastrous bargain—and that the same company sold the "Kangaroo" to the Government of this State. Now, even if it can be shown that £140,000 was the actual cost of building the "Kangaroo," the position I have taken up is not affected in the least; because it would mean that, whatever prospect there might be of earning interest on a capital cost of £140,000 during the continuance of the war, directly the war is over we shall be in the position of having paid £140,000 for a ship that ought not to have cost more than £60,000 to construct. Since Thursday last I have gone to the trouble of reading through again from end to end the files submitted in connection with the purchase of the "Kangaroo." On the very first page I find a cable sent to the Agent General from the Premier's office on the 12th July, 1915—

Confidential. Biles recommends Diesel ship. Please communicate with him, and cable whether, in event our purchasing, ship could go on English loading berth for Australia and what chance obtaining full cargo.

I have been through the file from one end to the other, and I suppose on not less than half a dozen occasions the manager of the State Steamship Service lays emphasis on Sir John Biles's strong recommendation of the purchase of the ship; but from cover to cover I have not been able to find a single indication that Sir John Biles ever did make any such recommendation. On the contrary, pretty early in the file, on the 29th June, not long before the cable was sent stating that Sir John Biles recommended the purchase of the Diesel ship, Sir John Biles cabled to his agent in Fremantle, Mr. Denny, as follows:—

Your cable twenty-fourth received. Full instructions received. Price Diesel tramp ship about £140,000. Modifications extra. Advise you inform Stevens of possibility of buying Diesel ship, but do not recommend it.

As one goes through the file, one finds that what the Government propose to do now is to introduce an entirely new State steamship policy. The manager says that up to the present, as we know, the Government have been trading with the North-West; and it is stated that without such trading it would be impossible to relieve the cattle owners or to supply cheap food to the people in this part of the State. without discussing whether or not the Government have succeeded in that venture, I may say that is the position. The trading of the State Steamship Service has been entirely in Western Australian waters. Now Mr. Stevens says—

On turning over the matter in my mind I decided to inform you that I heard that a Diesel tramp steamer could be purchased, as with the grave shortage of ocean tonnage now existing and likely to exist for some time after the war is finished I saw a great prospect of success with such a ship in overseas work as the service would have a chance of participating in the extraordinary high freights now being earned by overseas shipowners.

I do not know whether members are prepared to agree that the Government should extend their shipping enterprises to general overseas business without consulting Parliament in the matter. If that contention is seriously put forward I think we have the right to object. Judging by the disastrous results, the unfortunate financial results, to put it mildly, that have attended the State shipping enterprise, I do not think the Government are entitled, without consulting Parliament, to extend their policy of shipping and embark in general overseas trade. Then we find on the same page, page 4 of this file, that Sir John Biles had been consulted. This is the very date on which the cable was sent to the Agent General, 12th July, saying that Sir John Biles recommends a Diesel ship. What Sir John Biles said was this—

Just received firm offer open till Monday, Diesel ship "Lalandia" as she lies at builder's yards, subject to no publication of sale.

There is no word in that cable recommending the purchase of the ship; yet that is the very date on which apparently the Government say Sir John Biles recommended the purchase. If he did, his recommendation is missing from this file. "Subject to no publication of sale." Why that provision should have been made I do not know. Then we are told—

It will be finished and ready to load in September.

According to the statement made by the Colonial Secretary on Saturday she was not completed till the 22nd October. Surely it is due to Parliament that we should be more correctly informed. She was to load in the middle of September, and the manager recommends her purchase on an estimate which he has compiled of her earning capacity, and one feature of that estimate is that she should load in September and be here in time to take away the December wheat. She was to do two round trips in the year and was estimated to make a profit of £40,000. And as his first estimate is in regard to her loading to come out to Australia, in the first instance he says that her net earnings would be £23,000. He has had to review that estimate and reduce it by £5,000. She is going to make £5,000 less on her first voyage. The entire proposition alters from day to day in this file, and in every case gets worse from the point of view of the State. The accountant of the department estimates the interest at 4 per cent., whereas the Government have to pay 5 per cent. The manager estimates the profits of the first trip at £23,000 and later on has to cut it down by £5,000. We do not know now what further deductions he will have to make. There is what might be called a recommendation from Sir John Biles—

Owners cannot give option; willing to leave open; reasons selling prices high. Builders Harland, engineers Burmeister Glasgow: ready to load September. Seen vessel, appears satisfactory. This is the extent of Sir John Biles's recommendation, namely, that he thinks this vessel well and faithfully built. And apparently that is all he has recom-

mended, that the vessel is well and faithfully built. Nobody has questioned that.

Hon. J. Cornell: Had the question of price entered into his mind when he sent that cable?

Hon. H. P. COLEBATCH: In one cable he says, referring to the price, "I do not recommend." In another case, "The price is high, but not unreasonable." Apparently the proposition was put to Sir John Biles that the Government must have a ship, and he was asked, "Is she a good ship?" and he replies, "Yes." I do not question that she is a perfectly good ship, probably well worth in time of peace the £60,000, which approximately she cost to build, and maybe at the present time she is worth even the £140,000 which the Government have paid, worth that to people who want her for war purposes.

The Colonial Secretary: That is a climb down.

Hon. H. P. COLEBATCH: Nothing of the sort. She may be worth anything to some people. Just as the "Western Australia," which it would have paid the Government to have taken out to sea and sunk, is at the present time worth to the Imperial Government £18,000 a year, so this vessel, the "Kangaroo," in time of war may be worth all the money the Government have paid for her, worth it to the people who want her specially for war time purposes. But the Government of this State are not entitled to purchase at war prices without consulting Parliament. When the war is over we shall have this vessel on our hands, having cost double what she should have cost. There is abundant proof that the peace price of building this vessel should not have been more than £60,000, and consequently it is an utterly bad bargain to pay £140,000 for her. She is not worth that to us, whatever she may be worth to other people. When the "Western Australia" was purchased a good deal of adverse criticism was indulged in in another place, and the critics were told "The Agent General assures us that if we do not like the ship we can sell her to-morrow at a profit." The Premier said that himself. It is very unfortunate that he was not

taken at his word and forced into selling her, because it is very unlikely that we can sell her at a profit now.

Hon. J. Cornell: The Government had no experience of these things those days.

Hon. H. P. COLEBATCH: They have had experience now, yet they tell us that other people are after this "Kangaroo." If that is the case, we can do the country a service by voting out this item and compelling the Government to let those other people have the vessel. If those other people are after her she is saleable and we can get out of a bad bargain. She is not worth the money or anything like it, to us. It is significant also that the insurance companies do not want any security over the ship. They insist upon having State bonds. Undoubtedly, that is for the same reason, namely, because they know that whatever may be demanded for the ship on account of war conditions she is not worth that money as a commercial enterprise. I have already alluded to the fact that when the proposition was first put forward the interest Bill was given by the accountant of the department as being £5,600. Now it is given as £7,000, so that in every way the thing has gone from bad to worse as the negotiations proceeded. But no matter how bad it got, the Government were still determined to buy the vessel. Here is a paragraph on page 10 of this file illustrating how these bargains work out in the long run. The manager of the State Steamship Service states—

The "Kwinana," too, is getting a very old ship and in 12 months' time will have to face her second No. 3 survey (at 24 years of age) and heavy repairs, and the question will very soon arise as to whether it will be economical to continue to run her in view of the advent of the remarkable economy of the modern Diesel type of ship, and if it becomes decided to sell the "Kwinana" the "Lalandia" could do all her ("Kwinana's") work and keep the Southern market supplied with frozen products from Wyndham pending the arrival of a new vessel to take the place of the "Kwinana."

That is a very different story from what we were told when the "Kwinana" was purchased. We were not told that in two years' time the "Kwinana" would be a very old ship, requiring such very heavy repairs as to render it questionable whether we can economically run her any longer.

Hon. J. Cornell: Everybody knew she was old.

Hon. H. P. COLEBATCH: But they did not know that in a couple of years time the manager of the State Steamship Service would have reported upon her in the terms I have quoted, that in so short a space of time it would be considered desirable to sell the vessel.

The Colonial Secretary: Nobody is likely to buy her after your quotation from the files.

Hon. H. P. COLEBATCH: I do not think that my quotation from the files is likely to affect people's opinion on the ship, and I am quite sure the Government are not going to find anybody so foolish as to buy the "Kwinana" without knowing what she is worth. People may readily sell things to the Government without the Government being aware of the worth of those things, but the Government cannot hope to sell these or other things to private people on similar terms and conditions. The Government will find the selling of these things a very different proposition from the buying of them.

Hon. J. J. Holmes: The "Kwinana" is the best of the State boats.

Hon. H. P. COLEBATCH: Apparently, yes. Yet this is what we hear about her on the official files. In the annual balance sheet of the State Steamship Service very little is allowed for depreciation, certainly not enough to wipe out the capital cost if the steamers are to be uneconomically run after two years.

Hon. J. J. Holmes: She only cost £30,000.

Hon. H. P. COLEBATCH: And we will never get the money back, whatever she cost. However, a point upon which I would like definite assurance from the Colonial Secretary is this: We have a

reference by the manager of the State Steamship Service to Sir John Biles's recommendation to purchase a ship. I want to know where the recommendation is, the exact terms of it, what was the question put to Sir John Biles and what was his answer. I have failed to find anything in the way of a direct recommendation for the purchase of this ship. On this file there is a written report signed J. H. Biles, dated 22nd July, 1915, written in London, in which Sir John Biles says—

It is evident that the "Lalandia" can be bought if the money is available. It is also evident I think that she is admirably suited for the Australian trade.

But even the fact that she is suitable for the trade is entirely different from a recommendation to purchase. Over and over again in the report of the manager of the State Steamship Service there is this reference to Sir John Biles having recommended the purchase.

Hon. J. Cornell: Do you want a sworn declaration?

Hon. H. P. COLEBATCH: I do not know that even that would be out of the way. At all events, it would be better than seeing the country spend £140,000 on something from which we will never get value. It has been suggested that this boat, the "Panama," was not built in the same place as the "Kangaroo." The Colonial Secretary says she was built at Copenhagen. I do not know where she was built, but the last page on this file, speaking of the "Kangaroo" says—

In the present contract the builders guarantee the machinery for a period of six months. They have now completed a very large number of motor installations, including the "Selandia," "Assam," "Annam," "Flonia," "Panama," and "California."

The Colonial Secretary: Those are the engines.

Hon. H. P. COLEBATCH: Yes, so apparently she is the same type of vessel. I shall be glad if the Colonial Secretary will give some more convincing

arguments than he has yet advanced why this vessel—the reasonable peace price of building which is not more than £60,000—should be purchased for £140,000. If he cannot do that I think we will be justified in rejecting the purchase and giving those other people who are apparently very anxious to get hold of the boat an opportunity of buying her. I cannot see why the West Australian Government should have a monopoly of these things. Let somebody else have a chance.

The COLONIAL SECRETARY: No one was more surprised than myself when I saw that the Appropriation Bill was the first item on the Notice Paper. I was not responsible for this. No doubt it was due to the fact that the officers of the House recognised that this was a matter of urgency and they placed it first. I wished the Loan Bill discussed first.

Hon. J. F. Cullen: That would have been the proper course to adopt.

The COLONIAL SECRETARY: Yes, that would have been the proper course to adopt. So that we may not get mixed up in the discussion, I hope that someone will move that progress be reported and leave asked to sit again at the next sitting of the House.

[The President resumed the Chair.]

Progress reported.

BILL — SUPPLEMENTARY LOAN, £1,300,000.

Second Reading.

Debate resumed from the 18th November.

Hon. A. G. JENKINS (Metropolitan) [3.33]: Apart from the very grave issues raised by Mr. Colebatch, in the course of his remarks on the second reading of this Bill, as to the price which has been paid for the State steamers, which is a matter that I feel sure hon. members desire the fullest information upon, I may state that I moved the adjournment of the debate to the next sitting of the House because I felt—and no doubt

other hon. members also feel—that if this Bill was sent back to another place the session would be summarily closed, as has already been stated by the leader of the Government, and we should have had no opportunity whatever of dealing with the Liquor Bill this session. I wanted if possible to prevent such a state of affairs arising. Other hon. members no doubt feel the same about the Land Bill. Some are probably desirous of seeing some amendments to the Land Bill placed on the statute-book, and they too feel that, just as in the game of battle-dore and shuttlecock, the Government might drop that Bill also, and close the session. I know that this House is anxious to deal with the liquor question, in spite of what has been said. The Government, too, should deal with it. I hope the position is now obviated. Mr. Cullen has moved the adjournment of the debate on the Appropriation Bill to the next sitting of the House, which will enable both Houses to deal with the liquor question. I should like to make a few remarks with regard to the important question which Mr. Colebatch has raised in connection with the purchase of the steamer "Kangaroo." I do not feel inclined in the present state of affairs to vote any additional moneys for the purchase of other steamers. I hope that Mr. Colebatch will move, as I have no doubt he will, on the schedule of this Bill that the whole of the item should be struck out. If he is not prepared to do this I shall do it myself, and hope that the item will be deleted. There are one or two aspects of the purchase of this boat which appeal to me. I should have thought that if the Government were going to purchase a boat they would purchase one which would have been suitable for the coastal trade to replace a boat which was going off the line, and that they would not have purchased a boat which was only suitable for overseas trade. I am informed that this boat has the greatest difficulty in getting into any of the harbours in the North-West, owing to her draught. I should have thought, therefore, that when the Gov-

ernment were buying a boat they would have bought one which would have been suitable for the coastal trade before buying one suitable only for the overseas trade. I understand, further, that Diesel engine ships are something quite new in the shipping world. They are engines which are very difficult to deal with, and easily get out of order. I understand also that there are no engineers in this State who understand this form of engine. Consequently it will be necessary practically to bring out in the employment of the State a separate staff of men to deal with this class of engine alone. That being so there will be a heavy additional expense involved, and greatly increased running costs. I feel quite certain that Parliament, in view of the many mistakes which have been made in connection with the purchase of these steamers, would not wish to give the Government any more money to play with, and money with which to purchase fresh steamers, without first having a full explanation as to the boat herself, and as to the way in which the money was to be spent. I shall support the reduction of the item and I hope that the House will agree to it. There is no necessity at the present juncture for the money to be spent. There is no probability of getting a boat for the coastal trade for at least 12 months, or until the war is over, and this money is, therefore, not required at the present time.

Hon. J. CORNELL (South) [3.37] : In supporting the second reading of this Bill may I remark that I am very pleased to see this Chamber develop in the direction in which it should develop, and in the direction in which it is going to hurry along the aspirations which I have had regarding it for a number of years, notably, its final extinction. I think such a procedure as has taken place during the last two or three sittings of the House is unprecedented in the constitutional history of the State. I believe that by a large stretch of the imagination, which one would have to exercise in going through the records of this House, one could find in the dim

and remote past, or in the early stages, that the Legislative Council did excise something from a Loan Bill. However, be that as it may, the circumstances which surrounded the excision of an item from a Loan Bill at some remote period in the history of this Council were altogether different from the circumstances surrounding this particular case. It has been said that members of this Government are hanging on to office like barnacles to the bottom of a derelict ship. If that is so, it can truthfully be said that those desirous of getting the Government out of office are as ravenous for their prey as sharks are for a piece of pork. Those who are desirous of getting the Government out of office cannot get them out of office in that House which is subservient to the people's will and representative of the adult suffrage of the people of the State. As a consequence, they have to come along and seek the assistance of this Chamber in a wily and oily manner, and this Chamber has risen to the occasion. We have reached this stage in the constitutional government of Western Australia when the situation has to be faced of whether the people's House or this House is going to rule in respect to the question of finance, which is regarded by some as the last straw on the camel's back. I have arrived at this conclusion, that this House is not prepared to allow to another place the prerogative which has come down since responsible Government was initiated in this State, that is, the prerogative of dealing with the finances. I have said on the public platform long ago in this State, that this House was prepared, in the interests of those they represent, to rise to political murder in order to carry out their desires. Their actions of recent date have, I maintain, fully justified those remarks. I am indeed proud that my prophecy has come true. A proposal has been mooted here that when this Bill was introduced into this Chamber there should be deleted from it the sum of £145,000, which had been set aside for a State steamer. I want this House to be fully cognisant of what it is about to

do. I have said on the floor of this Chamber since the advent of the Scaddan Government into office that this House has on every conceivable occasion blocked and thwarted the Government in their legislative proposals, and prevented the Government from carrying out their pledges in the way of administration that were given on the platform at election time. This House has now said that even these pledges must go by the board. If this Government go out of office as the result of the attitude which has been taken up by this House, and assuredly it must do so, for whatever insults it may suffer at the hands of the Legislative Assembly, it will have to go out of office if the suggested action is taken, then it will be the means of showing to the people the Legislative Council in its true light, that is to say, that Western Australia is not to be governed by its manhood and womanhood, but by property owners and representatives of property owners. If the Labour Government did nothing else but show the Legislative Council up in its true light, then they would have done much for the future prosperity of democracy in this State.

Hon. C. F. Baxter: They have left a big debt for the people.

Hon. J. CORNELL: Judging by the calibre of some of the political aspirants who are desirous of obtaining Ministerial office when the Scaddan Government are turned out, I think it will be seen, if there is any incompetency on the part of present Ministers, that this will be developed ten-fold in the new occupants of the portfolios. I fear the day when some of those gentlemen will ever cross over to the Treasury benches of this State. If they do occupy them, they will not do so as an ornament of utility and usefulness, but as an ornament of uselessness. I hope the time will not come to pass when some of them will be found sitting there. The State Steamship Service, around which all this hinges, is to be the river on which the Liberal party and the last joint in its tail—the Country Party—is going to build the bridge which will carry

it over the stream. There is an hon. member in this House who has, in season and out of season, favoured the State Steamship Service, but he has said the Government began it and continued it in the wrong way. He claims they should have had Parliamentary sanction before they started and for all the steps that were taken after they did start. But if that hon. gentleman is not a distant relation of the High Commissioner of Australia, I do not know who is. Certainly if he is not related to the High Commissioner in blood, he is related to him in phrases. I refer to Mr. Holmes, who never made a better "yes-no" speech than that which he made when speaking on the Loan Bill the other day. Mr. Holmes must know that if the Government had waited for Parliamentary sanction the State Steamship Service would never have been started. Then why this sophistry? Why not come out into the open? It must be patent to everyone that the time has arrived when the State Steamship Service has either to be extended or discontinued. That is well known to everyone. We know that the larger it grows the more economical it is likely to become. It has been said by Mr. Colebatch that in purchasing the "Kangaroo" the Government were sold another pup. At the last sitting of the House the hon. member quoted a certain roofing journal published in Texas, and he endeavoured to make the House understand that the "Panama" and the "Kangaroo" were both built in Harland and Wolff's yard.

Hon. H. P. Colebatch: Nothing of the kind.

Hon. J. CORNELL: If the journal from which the hon. member quoted is so reliable when dealing with the building of these two steamers, that it does not set out what is of paramount importance, namely, that these steamers were not built in the same yard, then the other information it contains is worthy of very little consideration. It is like starting to write a biography of an individual and finishing up by forgetting to name the place where he was born. The in-

ference which was conveyed to my mind by Mr. Colebatch was that both these boats were built in Harland and Wolff's yard. In an issue of the *West Australian*, subsequent to that in which the hon. member's speech appeared, the leader of this House disputed that point and drew attention to the fact that one vessel was built in Copenhagen and the other in Belfast. It is like beating the air to try and reason with hon. members, or to ask them to assist the Government to continue the State Steamship Service. We have arrived at the position, as I have already said, that the State Steamship Service must either be extended or ended. We have bought the "Kangaroo" and we have provided the necessary machinery whereby the purchase shall be financed. Now Mr. Colebatch says that other people wanted it before the Government secured it. If we strike out the purchase of the boat now, the other people will get their chance. If ever an hon. member was true to type and true to those he represents, I cannot depict any one better than Mr. Colebatch. If the policy the hon. member is advocating is pursued, what will the result be? The result will be a squeezing of this Government and a loss to the State. It will mean a gain to the privateers of private enterprise. If the policy that Mr. Colebatch advocated is pursued and the Government are not permitted to have the necessary authority to secure this vessel, the outcome will be that it will remain in their hands and the Government will be forced to relinquish the undertaking. I ask hon. members if such tactics are pursued, will it not be truly said that the Government will be a good institution to shoot at. If that step is carried out no one will rush in to buy the "Kangaroo" from the Government. It will be on our hands and so we shall have to be at the mercy of those who like to come along, and dictate their own price for the vessel. Who will pay the piper then? Will the Government? Will those anxious to get even with them get them out? No. The general taxpayer will have to pay the piper and carry the baby.

Hon. J. F. Cullen: The piper's baby.

Hon. J. CORNELL: I ask hon. members to think a little while before they take the action which they contemplate doing and to bear in mind the institution of which they are in a sense a sort of counterpart. The Lords in England defied the Commons and said that the Commons were not supreme on the question of finance. The Lords persisted in the matter which they took up, and what was the result? The result to-day is that it has been established clearly and beyond doubt that the keepers of the purse and the dispensers of finance is the House of Commons. No doubt that should be the line of reasoning and the line of action adopted by our institution, seeing that our Parliament is modelled to a great extent on the lines of the British Parliament, but our institution is not desirous of accepting things as they are. Members here appear to be desirous to push on until they find themselves in exactly the same position as the Lords found themselves in. I invite hon. members to keep pushing on and I hope I am in this Chamber when they are standing on the precipice and I will come along behind and help to push them over.

Hon. W. KINGSMILL (Metropolitan) [3.55]: I say a good deal when I say I have listened with more than usual interest to the remarks of Mr. Cornell. I am at one with him in a good deal of what he says, but I deprecate to the utmost possible extent his deeply pessimistic tone when he talks about the future of this institution, as he calls it. I do not like the name "institution" applied to this honourable House, and after all I think the time has come when even Mr. Cornell should realise that this House, of which he is a member, and an esteemed member, is part of the Legislature of Western Australia. The matter under discussion at the present time, I think, is a great deal more a matter of policy than of finance. Even if it were purely and solely a matter of finance, then in our Constitution we have power to do exactly as foreshadowed in the remarks of hon. members, and that course

has been taken by this House before and has been agreed to by another place. But leaving that out of the question, I think the course which is being adopted now has practically been invited by the leader of the House in answer to a series of questions which hon. members may have thought at the time were somewhat lengthy, questions which I asked with regard to the purchase of this evil boat, the "Kangaroo." The leader of the House was kind enough to reply to one of my questions, that the Government realised the stringency of finance at the present time, but they were perfectly certain that when the files were laid on the Table and Parliament had an opportunity of seeing the details of the case, the action of the Government would be endorsed by Parliament. Further, he said that authority for this purchase would be sought in a supplementary Loan Bill to be laid before hon. members at a subsequent date. I take it that a Bill is laid before this House in order that this House may express an opinion in a way that has some bearing on the future contents of that measure. The Bill is not presented to us so that we may look at it, say that it is all right, and then approve of it. Mr. Cornell himself must admit that that is not what this Chamber is for. This Chamber is here to take practically an equal part in the legislation relating to all matters connected with the State, and I hope that while the hon. member continues to be a member of this Chamber, and while I am a member of it, that attitude will be taken up and maintained and that none of our powers will be given or thrown away in order to lessen the prerogatives which we have. I think the Government would have been acting much more wisely and undoubtedly much more courageously if they had adopted the attitude which was suggested to them by me on the 22nd September last when I asked whether, in view of the exceptional nature of the financial method involved, and in order to give Parliament an untrammelled and clear-out opportunity of expressing an opinion on the transaction, the Government would, in their proposed Loan Bill, deal with this matter only. It would have been better if the

Government had adopted that suggestion. It would have incurred no loss of dignity and would have made the course of this measure easier, possibly, one way or the other. It would have brought about for itself destruction or fruition, but we have it now mixed up with a lot of other matters. It is true that the circumstances are absolutely exceptional. The leader of the House and his colleagues must know, if they read the papers and if they read *Hansard* that this section of the Legislature is not in favour altogether of this State steamship policy of theirs, and I say it is flouting this section of the Legislature and acting unfairly to it when they complete a purchase which means an absolutely new and hitherto unthought of addition to the State Steamship Service, in the matter of oversea trading, without first seeking the authority of Parliament.

Hon. J. Cornell: All the others have been bought the same way; why did not you put your foot down then?

Hon. W. KINGSMILL: That might be put to the credit of this Chamber, rather than to its discredit. As the hon. gentleman has suggested, members of this Chamber systematically since the inception of the Scaddan Government have treated their State enterprises with consideration and kindness. We could at any time have taken the steps which were taken in the neighbouring State of South Australia and could have cut out of the Estimates the necessary money for the State enterprises. But I said, and I presume other members argued in the same way, "This is a new departure; these are gentlemen with the courage of their convictions who wish to put into practice the principles on which they were elected." One of those principles is that the State shall control as many of the activities of the community as possible. Some of these activities are steamers, brickworks, sawmills, and implement works and, although I have at times criticised the Government, I have never initiated or sought to induce other members to initiate the step which would have the effect of stopping them.

Hon. H. Millington: What are you doing now? Strangling them.

Hon. W. KINGSMILL: Quite so.

The PRESIDENT: The hon. member will address the Chair.

Hon. W. KINGSMILL: I was not addressing the hon. member.

The PRESIDENT: Simply replying to him.

Hon. W. KINGSMILL: But I quite agree with the interjection. As the hon. member has pointed out to us, the last straw arrives and surely when the last straw is one of such magnitude as a purchase involving the expenditure of £140,000, absolutely without the authority of Parliament and bringing the State Steamship Service into a totally new sphere of operations, it is time for this House to consider whether its kindness has not been misplaced and whether its kindness is not being regarded by the Government, as the interjections of hon. members would seem to indicate, as not kindness but pusillanimity. If I had the opportunity of voting for the excision of this item, I would do so, and I would do so without the least compunction. It has been pointed out that it would be an easy matter, according to the advisers of the Government, as there are so many persons willing and anxious to be the owners of this particular steamship, to sell her without incurring any very material loss, if the price is high but not unreasonable, as pointed out by Prof. Sir J. H. Biles. But there is another way in which the Government will have to deal with practically all their State trading enterprises. In the case of the steamers, if they decide to put an end to the State Steamship Service, they will undoubtedly have to charter the vessels to persons who, I understand, are willing to accept charters, more especially of boats with such magnificent earning capacity as the "Kangaroo" is represented to have. With regard to the other State enterprises, if it comes to the lot of the present or any other Government to have to deal with them, I see nothing for it—not to shut them down—but for private enterprise to lease these magnificent concerns which ad-

mittedly cost the Government too much money, but out of which they would make a great deal more by leasing than by running themselves. It seems to me this is the way in which the Government will have to deal with their State enterprises. I do not propose to discuss the actual purchase of this ship, or her merits or demerits, except to say I do not think hon. members should blame the Government so much in relation to the purchase of this ship as their officers; and their advisers in this connection seem to be the Industries Assistance Board and the manager of the State Steamship Service. The policy which we are now discussing, the policy of oversea trading by our State steamships, is not the policy of the Government but a policy which is being forced upon the Government by the Industries Assistance Board coupled with the manager of the State Steamship Service. That makes the position even worse. It destroys the last vestige of Responsible Government and we are now being treated to an exhibition of government by boards-cum-officials. That renders the case somewhat worse than it was before. At all events I think the House has gone far enough, if not too far, in its kindness in allowing the Government to carry on their State enterprises without stepping in to stop them. It would have been possible, when the first boat was purchased, and the vote made a somewhat belated appearance in the Appropriation Bill, for this House to have struck out that item, as was done in South Australia; and, let me say, it is interesting from a constitutional point of view to remember that when the South Australian Government, so to speak, reported the Legislative Council to the Home authorities for daring to do such a thing, they were practically told to run away and play and settle their own little differences between themselves. The action then taken had the effect of stopping the enterprise then contemplated. It was the creation of a State enterprise which I will not say is flourishing but has been in existence in our midst for some time, namely, State brickworks. Hon. gentlemen, without

any trouble, can find the allusion which I am making in the history of the Verran Government in South Australia. If such action as is contemplated is taken, we have abundant authority for it both in our own case, when in 1899 a vote of £60,000 for the construction of the Norseman railway was struck out of the Loan Estimates, and the case of South Australia when a vote of £11,000 was struck out of the Appropriation Bill during the tenancy of office by the Verran Government. There is ample corroboration of the action it is proposed to take and, if I had the opportunity to vote for it, I would do so. With these reservations, I support the second reading of the Bill.

Hon. J. F. CULLEN (South-East) [4.8]: I am glad the Minister recognises now, as he did not last week, that it is not wise to rush through the Appropriation Bill. I hope all the Ministers will recognise that before these financial Bills can be passed, urgent matters promised by the Government must be dealt with in another place. The Land Bill must be dealt with finally, the licensing question must be dealt with, and the settlers must know where they stand regarding the commandeering of their produce, a life and death question to them. Regarding this particular Bill I am only concerned just now with the one item. Mr. Jenkins very pertinently pointed out that what was expected of the Government in this connection was the purchase of a suitable steamer to take the place of the "Western Australia." As a matter of fact, that is what the Government set out to do. While they were on that, some clever financier came along and said, "Here is a bargain for you but do not mention it"; just as some old soldier might come to a boy and say, "I am going to sell you something very good but do not let your father know; keep it dark. There are lots of people after it but I am going to let you have it." The estimate in which our Ministers are held by the financiers abroad is amazing. They seem to look upon them as gulls to be caught with any cock-and-bull story. Here was a steamer on the hands of a company who for some reason

or other had changed their minds, and the company, by their own cleverness or by calling in certain other people as conspirators, managed to gull the Government right away from their intention of buying a steamer for this coastal trade into buying a steamer suitable only for oversea trade, and Ministers were gulled and fell into a trap and undertook to pay £140,000 for a smaller steamer, much more than the same company had given for a steamer one-third larger. It is easy to understand the insistence of secrecy on the part of the sellers, but it is difficult to understand that Ministers should become the tools and dupes and gulls of these sellers, and that when Parliament was sitting they should dare to ignore Parliament and should bind the State to the payment of this money. Mr. Kingsmill has explained that, even from the point of view of giving Ministers a fair chance, there must come a point beyond which that leniency cannot be carried without treason to the taxpayers and the country at large. As a matter of fact, that leniency has been referred to by the Government again and again as an excuse for plunging further. They have pointed to the fact that £70,000 as an initial item was approved by Parliament. How was it approved? Ministers came here and said, "We have spent this money, we cannot get it back, what are you going to do? Either overlook it and vote the money or bring the honour of this country into question with countries abroad." Parliament decided that the lesser evil was to condone the utterly illegal act on the part of the Government. On the strength of that, what have Ministers done with this House? They have bought this steamer, the "Kangaroo," behind the back of Parliament when Parliament was sitting, and when its advice could have been obtained practically with confidence between the Houses and the Ministers alone, and a cable based on the action of Parliament could have reached the seller long before Parliament's action could have been reported to the public. Whether Ministers built on that condoning of their action, they have not only

put on the Loan Estimates this £140,000 for the "Kangaroo," but £60,000 more for a boat which they say cannot be purchased for two years at least, perhaps longer. Perhaps it will be three or four years before the money will be wanted. Ministers ask, "What is the voting of £60,000? Why it is a bagatelle compared with the strain we have put on the leniency and kindness of Parliament in the past. We will not ask for £140,000 but for £200,000," and the other £60,000 ostensibly will be for a steamer to be bought after this session, perhaps a year hence, it may be three years, before they need to spend it. Still the Government say, "We will get it now." What may happen if they get it now? They would say, "It is a loan for a steamship service; we can put it to whatever branch of the service we like." There is another aspect of this matter that the Colonial Secretary incidentally alluded to. He has admitted that the Government cannot control labour. Of course people outside the Government and the Government's immediate followers know this as a basic principle. The moment Ministers attempt to control their own supporters by whom they are kept in office, they become the servants instead of the masters. The Minister has admitted that the firemen had beaten him. It is true, no doubt, the firemen had simply overruled the control of the steamship service, and the Minister says "Now we are going into the oil business to minimise the trouble with labour." In fact, he says, "We have made a failure with the coastal steamship service and now we are going to try and make up for it by entering the oversea business and we jumped at the bargain of the Diesel ship and we are going to make that the first ship of the oversea business." That means the Legislature has come face to face with a very serious matter. Any economist knows that Government cannot compete with private enterprise where labour is necessary because the Government are the servants of that labour and they dare not attempt to enforce a full day's work for a full day's pay. They dare not do that. Their political life is at stake, so the Govern-

ment State enterprise must fail. I agree with Mr. Kingsmill that the last straw has been piled on the country's back and I, without the slightest hesitation, will vote for the striking out of this item of £200,000. I want every hon. member to weigh well what Mr. Kingsmill has placed before us. This Loan Bill is, to all intents and purposes, a policy Bill. Essentially this item of it is a policy item in which this House has co-ordinate authority with the other House. It is perfectly right that this House should strike out any item in the Bill that it thinks should be struck out. I shall vote for the striking out of the item. It will bring the whole policy of the Government to an issue and I hope when the Minister comes to speak about this matter, he will try and be exact and definite in his statements, that he will not ask us to accept such things as this, that Sir John Biles has recommended the purchase of the "Kangaroo," and so on. It is very clear that Sir John Biles had no information as to the object Ministers had when they set out to buy a boat. They wanted a boat for the coastal service. What data had been placed before Sir John Biles before his opinion was asked? Did the Government say, "Sir John, we are going to embark on the oversea business"? If so, he might have said, "The boat is suitable." If they said, "We are doing coastal business and we want a boat to replace the "Western Australia," Sir John might have said, "the 'Kangaroo' is the last boat that you should purchase." There is just one other matter I should like the House to consider: what the country is likely to be landed in if the matter is continued. Incidentally the Minister has mentioned that some oil company is going to set up oil tanks and systems of supply at Fremantle and Wyndham, and goodness knows how many other places. Has the Government entered into any contract with this company? Are they going to place their steamship service at the mercy of a monopoly? Labour Governments are the worst monopolists under the sun. Everything they take in

hand tends towards a monopoly. Are they going to place themselves at the mercy of some oil company to supply them with tanks and to whom they will be bond servants? It is another illustration of the incapable administration of the Government.

Hon. A. SANDERSON (Metropolitan-Suburban) [4.23]: I am not surprised that Mr. Cornell got a bit mixed in his metaphor because he was dealing with a very mixed subject, and so mixed has the position of affairs become during the last few weeks, if not months, that it seems to me the only knife that can cut the Gordian knot is a general election. If members here and in another place, and the country, wish for a general election, it is not for me, if I had the power, to stop it, but I believe that a great many people in the country think that a general election at the present moment will be a mistake. I want to clear the ground by dealing very briefly with the constitutional position which comes up now and again. Mr. Cornell spoke on the lines that this honourable Council takes a position similar to the Imperial House of Lords and another place similar to the House of Commons, and as the House of Commons has unmistakeably shown it is the master of the public purse, so the Lower Chamber here is, and if it has not done so, it should do so. As against that we have the high authority of the Chairman of Committees. I am only giving my impression of his remarks and the impression I gathered, if not from him yet from the other Constitutional authority in this Chamber, that here our House is a co-ordinate body in dealing with public affairs. I regret I cannot follow either of these authorities. It is misleading to attempt to turn this Chamber into a kind of local House of Lords and I am of opinion that this Council as at present constituted has not co-ordinate powers with another place.

Hon. J. F. Cullen : In matters of policy.

Hon. A. SANDERSON: I am speaking of finance. If the member talks to me about policy, I am quite prepared to go off on a tangent with the party he represents and the party the State socialists represent.

Hon. J. F. Cullen: I represent no party.

Hon. A. SANDERSON: Then the hon. member stands with me as representing in this Chamber, no party. To come back to the constitutional question—

The PRESIDENT: The question before the House is the second reading of the Supplementary Loan Bill.

Hon. A. SANDERSON: With the greatest deference, I suggest that I am dealing with the constitutional practice which has been expounded on the one hand by Mr. Cornell and on the other by Mr. Kingsmill and Mr. Cullen. This writer says—

In the Charters of the Transvaal and Orange Free State, the most recent and the most democratic of our colonial constitutions, the right to amend money Bills is withdrawn, though the right to reject them is fully upheld. This appears to be the true constitutional doctrine, for even where Colonial Upper Chambers retain the amending right, its use is open to great misconception. In fact, their own interests are probably best served by dropping it altogether in practice, for this method may help them to preserve unquestioned the valuable and important right of rejecting individual money Bills.

That is not only the exposition of a competent authority on page 60 of *Senates and Upper Chambers*, but it exactly expresses my opinion—that is the opinion that I have just read.

Hon. W. Kingsmill: In regard to Western Australia?

Hon. A. SANDERSON: With regard to Western Australia. I shall say no more on the constitutional question but now deal with the remarks of Mr. Cullen, when he spoke of questions of policy. I have said this twice before in

this Chamber, possibly a third time it may be remembered. If you look back in the history of Western Australia, for 25 years we have had nothing else but socialistic enterprises. We have an Agricultural Bank and it is not an exaggeration to say that it practically went bankrupt when the strain came on in 1914. We have the Coolgardie water scheme. Members talk about this thing not paying, but has the Coolgardie Water Scheme paid from the day it was constructed? Even our railways, of which we are rightly so proud, in the last report we have a statement by the Commissioner—

With the extension and development of the system, the interest bill for capital expenditure is steadily growing, and requires an increased share of the profits each year to liquidate the charge. As practically all the additional lines which are now constructed are developmental ones, which experience shows must for some years at least, be worked at a loss, it will be recognised that a greater burden is cast on the existing payable lines in order to make good such losses.

In addition to that, if this country carried out its contract with the Federal Government, the effect would be practically to bankrupt our own railway system. If we spend, as we have pledged ourselves to do, 2½ or three millions of money on building a broad gauge railway from Coolgardie to Fremantle, it would have the effect of practically bankrupting us—even assuming for the moment that we can get the money; and if we do not get the money we shall have repudiated our contract with the Federal Government and therefore shall have become bankrupt in the eyes of the Federal Government. The effect of carrying out our pledge, as I say, will be disastrous on the best paying line we have in Western Australia. Putting the Agricultural Bank against the brick works, and the State Steamship Service against the water scheme, and the fish shops against the railways, how do hon. members deal with this as a ques-

tion of policy? It is not a question of policy at all. We deal with each question on its merits. Mr. Cullen apparently is opposed to fish shops, but strongly favours the Esperance railway. Is the Esperance railway going to pay? For my part, I would rather see State fish-shops established in every large centre of Western Australia, from a cash point of view, than I would see the Esperance railway constructed, which railway Mr. Cullen supported and helped to carry through this Chamber. The position is too serious to deal with lightly. I do not pretend to fathom the depths to which Western Australia can sink before the State becomes unable to go any further. I wonder what the speech of Mr. Cornell this afternoon meant. Mr. Cornell is a supporter of the Government. I wonder whether he was authorised to come to this Chamber and tell us that if we rejected this proposal the Government would resign. If I were quite sure of his authority for making that statement, then for the specific purpose of getting the present Government out of office I should feel strongly tempted to support Mr. Cullen; but for that purpose only. If this House is going to insist that in financial matters it is a co-ordinate body with another place, that the power of the purse is equally held here—

Hon. J. F. Cullen: No one has said that.

Hon. A. SANDERSON: We will leave the public to decide the matter when a general election comes along. That is the point which interests me. I hope the leader of the House will tell us quite clearly—because it is a matter that the country is entitled to know—whether his supporter Mr. Cornell was authorised, if not to threaten this Chamber, at all events to state quite deliberately that the Government would resign if the Legislative Council insisted on knocking out the Diesel ship proposal. I suppose we shall have another opportunity of going into further details if it is necessary. Personally, I deeply regret that at a time like this, in the crisis

we are passing through, we have allowed ourselves to drift into the position in which we are. I do not envy the Government's job at the present moment, and I am sure I do not envy that of the leader of this House. On several occasions when I felt inclined to indulge in purely party politics I have refrained on that account from doing so. The position of Western Australia, apart altogether from the great Imperial and European questions thrust upon us, is too serious as regards the Federal Government to deal with lightly. This loan policy of the Government, this attempt to float loans at an outrageous price, can only lead to further disaster. I sincerely hope the Government will try and shorten their sails and bring this country into a strong financial position, so that it will be able to negotiate on equal terms with the Federal Government. What is the use of our going to the Federal Government bankrupt as we shall be if we continue like this? We want to be on terms of equality with the Federal Government, and not go to them cringing as bankrupts. I do not pretend to take a great interest in the present position from a personal point of view, because members of this place would not be sent to their constituents. I am always ready to face my constituents with the greatest of pleasure, and to explain to them the position of affairs. It seems to me that the position we have drifted into during the last few weeks can only be solved by an appeal to the country. We know what it is with the position of parties in another place. Who would dare to take office? Imagine the Country party taking office! And how can the Liberal party go into action with a Bulgarian ally, as I think the Country party have been called? Picture to yourself, Mr. President, the position of such a Government. As for the Labour party, we know what they are.

Hon. J. F. Cullen: What does that mean?

Hon. A. SANDERSON: I will leave it alone. For my own part I cannot say

that I regret the position, to a certain extent, because I want to see these Labour people thoroughly cured. Because of trouble with their firemen on ordinary ships, they go in for Diesel ships. What are they going to do with the Trades Hall, and with caucus, and with their followers who insist on this Loan Bill regardless altogether of the position of affairs? I do not wish to over-emphasise the position, because everyone in this Chamber knows as well as I do that the position is serious; but apparently there is no attempt whatever on the part of the present Government to stop this insane borrowing of money to be distributed amongst the wage-earners.

Hon. A. J. H. SAW (Metropolitan-Suburban) [4.43]: I have no intention of following the example of my senior colleague and dealing with the wide range of subjects on which he has touched this afternoon. Certainly I am not going to deal with this constitutional aspect of the question, because I am quite incapable of doing so. My senior colleague, I believe, considers that I have not yet cut my political milk teeth. Consequently I would not in the least dream of embarking on a constitutional discussion. What appeals to me on this question, however, is, what are the reasons why Parliament was not consulted before the purchase of the Diesel ship was made? I am not an authority on Diesel engines. The only thing I know about them is that their unfortunate inventor committed suicide some 18 months ago. We have been told that the reason why Parliament was not consulted was, firstly, that this was an urgent matter, that it was a question of haste, because somebody else was nibbling at the bargain. I cannot understand how experienced administrators such as present Ministers could be taken in by such a cry as that. It is the regular stock-in-trade of every carpet-bagger. I have no doubt that when the Premier bought that other pup—I beg pardon, it was not a pup but a pianola, the reason given to him was that somebody else was nibbling. Possibly it was represented to the Pre-

mier that the leader of the Opposition had been seen coming out of Messrs. Nicholson & Co.'s music warehouse with a record under his arm, and that consequently there was necessity for haste. So there must have been a similar necessity for haste in the case of this Diesel ship. Then a further reason was given why the deal should be kept secret. Possibly I am under a misapprehension, but I gathered from certain remarks which I have read or heard that it was the Imperial Government who did not want this thing to be known. I was inclined to think that perhaps the censor had blocked the information because Lord Kitchener, owing to the difficult position in the Balkans, considered that the fact of the Western Australian Government purchasing a Diesel ship should not be made public. But apparently that was not so at all. The necessity for secrecy was on the part of the sellers, who did not want the negotiations with the Western Australian Government to get to the ears of the other people who were nibbling. Unfortunately the Government have purchased this Diesel ship, and we are in this position, that whether we like it or not we have to pay for the ship. If the amount for the ship is struck out, I presume she will have to be re-sold. That puts us in rather a difficult position, and because of that difficult position—in spite of my objections to the Government purchasing this ship secretly and without consulting Parliament although Parliament was in session—I intend to vote for the retention of the amount.

Hon. W. PATRICK (Central) [4.47]: What strikes me most prominently in looking through this Supplementary Loan Bill is that some items which are there should not be there, and that some items which should be there are not there. As regards the purchase of the Diesel ship I am entirely at one with those speakers who have preceded me in opposition to the purchase. I understood, as Mr. Cullen evidently did, that the object of the purchase was to supplement the present ser-

vice on the North-West coast, that the Diesel ship was to take the place of the "Western Australia." The leader of the House has told us that that was the original object.

The Colonial Secretary: I never said that.

Hon. W. PATRICK: What did the hon. gentleman say?

The Colonial Secretary: (in explanation) I never made such a statement. I said the Government were making provision for a vessel that would have to be built, and that vessel was to take the place of the "Western Australia." We are asking authority under this Loan Bill for the construction of that vessel. The vessel which the hon member is discussing is the Diesel ship which is intended to bring chilled meat from Wyndham to Fremantle and afterwards, when a further vessel has been secured, will trade between Wyndham and London with frozen meat.

Hon. W. PATRICK: Of course, the leader of the House knows all about the matter; but I, at any rate, understood that if an additional steamer was required it was for the purpose of taking the place of the "Western Australia," which was notoriously unfit for the service and losing money day by day. Had it not been for the fortunate charter of the "Western Australia" by the Imperial Government, it would have been advisable to take her out to the Indian Ocean and blow her up, because that would be a cheaper proposition than running her. I am quite sure the leader of the House will agree with me so far as that is concerned. Surely if the establishment of a service to the North-West was to secure cheaper meat for the rest of the State, and if, as alleged, the service so far as it has gone has been successful in that respect—I do not mean paying financially, but successful from the point of view of reducing the price of meat—an additional steamer, if wanted, should be wanted to put on the North-West coast. But evidently the process was this: an inquiry was made as to the cost of building a new steamer to replace the "Western Australia." It was

found that it would take too long to build a new one, and in the meantime the Government were offered the "Kangaroo." The position is that we shall have a shortage of shipping facilities on the North-West coast, from Geraldton to the extreme North. No intermediate port will be served except by the "Kwinana." This new steamer will be unable to enter any intermediate port between Fremantle and the extreme North. The leader of the House must be aware that before last general elections, and before the general elections of 1911, Labour members went to Geraldton and practically told the Geraldton people that they would have additional harbour facilities in the immediate future. Plans were prepared and a scheme was completed and approved by the Government, yet the Geraldton harbour is still in the distant future. In looking over the list attached to the Supplementary Loan Bill I find not a single farthing for the port of Geraldton, and this new steamer, when it comes, will be unable to call at Geraldton to load wheat, so I have been authoritatively told. Most hon. members are aware that Geraldton is the second port in the State for the export of wheat, while it is the first for the export of wool. I do not think any Minister will deny that the people of Geraldton were told at the last elections and at the previous elections that if they returned a supporter of the Labour Government they would have their harbour. Apparently the Government supporter got so large a majority that the Government thought they were secure, and so there is not a single penny for Geraldton in the Loan Bill. Yet £42,000 is to be spent on the jetty at Esperance. There are a dozen farms in the Victoria district, of which Geraldton is the port, that produce in a season more wheat than the whole of the Esperance district has produced annually up to the present time. It is disgraceful to propose to spend £42,000 on a port like Esperance and neglect Geraldton, the second port in the State—indeed, as I have said, the first in respect to the ex-

port of wool. As one of the representatives of the Central Province, I strongly protest against the neglect of that part of the State and the fact that the Government evidently do not intend in future to make the port practicable for the handling of wheat in large quantities. There are in the Bill numbers of items of much less importance than the spending of money on Geraldton harbour works. There are the electric power station at East Perth, and the Perth tramways; on those two items £116,000 is to be spent. Anyone who has studied transport in cities during the last few years will agree that tramways as at present constructed are behind the times, that these great rumbling, noisy, rattling vehicles should be scrapped. There is no suggestion of extending the tramway system in London, and admittedly motor buses are cheaper to work, faster in point of despatch, and more agreeable to travel in than are trams. When the Government purchased the tramway system they started on an evil course, and financial disaster must inevitably wait upon them in this regard. In respect to the purchase of this steamer, I intend to vote for the excision of the item. If the Government can make a purchase of this kind without consulting Parliament, they could purchase a whole fleet in the same way, and borrow the money in the same way from some insurance company. It is the duty of Parliament to begin at last to stop this extravagance, especially at a time when the Government do not know which way to turn to secure £100. The parlous condition of the finances of Western Australia is proved by the fact that the Government have laid hands on the sinking fund to the extent of £300,000. To my mind, among the many blunders the Government have made that is the worst, and the most unpardonable, the seizing of a portion of the sinking fund, instead of reducing the debt of the State, adding to it. I cannot understand how anyone, by any quibbling, can support an action of that kind; because if, under the powers which were supposed to have been given to the Government, they can seize this

money to the extent of £300,000, there is no reason why they cannot seize the whole of the sinking fund in the same way, and invest the money in new loans. As to the remarks of Mr. Sander-son, who said that the policy of the State for the past 20 or 30 years had been to engage in socialistic enterprises, I think the hon. member forgot the great difference between enterprises which are in the nature of monopolies and enterprises which have to compete with the outside world. Our railways constitute a monopoly. The fares and freights charged are entirely at the discretion of the Government, with the advice of the Commissioner. The Coolgardie water scheme is purely a monopoly. Even when we entered upon the running of a line of steamers along the coast we were venturing upon a partial monopoly, but in entering on a shipping enterprise to compete with the outside world, we are launching into a purely socialistic effort. The result of the working of such schemes up to the present has been extremely disastrous in this State. I shall certainly support the excision of this £145,000.

Hon. H. MILLINGTON (North-East) [4.55]: I had not intended to speak on the Bill. I was under the impression that there were many in the Chamber who have a knowledge of finance, and who would deal with the question involved, but after listening to the utterances of various members, I have come to the conclusion that the Bill in one respect at least is exactly the same as every other Bill introduced during the session. Also it is like various motions which have been moved. In plain language, it is merely a medium for the levelling of certain criticism against the administration of the Government and more particularly in respect to that old familiar question, the State Steamship Service. It is unnecessary for me to defend that. This Chamber was not responsible for the initiation of the service, and I do not think anyone has ever tried to tack the responsibility on to this Chamber. But the fact remains that at least one member of the Chamber, not

at all in line with the present Government, has on several occasions justified that service. In dealing with this, I wish to refer to some criticism by Mr. Colebatch. He appears to have a leaning towards sensationalism. It does not matter at all what subject comes up; it is not of the slightest importance what his authority may be, or indeed if he has any authority at all; so long as he can make some sensational statement and keep the Government replying is he satisfied. In this instance he has been entirely successful. He has managed to find an authority of some description—rather a questionable one it appears—and on that authority he has staked his reputation that the Government, in buying the smaller of two vessels have paid for both. He tells us—and presumably he wishes us to believe—that the actual cost of this steamer, for which the Government paid £140,000, was £60,000. I presume he is prepared, or would be if he were in that line of business, to enter into a contract to build her for that money. But since he made that statement he has slept, and has now decided that, owing to the war, the steamer is probably worth £140,000. In fact, it is such a good bargain that if the Government were to repudiate their deal they would not have the slightest trouble in getting out of it. We have heard a good deal about mixed metaphor, but it seems to me that more than metaphor has been mixed during this debate. There have arisen on various occasions in this Chamber discussions as to the authority of the Chamber, its duties and powers in relation to those of another place. Like Dr. Saw, I have no intention of dealing with that aspect of the question, but it appears to me that the Council on this occasion is being advised to take upon itself a new responsibility. It is not a question of defining the duties of either House; it is merely that the Council is advised to take upon itself the right to repudiate the actions of the Government and to dishonour the agreements entered into by the Government. If this item of £200,000 is deleted, undoubtedly that will be the effect, and presumably the Council is quite prepared to take that responsi-

bility. I am not going to plead with members not to do so, because on the voting strength they can do it if they like. As long as they understand what they are doing, I merely wish to point out the position as I view it. In speaking on the State steamship enterprise, Mr. Holmes, who is undoubtedly acquainted with the whole of the North-West in this State, and of the conditions prevailing there, expressed himself as being favourably disposed towards the State Steamship Service and said he considered that if properly run it would be justified. He also made the statement that he was confident that if the Government were to come before this House with a request for authority to purchase an additional steamer the authority would be granted. I think the hon. member's trust is misplaced more especially in view of the speech made by Mr. Jenkins, when that hon. gentleman stated that he also would cut out the additional amount which is provided for the purchase of a boat to replace the "Western Australia." So far as the authority from this Chamber is concerned, I think Mr. Holmes can rest assured that no such authority will ever be given. Just as this Chamber is not responsible for the State Steamship Service, if that service has been successful and has done anything towards opening up the North-West portion of this State and towards assisting the settlers up there, it can take no credit for what has been done. The question of the Wyndham Freezing Works is involved in that of the State Steamship Service. Not only Mr. Holmes, but I think almost every member of this Chamber with the exception of Mr. Cornell and Mr. Kirwan, agreed to the Wyndham Freezing Works being started. After hearing the evidence, however, of the members who represent that particular province Mr. Cornell and Mr. Kirwan were satisfied that it was not economical to bring down live stock from such a distance to the markets of the metropolitan area, and accordingly agreed to the proposal. In pursuance of that policy the Government have decided that

it will be necessary to have a ship which will take the meat when frozen from these works to the market. I think Mr. Holmes agrees that when the works are completed it will be absolutely necessary to have a steamer—and for the Government to run her—that will take the meat from there to market. Then comes the question of how far ahead the Government are entitled to look when putting their policy into effect in this direction. It certainly appears that the works may not be ready for the 1917 season. There is a possibility that this will be the case. By that time at any rate the Government are justified in providing a steamer for the purposes which they have outlined. It has been mentioned that it will be impossible to get a boat for that service at any time within twelve months after the end of the war. That being so, I want to know on what authority members say that it is too early to think of buying a boat. I do not know of any evidence which has been brought before us to show that the war will terminate in three weeks' time, and that a steamer could be ordered and built in such time as would enable her to be utilised for the 1917 season. It appears to me that the only possible common-sense course to follow, if the Government require a steamer in 1917, is to take the first opportunity that presents itself of procuring a suitable vessel. They have taken that opportunity, and it seems to me that those who agreed with the policy now disagree with the action of the Government in attempting to carry it out. I do not intend to deal at any length with the type of vessel, or the engines installed in her, and so forth. That is a matter for engineers and those who are capable of advising the Government on these matters. In connection with the question of oil fuel, Mr. Holmes referred particularly to labour members of Parliament, and wanted to know why it was that we would allow a vessel with such engines installed in her to be purchased by the present Government. In my opinion, if oil fuel is more economical than coal for this particular service, it

would be absolute madness to allow any other consideration to enter into the calculation. A good deal has been said in reference to the relative economical power production of oil and that of coal. If in ordinary circumstances oil fuel can compete with coal—and it is contended that it can—how much more would oil fuel be suitable for the North-West trade, or for trade starting at Wyndham, than coal? Undoubtedly it was on account of the peculiar circumstances surrounding that trade which were responsible for such a boat being recommended to the Government, and for the Government purchasing her. With regard to the trouble with firemen which was instanced by Mr. Holmes, I have repeatedly stated that whilst I recognise that I am here to support the labourer in every possible way I had yet to learn that it is my duty to support him when he attempts to commit any indefensible action. In matters of this description I no more attempt to defend the action of a labourer who does what he should not do than hon. members here who represent commercial interests attempt to defend those who have committed objectionable actions in any particular direction. Although in this connection it may be contended that we should on all occasions stick up for the labourer, I do not consider that it is advocating his claims to advise that men should be engaged in any particular work which does not justify such engagement. I have never advocated that in cases where the proposition is not a business one and does not economically lend itself to the further employment of labour men should be employed in it. Although the Government have attempted to carry out this policy, and although they represent the labourers of this State, I do not think it can be shown they have ever employed men where men have not been required, or that they have ever adopted anything but the most economical methods of running the affairs of the country. I could not quite understand whether Mr. Sanderson intended to support the deletion of the item which has been referred to, but he appeared to me to be opposed to State

trading concerns. He has told us on numerous occasions that he not only detests the present Government, but that he detests more particularly their socialistic enterprises. He has often waxed eloquent on such questions. I have often felt inclined to suggest that the hon. gentleman should pen a hymn of hate on the subject of socialism.

Hon. A. Sanderson: Hear, hear! You set it to music.

Hon. H. MILLINGTON: Other members who are equally vindictive, but do not possess the hon. gentleman's facility for expressing himself, have also given vent to their opinions on this vexed question of State socialism. Mr. Sanderson has instanced several other State trading concerns which he says are not paying. This is not surprising, considering the demands which we have upon our State enterprises. No matter what the enterprise may be, whether it be in the form of railways or water schemes or anything of the kind, there is a continuous outcry for reduced charges and for better facilities irrespective of whether the State trading concern can afford to concede those demands or not. It is contended that the State trading concerns are justified perhaps not from the point of view of an immediate financial gain but from the point of view of the ultimate interests of the State. State trading concerns are, therefore, working under a serious handicap, and no one knows this better than those hon. members who are continually asking for concessions in connection with any given State undertaking. I expected that members, who possess a knowledge of financial methods, would in dealing with this question have given some assistance to the Government. I do not know whether the criticism which they have levelled at the Government has been given in a friendly spirit or otherwise. If it has been given in a friendly spirit then I have mistaken its import. I suggest that the attempt is being made to hamper the Government at the present juncture. Just now the question of finance is probably the second greatest question in any part of the British Empire. As a part of that Empire presum-

ably Western Australia is feeling the strain as much as any other portion of the Empire. In the difficulties which have had to be faced of financing the State during these times of stress the financial pressure has been exceedingly great, but notwithstanding all these difficulties, I have failed to see forthcoming any assistance from those who sit in opposition to the Government. Whether they consider that any means they can adopt are justified so long as these will enable them to belittle and hamper the Government in connection with their financial policy I do not know. The fact remains, however, that although assistance was promised from these members none has so far been given, either in the nature of advice or friendly criticism in order to help the State to tide itself over the present financial crisis.

Hon. J. Duffell: They are imparting it now.

Hon. H. MILLINGTON: Here we have the Loan Bill, unquestionably a measure dealing with a variety of subjects, but practically the only matter mentioned is that which has brought about the attack on the State Steamship service, and with the attack comes the intimation that members are going to repudiate some of the financial engagements entered into by the present Government. If that is friendly advice, then I say it has given me a different idea of friendship to that which I previously held. I am not going to plead with hon. members not to delete the item or to plead that the deletion cannot be given effect to on constitutional grounds, because I know perfectly well that if it pleases this House members can vote against the item. But let me remind them that they have to take the responsibility of their actions. I am not making any threats as to what will happen but so long as they are prepared to take the financial affairs of this State out of the hands of the Government they must also be prepared to take the consequences. I believe they are prepared to take the consequences, but whether or not, I am going to do my best, if the question of finance crops up, to bring home to them

what has been done on this occasion, and on previous occasions by them. Where the Government engage in a certain policy and this Chamber takes action which tends to cripple that policy they will also have to take a certain amount of the responsibility for the failure of that policy. Personally, I would sooner have seen the Legislative Council refuse to agree in any way to or to countenance the establishment of a State Steamship Service, than that they should have permitted the State Steamship Service to come into existence, and now turn round and endeavour to cripple something which is an asset to this State and which, to be logical, they should never have allowed, on the principles which they hold, to come into existence at all. However, after allowing the State Steamship Service to go along a certain course, this House now proposes to take the opportunity of attempting to strangle it. I do not know whether hon. members will be successful, but the fact remains that that is what they are attempting. As I said, I have no intention of pleading with hon. members to refrain from deleting the item, because I am aware that they are acting with their eyes open, and that they will have to take the responsibility.

Hon. F. CONNOR (North) [5.16]: It seems to me that whether or not we pass this measure makes not the slightest difference, because the powers that be, the people at present in authority, have given it as their decision that, no matter what any House of Parliament may do, they will carry out their policy notwithstanding. That is the position we have to face. I am not going to oppose this Bill now, because it is too late. The money has been spent, and spent in defiance of both Houses of Parliament. That is how I feel about the matter, but I wish to point out a few facts which may influence even hon. members like the last speaker. In connection with Mr. Millington's appeal on behalf of the shipping enterprise, I will ask him, what was the object with which the Government entered into this particular business? It was for the purpose of injuring firms and individuals who had done more for

the uplifting and the development of this State than twenty such Governments as at present exist here could have done or would have done. The object was to smash the meat ring. The Colonial Secretary used to cry out, "Meat ring! Meat ring! Meat ring!" We hear nothing about that now, and I say the State Steamship Service has failed in its object. The steamers that the Government said were to be a benefit to the small pastoralists have been a curse to them. When the Government forced themselves into the shipping business for the purpose of beating the so-called iniquitous meat ring, there were three steamers running from Wyndham to Fremantle in the cattle trade. To-day there is only one. The market is just as good here; it is hungering for meat; and the meat is in the North-West. The entry of the West Australian Government into the shipping industry has been a curse from that standpoint to the people of the far North. I challenge contradiction of that statement. The constitutional aspect of the matter I shall not discuss at length, because I do not know enough about it; but I want to take it from an ordinary, common-sense point of view. If, as is argued by some hon. members, and apparently in all good faith, we have no right or power to interfere with this Bill, what is the use of bringing the Bill to this House for discussion? We have, in fact, the right to throw the Bill out, to make suggestions, and even to alter the ordinary clauses of the Bill. What benefit has resulted from the State Steamship Service? Has a profit been shown? Has the "Western Australia" been a success? Has the "Kwinana," which was asserted to be the finest cattle boat on the coast, proved a success? I venture to say that when depreciation has been written off the "Kwinana" that steamer will show a substantial loss, after she has been scrapped, as she will have to be very soon. Our friends of the Labour party are now very keen on the oil question. I myself was never very keen on Collie coal, because it was subject to spontaneous combustion. I know about this, because at the time I was handling steamers. On account of the liability to

spontaneous combustion I had to stop the steamers I handled from taking Collie coal. To my regret I was forced to adopt that course by the objections of the insurance companies. Now, owing to the greater depth from which Collie coal is obtained, the danger of spontaneous combustion has disappeared. Even the mail boats will now take Collie coal. And yet our friends of the Labour party are prepared to scrap-heap the Collie coal industry in order to purchase oil from coloured people in the Orient and from America. They are going to place themselves in the hands of a trust, which is to build tanks here, while they have been returned to Parliament for the purpose of fighting trusts all the time. Not only have all these socialistic enterprises been a dismal and horrible failure, but they have, in my opinion and in that of every thinking man, prevented those who would have made a success of these enterprises from coming here and taking hold of them. That is the trouble we are facing, and we may as well realise it. I do not want a general election—although it does not matter to myself—because I think a general election is one of the worst things that could happen to this State at the present time. But unless the two Houses combined can stop the socialistic rot that has set in, a general election would be a blessing, even though in disguise. In reply to the hon. member who spoke sneeringly about friendly criticism in this Chamber, I have to say that criticism here, though undoubtedly severe at times, is not so severe as the circumstances call for.

Hon. C. F. BAXTER (East) [5.25]: I did not intend to speak on this question, but so much has been said regarding the position of the Council that I feel it a duty to state my views. I am opposed to the purchase of the "Kangaroo," as I am opposed to most of the socialistic enterprises of the Government; and I am greatly surprised at the tenor of remarks made by certain hon. members this afternoon. Those members spoke of the Council as being in opposition to the Government all the time. That is not correct. Over and over again

this Chamber has passed amounts which had been spent months and months prior to their authorisation. But are we going to continue doing that? I myself do not feel like it. This Diesel ship, I understand, has been purchased and is well on its way to Australia. For the good of the country we must put our foot down some time, and I feel like putting it down now. We are told that the Diesel type of vessel has been adopted for reasons of economy. Can the manager of the State Steamship Service show that this type is economical? Has he had the experience entitling him to make such a statement? Has any man in this State had the experience entitling him to state that the Diesel type of vessel should be adopted on the score of economy? I do not think so. The point certainly remains to be proved here, where we shall have to erect special oil stations and obtain specially qualified men to run the vessel, and where all the expenses will be increased. My own view is that the Diesel type will prove more expensive here than the ordinary type of boat run by coal. Then we are told that the Diesel ship was bought on the recommendation of Sir John Biles. But no trace of any such recommendation can be found. I hope the Colonial Secretary, when replying, will clear up the mystery in that direction.

The Colonial Secretary: I will clear up a lot.

Hon. C. F. BAXTER: There is a lot to be cleared up, and the Colonial Secretary will be a wonderfully clever man if he clears it all up. In any case, I do not intend to support the Government in the purchase of more boats. In other words, I intend to vote against the amount of £55,000, because if we agree to grant that amount we agree to the policy of the Government in purchasing more vessels, to which policy I for my part am strongly opposed. In reply to criticisms on the action of the Council in adjourning last week, I say right here that I supported the adjournment with the deliberate object of trying to get the Land Act Amendment Bill through for one

thing, the Liquor Bill through for another, and the wheat question put on a satisfactory basis also, before Parliament prorogues. Even the Minister for Lands has stated that some legislation may be needed in connection with the wheat question. I think there can be no doubt of it. As matters stand at present, the wheat problem is in a very unsatisfactory position. That problem is one of the most important features of the day, and I do not think Parliament should adjourn until everything is working satisfactorily in the handling of the harvest. Indeed, I intend to oppose the prorogation of Parliament until the matter has been adequately dealt with. The same applies to the Land Bill. Mr. Cornell, who I observe has left the Chamber, hinted that the Country members here are the tail of a party—

Hon. R. G. Ardagh: The last joint.

Hon. C. F. BAXTER: Doing their best to put the Government out of office. In view of the way Bills are sent to this Chamber and are insisted on without any allowance being made for amendments by this Chamber, I say that if the Government do not adopt a different attitude, then the sooner we put them out of office and put some stronger Government in office, the better it will be for the country generally.

Hon. R. J. LYNN (West) [5.29]: This debate, to my mind, has boiled itself down to three points. One is the constitutional aspect of the purchase of the Diesel ship. Another is the policy of the Government. The third is, what are the effects of that policy. We have been told here, and it has been stated in another Chamber, that from a constitutional standpoint the Government were not justified in issuing debentures for the purchase of the vessel. I should like, however, to hear something as to what the effect would be on the financial standing of this State if Parliament repudiated the liability of the Government for the purchase. I am inclined to believe the Government were, to a certain extent, justified in purchasing the "Kangaroo." The unfortunate part of

the whole episode seems to me to be that the secretary of the Fremantle Harbour Trust, being entrusted with the management of a State enterprise, the State Steamship Service, involving a very considerable amount of money, found himself in the position of having a boat which not only this Chamber but another place criticised as being a boat unworthy of the service, a steamer that could not be run at a profit, and which must result in financial loss to the enterprise as a whole. On looking through that file it is seen that the Secretary of the Harbour Trust found himself in the position that he was forced to get rid of that boat, and if I remember rightly he even went to the extent of recommending the Government that it would be better to cancel the North-West contract rather than continue operating the service with that steamer. I have no hesitation in saying that he was justified in making that recommendation. The general class of steamer that she was, the consumption of coal and the conditions attached to her, made it impossible for the undertaking to become a success. I am referring now to the file and on looking over it I also find that the Secretary of the Harbour Trust came to the conclusion that he must secure some other steamer. The unfortunate position to my mind is that whilst the Secretary was perfectly justified in looking for another steamer, he did not secure a steamer to take the place of the "Western Australia." Against that he secured a steamer to be engaged in the oversea trade for two or three years to come. I do not think it was ever intended by the Government that when they commenced this enterprise they should embark in the oversea trade, but it seems to me that out of a small beginning the enterprise is growing daily. From the standpoint of the purchase of this vessel in order to replace a steamer for the coastal trade, I do not think it can be argued for one minute by this Chamber that that steamer can be utilised for the North-West mail service. On the other hand, we are told in connection with the freez-

ing works which are under consideration that it was essential that the Government should have a steamer to carry frozen meat from Wyndham to Fremantle, and if that is the case put up by the Government I am inclined to agree with them even to the extent of purchasing the "Kangaroo" at the price they paid. It will be useless in my opinion to continue to expend money on the Wyndham Freezing Works unless the Government have some class of vessel suitable to carry away frozen meat, but the dilemma I find myself in is that at the present time tenders are being invited for the conveyance of mails to the North-West and the Government have purchased a steamer which will not fill the requirements of the tender, and we are now faced with a vote of £200,000 so that part payment may be made in connection with the purchase of another steamer. I should like to know whether the £55,000 is for that purpose, and whether it is possible for the Government to make any arrangements to continue the service in the event of the present steamer being taken away from them, knowing as we do know that the "Kangaroo" will not fill the requirements of the mail service. But what then is the position of the State Steamship Service from a coastal standpoint? I remember when I was standing for the West Province and differing somewhat from my friend Mr. Connor, that was a burning question in the metropolitan area, and I think quite a number of the Liberal candidates seeking election for another place advocated, if necessary, the purchase of a steamer for the conveyance of stock from the North-West to Fremantle. When the present Government came into power, it is unfortunate for them that they embarked on the steamship policy with such a class of vessel, but having started it, and the management having found themselves in the position that more steamers were necessary, or that steamers of a better class were required, the Secretary of the Harbour Trust then in his endeavour to do what he considered the correct thing recommended the purchase of the

"Kangaroo" by the Government. I am inclined to think instead of having bought the "Kangaroo" the Government might have looked around in order to purchase a steamer which would have filled the requirements of the North-West trade and for the development of that portion of the State. I believe to some extent this Government or any other Government is warranted in bringing into operation some service that will help our great North-West territory. We have heard it argued that the North-Western portion of the State has been pioneered for many years by private steamship companies. I am prepared to admit that those companies brought their steamers to a very high standard indeed, but for all that, the service of the North-West was not what it should have been in order to develop that part of the State in the interests of the people. But as I have already said, having decided to bring into operation this policy, the unfortunate thing in connection with it has been that the class of steamers engaged is not suitable to the trade with perhaps the exception of the "Kwinana." We have heard a good deal of the purchase of the "Kangaroo" and about the price given for that steamer. I have no hesitation in saying that in ordinary times that steamer might have been built for the sum of money stated by Mr. Colebatch. We are not in normal times now and I venture to say that if the sum is deleted the Government will not be seriously handicapped because I believe that within 12 months from date, with the very high freights ruling, they will be able to write off sufficient from the earnings of that boat to sell her at practically no loss to the community. Sixteen or seventeen months ago freights for nitrates from Western America to the Old Country were 16s. a ton. To-day they are no less than 88s. a ton. Sixteen months ago wheat freights from the Commonwealth to the Old Country were down as low as 28s. To-day an endeavour is being made to get freight at 85s. It is not a matter of freight; it is a question of tonnage, so that in 12 months' time with the

"Kangaroo" operating, with reasonably good luck, I have not the slightest doubt that the vessel will have made sufficient money, that she can be written down and no more loss will accrue to this country. Perhaps it is unfortunate that the first party in Australia to introduce an oil engine and labour-saving appliances should be the Labour party, but of course the present Government, like every other employer of labour, did not take long to discover that there were many disadvantages under which they had to work. It will perhaps be remembered in connection with the "Western Australia" the Government provided the men's passages to the Old Country and back again and paid them the coastal rate of wages from Fremantle to London. The men were kept in London, paid their full rate of wages all the time and when they returned, I am not exaggerating when I state that the total cost to the State was £2,600, as against the cost that might have been incurred by a private oversea company of £600. Therefore, when the Government find themselves confronted with the fact that this was one of the results of running a line of steamers they naturally decided that labour-saving appliances would avert considerable trouble. I think that encouragement to one of our local industries might have been considered by the Government when purchasing this oil vessel, but although I am interested in the Collic coal industry, I am not taking exception to what the Government have done. In their opinion the conclusion that they arrived at was justified owing to the conditions under which the service had to be conducted. I find myself in a dilemma and certainly would like to be enlightened because I do not think the Government were justified in expending, without reference to Parliament, the large sum of £145,000. At the same time, I do not agree to take the responsibility of voting to support an amendment to delete a sum of money and by so doing reflect against the credit of this State. It appears to me that the boat having been purchased and the debentures having been issued—and we come back then to one of Mr. Cornell's

old sayings, a pious protest having been entered—we may allow the matter to pass, but we should either delete the remaining £55,000 or get an assurance from the leader of the House that no other steamer of any description will be purchased without the consent of Parliament. If we vote the sum of £55,000 which would represent only a very small portion of the capital cost of the steamer we shall be committing ourselves to an expenditure of probably £200,000. Unless the Colonial Secretary is prepared to give the House an assurance that no deposit will be paid on any steamer, that no purchase will be effected or that no agreement will be entered into for any other class of boat, I shall vote in favour of the amendment.

Hon. W. Patrick: In that case the Government would not need the money.

Hon. R. J. LYNN: I am convinced that if we vote the £55,000 we shall be giving the Government the first instalment for the purchase of a new boat. While I am not disposed to favour the deletion of the £145,000, I am disposed to reduce the amount by £55,000.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [546]: Before dealing with the points raised in connection with the purchase of the "Kangaroo," I propose to supply the House with information asked for by different members dealing with various items in the Loan Bill. Mr. Colebatch asked whether the Agricultural Bank had been properly provided for. I have obtained from the Under Treasurer a statement which will convey the information the hon. gentleman requires:—

Under the Loan Act of last year, £500,000 was provided for the Agricultural Bank, of which amount only £38,058 has been expended up to the 30th June last, leaving a balance of £461,942 still available for new capital expenditure of the Bank. It is anticipated that no more than £200,000 will be drawn from this balance during this financial year, therefore leaving £261,942 still available to cover the period up to March 1917, which is considered ample for requirements, and

under those circumstances it was not considered necessary to provide anything further on the Loan schedule.

Mr. Colebatch asked whether we could raise the money represented in the Loan Bill. This is a question which it is absolutely impossible for me to reply to at present. We have had no definite assurance from the Commonwealth Government in connection with this matter but we have agreed that, whatever money may be raised, the necessities of the war must be the first consideration. The hon. member also inquired which works would get precedence. This is a matter which must be left to Cabinet. Cabinet will consider the matter when they are in a position to know exactly what amount they are likely to be able to raise and the more important works will receive first consideration. Regarding the electric power scheme, in connection with which Mr. Colebatch asked for some information, I have obtained from the Commissioner of Railways the following particulars:—

The vote as printed reads "Electric power station, East Perth," but covers in addition to that allied works and extensions to the lighting and power scheme. The ring main which has been installed through the City for lighting and power purposes, including power for the tramways and the equipment of sub-stations on the ring main, is included in the expenditure. The construction of the transmission lines for conveying the current to centres outside of Perth is also included. The extensions are necessary to enable the new power station to fulfil its proper functions. The amounts which have been provided on the Estimates include provision for the transmission line to Midland Junction which is to supply the railway workshops, and the erection and equipment of a sub-station there. In addition, contracts have been completed with the Guildford and Midland Junction municipal councils and West Guildford roads board and others for the supply of current off this line. The cost of erecting and equipping the sub-stations and making the necessary con-

nections for these supplies are included. Provision has also been made for the erection of a transmission line from Perth to Fremantle. In this connection negotiations are in progress to supply current to the Fremantle Municipal Tramways and Lighting Board, which includes the Fremantle tramways, the municipalities of Fremantle and East Fremantle, and other local bodies within a radius of five miles from Fremantle, and also all Government departments within the same area as well as the Naval Base at Cockburn Sound. There is also in contemplation the erection of a transmission line to Wongong to supply current for working the Commonwealth quarries, which are to supply the stone for the Naval Base works. If this line is constructed it is also hoped to supply current to the Gosnells, Kelmseott, and Armadale districts. These extensions will enable the output from the power house to be increased and the generating costs correspondingly decreased, thus assisting in the financial success of the undertaking. In addition, provision has been made for possible contingencies and expenditure which may be found necessary during the period extending up to March, 1917. With the exception of the liabilities already incurred for contracts and other works in progress, the expenditure for which provision is being made is contingent upon the various undertakings contemplated being carried out.

Mr. Colebatch also wanted to know the present condition and the future prospects of the State fish supply. Since the 1st July there has been expenditure in excess of receipts to the extent of about £650. It is impossible to say how much of that is loss, because adjustments have to be made in connection with coal and stores and sundry other items. The output of fish during the winter months decreased fairly substantially. We had reached an output of eight tons of fish per week, and it decreased to five tons owing largely to the stormy weather which prevailed for several months. The

"Una" had to put in at Geraldton and had to remain at Fremantle in some cases for two or three days owing to the rough weather, and it will be realised what a serious effect any depreciation in the supply of fish means when I say that every additional ton of fish which comes down represents an additional £50 to the railway revenue per week, or £200 per month. What we are setting out to do, and what we intended to do from the commencement, is to increase the supply of fish to something like 15 tons per week, and the fact that we have not been able to do it in the last three or four months is due almost entirely to the rough weather. Most of the £4,000 in the Loan Bill for the fish supply has been spent. We took over the "Una" from the State Steamship Service, and had to fit her up with ice-boxes. We purchased a river boat which is being used as a depot boat at Shark Bay and ice-boxes also had to be constructed in her. We had also to provide equipment, and the amount spent out of loan altogether represents £2,800. The balance of the money is required for the purpose of extending the supply to Fremantle and opening in other localities if sufficient inducement offers. There is no doubt the State fish supply should be put on a sound basis as soon as possible, and if the Government get into recess I intend to give it my personal attention. There should be no loss, and I can assure the House there shall be no loss. If there is a loss, the enterprise will be closed down very quickly. Mr. Colebatch also asked for some information in connection with the £80,000 advances on ore and working expenses at the Ravenshorpe smelter. He said it was a most unbusinesslike proceeding to borrow money for the working expenses of an enterprise of this kind. I have obtained a statement from the Mines Department which clearly sets out the position as follows:—

A copper smelting proposition involves long delay in getting returns, and money has to be provided for current expenses up to the time when the product is sold. The expenses of mining the ore, taking it to the

smelter, smelting it and sending the product to market have all to be met out of money in hand before one penny is returned from the sale. There is nothing any more unbusinesslike in borrowing money to meet the working expenses of a smelter than there is in borrowing money from a bank to meet expenses of putting in harvesting a crop of wheat. The smelter is the sounder proposition in fact, for the amount of metal that will be obtained is definitely known before any money is advanced upon it, while the amount of wheat to be returned from a field is doubtful until it is ready for harvesting. The price at which the produce will be sold is just as likely to vary in the one case as the other. In the particular case of the Phillips River smelting works, the figures of the first campaign will show how the matter works out. The subsequent operations are still too incomplete to allow very definite figures to be put forward. Seven thousand nine hundred and fifty tons of ore were smelted in the first campaign, and advances were made after assay of the ore of approximately £19,500. The actual working costs of smelting in this run were about £25,300, of converting and sending product to Albany about £2,800, insurance £1,000, total £48,600. Interest on all expenditure up to time of receiving returns and one-third of the capital cost of putting the works into order to begin with (arranged to be spread over three years), will come to about £3,100 more, making a total outlay of £51,700 on this campaign. Against this we have advice that the first shipment of matte per s.s. "Borda" has realised £20,029, that the realisation of blister copper per s.s. "A 36" approximates £27,500, and that the blister copper per s.s. "Cufic" will yield about £23,000, giving an estimated return of £70,529. Deducting all expenses, £51,700, it leaves a balance payable to sellers of ore of £18,829.

Now we come to the "Kangaroo." Mr. Colebatch stated that we bought one ship and paid for two. He added—

There were two ships being built for the same company, the East Asiatic Company, of Copenhagen, Denmark. One was called the "Panama" and the other is now called the "Kangaroo." The "Panama" was completed at the end of March of this year; the "Kangaroo" was completed a month or two later. The West Australian Government paid for both those ships.

Mr. Colebatch based his statement on an article in the *Teraco Star*, a trade sheet which is out to boom a particular class of roofing material made in Texaco and is evidently deeply interested in oil. I have had a little experience of some of these Yankee advertising journals. In fact, one was placed in my hands to assist me when I was introducing the Weights and Measures Bill. It is entitled "An Abridged Course of Instruction for Toledo Scales Salesmen," and in parading its own honesty and exposing the rottenness of an opposition show it reproduced an advertisement from a contemporary which is well worth reading—

Can you do this on your scale? Buy 20 pounds pork loins at nine cents, a pound retail them to your trade at the same price and get your money back? We can on our scale and make you 3 per cent. profit besides. If your business amounts to 10 dollars a day sales we can earn you 30 cents, in fractions you don't get now. Thirty cents a day means you buy this scale for 180 days. How long have you been in business? How many have you bought in that time? Think of it. One scale lasts for six months. Let our man prove this. Moneyweight Scales Company, 47 State-street, Chicago, Ill.

The PRESIDENT: I do not think this is relevant to the Bill.

The COLONIAL SECRETARY: My object is to show the class of matter which appears in some of the Yankee catalogues.

The PRESIDENT: The question is the Supplementary Loan Bill, second reading.

The COLONIAL SECRETARY: I am taking the opportunity of showing

the nature of the catalogue which the hon. gentleman has submitted to the House as an authority.

Hon. J. F. Cullen: Quite a different trade journal.

The COLONIAL SECRETARY: Very much on the same lines and just as much entitled to the confidence and respect of readers. The *Teraco Star* says—

A motor ship of 9,035 tons carrying capacity was built for the East Asiatic Company, of Copenhagen, at a cost of 460,000 dollars.

In the first place let me say that the "Panama" was completed in March and was built in Copenhagen, the "Kangaroo" was not completed until towards the end of last month, to be precise, 22nd October, and was built by Messrs. Harland and Wolff, of Glasgow and Belfast. In the second place, Mr. Colebatch quotes the carrying capacity of the "Panama" against the deadweight tonnage of the "Kangaroo."

Hon. H. P. Colebatch: No.

The COLONIAL SECRETARY: The hon. member did; it is in the *Teraco Star*. This journal shows the carrying capacity of the vessel, which is quite a different thing from the deadweight capacity. The *Teraco Star* states that the "Panama" will carry 9,035 tons—that is by measurement. Now, it will be interesting to members to learn that the carrying capacity of the "Kangaroo" on the basis of cubic measurement works out at about 8,250 tons, so that the "Panama" is less than 10 per cent. larger than the "Kangaroo" and not half as big again, as stated by Mr. Colebatch. As regards the cost of the "Kangaroo," I would prefer a more reliable authority than a Texican trade journal, which is interested in oil and evidently bent on pushing oil interests for all it is worth. But I will admit that if the contract for the "Panama" had been let before the war and no provision made to impose extra charges consequent on the war she could have been completed for much less than under other circumstances. It is undeniable that the cost of ships has gone up, and gone

up considerably owing to increased wages and increased cost of material and increased cost of manufacture generally. We have evidence of that in the case of the "Western Australia." McCaul & Co. advised us that that vessel, if sent to London, would fetch from £60,000 to £70,000 owing to the scarcity of ships, but that if we waited until the war ended she would bring only about £22,000. We have proof also of the heavily increased value of ships from the Agent General. I have been in communication with the Agent General through the Colonial Treasurer and I received the following reply from him during the last few days—

Referring to your cable 19th November of this year, price for building at present time judged from tenders received for vessels which Government allow to be built are double what they were two years ago for mercantile work such as "Kangaroo." Government permission is not being given to build so the vessel could not be got except by purchase, but if got by building would have cost double that in ordinary times current prices taken paid. Following are instances prices taken from published records recent sales. "Schleisen" 5,500 tons, built 1907, sold January this year £65,200, resold in September £120,000 sterling. "Ramstad" 2,761 tons, built 1907, sold November, 1911, £23,000 sterling, resold 1914, £44,500 sterling, resold September this year £68,000 sterling. "Aldgate" 3,547 tons, built 1903, cost to build £35,000, sold September, 1913, £26,000, offer of £57,500 sterling in September refused. "Chirley" 3,828 tons, built 1901, sold 1909 £22,000 sterling, resold October this year £60,000 sterling. "Sophia," 3,223 tons, built 1901, sold March last year £21,000 sterling, resold October this year £70,000 sterling. Could quote many other instances. New vessel built "San Francisco" 5,000 tons, geared turbines, sold last month, £160,000. I may possibly cable you further.

That cable was received from the Agent General on the 20th November this year.

Hon. A. G. Jenkins: You did not buy in the open market.

The COLONIAL SECRETARY: The sting of Mr. Coebatch's remarks lies, not in the assertion that we had to pay a high price, but that we have been victimised, that the East Asiatic Company got at us to the tune of £80,000, and that they made us pay a price which covered two ships which were under construction. That is the charge levelled at us by Mr. Coebatch. If there is even a shade of truth in that statement, then there is not only something rotten in the state of Denmark, but something very rotten in the state of Great Britain. We had as our adviser Sir John Biles, whose services we retained early in 1914. We had had such bitter experience with one vessel, which we obtained on faulty advice, that we were determined not to secure another except on the best advice possible. That best advice was the advice of a man who was, and is, in the confidence of the British Admiralty, who is adviser to the British Naval Department, to His Majesty's India Office and to the Commonwealth Government of Australia. Sir John Biles told us that the price was high, but not unreasonable. It will be seen from a letter on the file lying on the Table of the House that he also said—and it has been referred to by Mr. Coebatch to-day; he only discovered it this afternoon—that the "Kangaroo" is admirably adapted for the Australian trade. In another letter addressed to his agent, Mr. Denny, on the 29th July last also appearing on the file—in consequence of different cables we sent making anxious inquiries about this vessel to ascertain if there were any possible defects—Sir John Biles wrote—

You may rely that when we make a proposal to you we are satisfied it is a good one.

Hon. W. Kingsmill: Why does he have an agent?

The COLONIAL SECRETARY: His letter continues—

When a proposal is made which has any drawbacks to it, these will be stated to you, so that it is quite unnecessary for you to cable and ask us

if any proposal we make is satisfactory.

Moreover, Sir John Biles was on the "Kangaroo" when she was making her trials on the 22nd October, and expressed his satisfaction with her in every way. Not only that, but he personally recommended the engineers and the captain, and has taken a very deep interest in the matter from the very commencement.

Sitting suspended from 6.15 to 7.30 p.m.

The COLONIAL SECRETARY: Before tea I was endeavouring to indicate the attitude of Sir John Biles in respect to proposals which he considered satisfactory. I pointed out that Sir John Biles resented our action in submitting to him what he considered unnecessary queries and wrote under date of the 29th July through his agent in this State as follows—

You may rely that when we make a proposal to you, we are satisfied it is a good one. When a proposal is made which has any drawbacks to it, these will be stated to you, so that it is quite unnecessary for you to cable and ask us if any proposal we make is satisfactory.

Mr. Colebatch stated that Sir John Biles never recommended this vessel. Yet Sir John Biles said that she was admirably adapted for the Australian trade. On top of that he writes in the letter from which I have quoted—

When a proposal is made which has any drawbacks to it, these will be stated to you, so that it is quite unnecessary for you to cable and ask us if any proposal we make is satisfactory.

Moreover, Sir John Biles, in accordance with our instructions, was on the ship on the 22nd October when she was undergoing her trials, and he reported that she was satisfactory in every way. Before we agreed to purchase the ship, we made a stipulation that she should not be taken over, and that the purchase money should not be paid, until trials had been made which were satisfactory

to Sir John Biles. Those trials were made on the 22nd October last, and, according to the report we have received, they were in every way satisfactory. It is on Sir John Biles's advice we have bought the ship, and there is no greater authority. He tells us the proposal has no drawbacks, that, if it had, he would say so, and that he would not make a proposal if he did not consider it a good one. If we were paying the price of two ships, it would not be a good proposal. It would be a fraud of the worst kind, a fraud perpetrated on a Government, a fraud which would blast Sir John Biles's reputation, and no doubt leave him open to the penalties of the law. That Sir John Biles would lend himself to imposition, permit himself to be duped, would not cross the mind of anyone acquainted with that gentleman's traditions. Then there are Harland and Wolff, a firm who will not tender at a fixed price for a ship, a firm with such a high reputation that they can afford to say, "If you want a ship, we will build it for you and charge you the cost with so much per cent. added." That a firm of such standing should be party to robbing a Government is almost, I contend, beyond the bounds of possibility. And last of all there is our Agent General. He is a man who was considered by a Liberal Government fit to perform the duty of protecting the State's interests in London; and, after experience of him, the present Government showed their confidence in him by extending his term of office. Sir Newton Moore probably knows little about ships, but he is an intelligent business man and would not be capable of taking delivery of one ship and paying the cost of two, as suggested by Mr. Colebatch. In September last, we received a cable from Sir Newton Moore stating that he had paid over £70,000, half the cost of the "Kangaroo." We were afraid he had overlooked our instructions that the vessel was to be taken over only after trials satisfactory to Sir John Biles. So we cabled to him asking why part payment of the purchase money was necessary pending delivery of the

vessel, and impressing on him the necessity for adopting proper safeguards for the return of the deposit unless the vessel was completed to the Government's satisfaction and trials were satisfactory. The Agent General replied as follows—

Government purchased owners' contract with builder. This involved instalments considerably more than the sum paid as part payment, as vessel had reached stage near completion before signing agreement. Condition of contract is vessel must be completed to Government's satisfaction and satisfactory trial. Safeguard for return deposit is vessel is Government's property with only half value paid.

The amount paid by the Agent General was £70,000. He says that as the Government had purchased the owners' contract, instalments considerably more than £70,000 were due; and the vessel was not completed at that stage—in fact, it was not completed until two months ago. Yet the sum of £70,000 represented only a small portion, as it were, of the amount which the vessel would cost. It follows that the cost under the contract exceeded £70,000 by a large sum. This blows to shreds the contention of Mr. Colbatch that we paid £140,000 for a vessel which ought to have cost not more than £60,000, although to-day the hon. gentleman made a great climb-down, admitting that probably owing to the war and other circumstances the cost of vessels had risen very considerably. There is no escape from that conclusion unless a lying cable has been despatched to us by the Agent General, and I do not think Mr. Colbatch would make any such implication. With a view to obtaining further information, I advised the Colonial Treasurer to send the following cable to the Agent General on the 19th instant, and it was sent—

Stated in Parliament Diesel "Panama," completed Copenhagen March this year, cost East Asiatic Company only £80,000 although much larger vessel than "Kangaroo." Argued from this approximate completed value "Kangaroo" similar conditions £60,000;

hence we are paying price two ships for one, Asiatic Company getting one for nothing. Understand we are purchasing from builders and not from Asiatic Company. Consult Biles and cable if that correct.

Sir Newton Moore, having consulted Sir John Biles, cabled as follows—

No information available Copenhagen steamer. "Kangaroo" contracted for one year before outbreak of war. Matter common knowledge that vessels contracted for previous to war have increased in cost from 75 per cent. to 100 per cent. "Kangaroo" was purchased from Harland and Wolff direct at price which Biles considered not excessive at time of purchase.

Then comes a reference to Bethell, Gwyn & Co., who are large shipping people in London. Sir Newton Moore's cablegram continues—

Bethell Gwyn state that if "Kangaroo" for sale they would like first refusal at her cost price, which they do not consider excessive at present time.

Hon. W. Kingsmill: Hear, hear! That ought to settle it.

The COLONIAL SECRETARY: Sir Newton Moore consulted Sir John Biles, and even that great authority was unable to get the information which Mr. Colbatch acquired from the *Texaco Star*. The Agent General, however, states that it is a matter of common knowledge that vessels contracted for previous to the war have increased from 75 to 100 per cent. To-day in the course of my speech I read a further cable from the Agent General giving specific instances to show the largely increased cost of vessels. He tells us definitely that the "Kangaroo" was purchased from Harland and Wolff direct. That means that she could not have been and was not purchased from the East Asiatic Co. And then comes a sentence, a pregnant sentence, which should silence all fair-minded opposition. Bethell Gwyn have told the Agent General that if the "Kangaroo" is for sale they would like the first refusal at her cost price, which

they do not consider excessive at the present time. Shall we sell her to Bethell Gwyn and close down the Wyndham works until our Liberal friends get into office, so that they may make arrangements with the shipping combine on the shipping combine's own terms to bring the chilled meat to Fremantle? I have dealt with the high cost of ships. It is unquestioned; but for the owners of ships there is a compensating advantage. Freights are high also. They have gone up tremendously since the war began. The following cable appeared in the *Daily News* of October 22:—

Australian homeward freights are rising daily owing to the large Greek and Roumanian tonnage withdrawn and the number of vessels commandeered for the Dardanelles. As much as 90s. per ton has been offered, with no takers resulting. Another difficulty is that the use of ships for the Australian trade would prevent them from bringing three times the amount of foodstuffs from America in the same period.

Here it is stated that 90s. a ton has been offered for steamers to bring goods from London to Australia with no takers. Previous to the war the figure was not more than £2. Before the war freight on wheat was about 33s. a ton. In some cases it was even less. To-day it is £4 5s. With a new economical motor ship such as the "Kangaroo" we should be able to satisfactorily and substantially reduce her capitalisation by the time the Wyndham works are finished in 1917. And, speaking from the economical side, I wish to point out that the cost of fuel on the "Kangaroo" will be only £30 a day, as against £44 for the "Kwinana" and £52 for the "Western Australia." In addition, as has been pointed out by some speakers, there will be no necessity to carry firemen, and that will mean a big saving and a relief to a great extent if my experience counts for anything. High freights must continue for a considerable period after the war. There has been a great destruction of mercantile vessels, and it will take some time to replace them. The companies which are building ships now at greatly

added expenditure must get their capitalisation down to normal. Mr. Colebatch informed the House that insurance companies were chary about insuring Diesel engines, but he did not go into details. I am sorry he did not quote from the authorities in his possession. I think the hon. gentleman has been misled by an extract which appeared in one of the local papers. The fact is that, under existing policies, steam engines are "free from general average" unless occasioned by the ship stranding, sinking, or being burnt in collisions. Breakdowns of machinery are not insured. I hope the hon. member is satisfied. He does not say so, consequently I must submit further evidence. The proof of the pudding however, lies in the eating, and an ounce of practical experience is worth a ton of theory in matters of this kind. I am in a position to inform Mr. Colebatch and, through him, the gentleman who supplied him with the information, that the "Kangaroo" has been insured for twelve months at a rate of one per cent. lower than that paid on the "N2" and our other ships. So that is another bogey exploded.

Hon. H. P. Colebatch: For what amount?

The COLONIAL SECRETARY: For £150,000 at 5 per cent. The "N2," the "Western Australia" and the "Kwinana" were insured for 6 per cent. The suggestion by Mr. Colebatch that the Government asked someone—and that someone was Watson Bros.—to get their principals in London to advise the Agent General to recommend the "Western Australia" be sent to England is too preposterous to merit much notice. It would be courting disaster to send the "Western Australia" to England for sale unless we had a genuine recommendation that she could be sold. Why should we want a bogus recommendation from the Agent General? What object could it serve? None, so far as I can see. So far as I can recollect I have never seen Watson Bros. in my life and I doubt whether I have ever had any communication with them, and no other Minister ever interferes with matters

in my Department. It is an awful reflection to make on Sir Newton Moore, and what an estimate is placed on his character to suggest that he should be a puppet at the hands of the present Government or any individual! Mr. Jenkins stated that the "Kangaroo" could not get into the North-West ports. If she was required to get in she could do so. Her draught is 23 feet 6 inches, but that is when she is fully loaded, when she is carrying a cargo of 6,700 tons. To show that the draught of a vessel is affected seriously by the quantity of cargo she is carrying, I will read from the specifications of the vessel which we propose to build, to show the effect of being fully loaded, and the effect of being partially loaded. The steamer which we propose to build, and will build some day, if we get the sanction of Parliament, when loaded will have a draught of 22 feet, but, when loaded with only 1,000 tons, her draught will be only 16 feet. The "Kangaroo" would never have to carry to the North-West a cargo of 6,700 tons. The largest quantity that goes up there on one trip, except it be a very special trip, is 1,000 tons, and with 1,000 tons the "Kangaroo" could go up to almost any wharf on the North-West coast. But that vessel is not intended for trading on the North-West coast. She is intended to trade between Fremantle and Wyndham. But Mr. Jenkins said that there were no engineers here who understood Diesel engines. That is true. We entered into an arrangement to obtain the services of engineers and they were selected by Sir John Biles, and it was part of the agreement that these engineers should be provided by Harland and Wolff, and to the satisfaction of Sir John Biles. Mr. Jenkins also stated that the £55,000 is not required, and that no new steamer is required, even though the purchase of the "Kangaroo" should be sanctioned. I again wish to impress upon hon. members that the "Kangaroo" is not intended to trade permanently between Fremantle and Wyndham, but will only take on the work until the new steamer is built, that is, the new steamer for which the £55,000 ap-

pearing in the Loan Bill is required. When the new steamer is built she will take up the running along the North-West coast as far as Wyndham, and bring down not only passengers but also 700 carcasses of chilled meat, 300 head of live stock, and do generally what the "N 2" and the "Western Australia" have been doing in the past, except that she will be able to carry chilled meat as well. So that it will be impossible to carry on the Wyndham freezing works successfully unless we have these two ships, because we shall not be able to engage in the export trade. Mr. Jenkins also raised the question of the success of the Diesel engines. I have a quantity of information which I intended to read to the House, but the question has not been seriously raised in this debate as to the success or failure of Diesel engines. I could give several examples of the success of these engines, and could show that the East Asiatic Co. are disposing of their steamboats and are going in almost exclusively for Diesel-engined boats. It seems to me to be unnecessary to read extracts from these papers, because I think most members are convinced that the Diesel engine has been proved successful in every way. In fact, if we may rely upon the *Texaco Star* there has never been such an invention for the benefit of civilisation as the Diesel engine. The "Panama," to which Mr. Colebatch referred, and which he stated in effect was a sister ship of the "Kangaroo," is the last word in modern ship-building. Mr. Lynn asked for an assurance that no ship will be built or purchased in the future without the consent of Parliament. That assurance was given by the Premier in another place, and I repeat it here, that, before we take any action, if this Loan Bill is passed, we will submit the proposal in the Loan Estimates and act on the judgment of Parliament.

Hon. J. F. Cullen: Will not that be time enough without borrowing now?

The COLONIAL SECRETARY: We should have to bring down another Loan Bill. I suggest that the item be retained. There is no possibility of the money be-

ing utilised until we bring down the Loan Estimates. We have given an assurance and we shall respect that assurance. Now let us look back to the early part of this year when the last Loan Bill was submitted to this House. In that Bill there was an item of £200,000 for freezing works at Wyndham. No item in a Loan Bill ever met with such a warm-hearted reception in this Chamber. The only jarring notes sounded fell from political friends of mine, Mr. Cornell and Mr. Kirwan. This House had been for years asking for freezing works at Wyndham and asking in vain. Mr. Holmes supported the item in a speech such as he only could deliver on such a question. Mr. McLarty was overwhelming with gratitude. He said—

I am satisfied this undertaking will be approved by the public generally and the day will come when the people will regard it as wise expenditure and will feel grateful for the supplies thus provided.

It even received the support of Mr. Kingsmill. He said he was not in favour of a public utility like the State Brickworks, but he was in favour of a State utility like the State freezing works. Those were the views of Mr. Kingsmill so recently as March last when that Loan Bill was submitted to the House. He was against the State brickworks; they were a public utility. He was in favour of State freezing works; they were a public utility. In my reply to the speeches on that occasion I assured the House that the Government, having put their hand to the plough, would not look back, and everything that has occurred since has justified my assurance. Indeed, the Government have been so anxious to push the plough forward that they have stumbled against a heap of trouble in connection with these very same works. Having committed themselves to the works, having purchased the material required and having made a commencement with the construction, it was time to consider the question of the means by which the product of these works could be brought down. The position gave the Government some anxiety which was relieved when the offer

of the "Kangaroo" came along. I have already explained that the conditions of the offer were such that the offer could not be made public. It was a question of accepting it or turning it down, and the Government accepted it, fully believing there would be scarcely a dissenting voice in this House at any rate, when the object of the purchase was clearly understood. In fact, we believed that it would receive stronger support here than elsewhere. That was my opinion and it was the opinion of the Government. The constitutional aspect of the question I do not propose to discuss. In a matter of such magnitude as this, Parliament should be consulted unless the urgency and necessity for the expenditure are such as the members of both Houses are likely to recognise. Members must recognise the urgency and necessity for embracing the opportunity to secure this vessel. Would it be safe in these times when there is absolutely no prospect of having ships built, would it be wise or prudent to go on with the construction of the Wyndham freezing works faced with the prospect of having to lock the doors and cease operations because of the absence of facilities to take the product to market. According to hon. members, the only way out of the difficulty would be to approach the shipping combine and pay them what they liked to ask, but this would not be in the interests of the producer or the consumer, and these works are being erected to conserve the interests of the producers in the Kimberley district and the consumers in the metropolitan area and other portions of the State in easy touch with the metropolitan area. Not a member who has spoken offered a practical suggestion as to what he would do, or what should have been done in the circumstances. The one cry appears to be, "Why did you approach Parliament?" when it must be evident and palpable to all that it was impossible for us to do so without being guilty of a breach of faith. Mr. Kingsmill interjected, "The Government should not touch business of that character." The reply is, "We would not have touched it if there had been any prospect of any other

satisfactory business offering or likely to offer."

Hon. W. Kingsmill: It is all of the same character.

The COLONIAL SECRETARY: Proof of that is afforded by the Agent General's cable that Bethel Gwyn are prepared to buy the ship from us at what it cost us.

Hon. F. Connor: No, they asked for the option.

The COLONIAL SECRETARY: And also said they would be prepared to buy at what it cost us.

Hon. F. Connor: They simply asked for the option.

The COLONIAL SECRETARY: I will read the cable again. It states—

Bethel Gwyn state that if "Kangaroo" for sale they would like first refusal at her cost, a price which they do not consider excessive at present time.

Hon. F. Connor: They simply asked for an option.

The COLONIAL SECRETARY: That is an indication that they are prepared to buy it.

Hon. F. Connor: No.

The COLONIAL SECRETARY: The "Kangaroo" could have been bought by exceeding the Wyndham Freezing Works vote as it is certainly part of the equipment of the works; in fact, it is a most vital part of the equipment of the works. But that would look as though we feared to submit the matter specifically to Parliament and we had no such fear. I trust that we have not miscalculated. I trust that a majority of the members of this House will not be swayed by party prejudices, but that they will look at the matter in a proper light. Even the temporary holding up of the item or an attempt at its reduction must discourage the Government in their determination to get the freezing works erected at the earliest possible date. Perhaps some fleeting pleasure might be derived by some members from a temporary rebuff given to the Government, but to my mind the members of the Legislative Council would place themselves on a higher pedestal if, instead of adopting an attitude which

would censure the Government, they passed the Bill as it stands and thus encouraged the Government in their efforts to expeditiously conclude the operations of erecting the freezing works at Wyndham.

Hon. W. Patriek: Are the Federal Government buying steamers for their works?

The COLONIAL SECRETARY: I hope members will give this matter cool, calm, careful and unprejudiced consideration, and if they turn down the proposal I would very much like to know what they expect us to do. Do they wish us to continue with the construction of these works, or do they wish us to close them down? When the Loan Bill was before the House last March, the proposal for freezing works at Wyndham was enthusiastically received. As I have already stated, no Bill met with such a reception in this Chamber as the Loan Bill which gave authority for the raising of money for the building of freezing works at Wyndham, and when we attempt to provide the machinery necessary for operating those works, after we have secured the material and started the construction of the works and obtained a ship to enable us to bring the produce down, there appears to be great opposition and yet not one sensible or wise suggestion as to what should have been done in the circumstances except the cry that we acted without the approval of Parliament, though I have proved up to the hilt that the matter could not be submitted to Parliament and that, if we had missed the opportunity to secure this ship, we would have been compelled in the interests of the State to cease carrying on the construction of those works.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair; the Colonial Secretary in charge of the Bill. Clauses 1 to 6—agreed to.

Schedule 1:

Hon. V. HAMERSLEY: I understand that the amount of £20,000 here set down is for the new extension of

the Bolgart railway, the Bill for which was recently passed. I would point out, however, that there has been no construction on this line for some time past and that the men who were employed on it have now been taken off. The settlers have been anticipating for a long time past that they would have a railway upon which they could carry their produce, and now fear that it will not come in time for the present season. Is there any likelihood of the work being put in progress at once and continued right through without further stoppage?

THE COLONIAL SECRETARY: The only items appearing here are urgent items, and the Bolgart extension is one of these. Everything will depend upon whether we shall be able to raise the necessary money or not. We want authority to raise the money, but it is another question to get it. I have not been supplied with any information on this particular item.

Hon. V. HAMERSLEY: Could not the Colonial Secretary give the necessary information at the next sitting of the House?

THE COLONIAL SECRETARY: On Thursday evening last I invited members to bring any matters under my notice upon which they desired information in regard to this Bill. Many hon. members took advantage of this, and I have been able to gather a considerable amount of information for them. In this case I was not asked to get information, but will be glad to do so for the hon. member.

Hon. F. CONNOR: What does the item, Perth-Fremantle, Cottesloe deviation, £30,000, mean? Upon what is it intended to spend this money?

THE COLONIAL SECRETARY: I have not the information to enable me to answer the hon. member. I heard the hon. gentleman tell his colleague that he knew all about it. If he does not know all about it he should have given me notice and I would have secured what information I could get concerning the matter.

Hon. F. CONNOR: If I knew all about the matter I would know more than the Colonial Secretary, who knows nothing about it. What I did say was that I

knew what the route of the proposed deviation was supposed to be, but I want to know how this money is proposed to be spent. I am not objecting to the item but am only seeking information. If the Colonial Secretary has not the information to give me why does he not postpone further consideration of the Bill and obtain the information?

THE COLONIAL SECRETARY: This is an unfair attitude for members to take up. I have already stated that I am prepared to get any information required if members will only give me notice. In all my long connection with Parliament I have never known of the leader of the House being cross-examined about items without members having first given him notice of the information which they wanted. When making statements upon these items I prefer to have all the particulars supplied beforehand from the various departments so that any information I may give may be strictly accurate. If members desire to postpone this schedule, I am only too willing to do so.

Hon. F. CONNOR: I only asked the Colonial Secretary a simple question. I want to know how this money is to be spent. In reply he has endeavoured to side-track the matter by politically abusing me. He should not endeavour to bluff me in this way.

THE CHAIRMAN: The hon. member must not use the word "bluff."

Hon. F. CONNOR: Very well, Sir, but I am not going to be side-tracked by being told that I had informed my colleague that I knew all about it. I said that I knew about the route. Is this Committee going to give authority to this Government, which have made such a mess, and will continue to make a mess of things at the expense of this country, to spend this money, until we know why it is to be spent?

Hon. J. J. HOLMES: The attitude taken up by the Colonial Secretary is a fair and reasonable one. He cannot be expected to have all the information concerning these items at his fingers' ends. Many members of this Chamber know that a bridge is to be constructed across

the Swan river somewhere in the vicinity of Rocky Bay, and that a deviation of the line is to take place at a point near the Cottesloe railway station in order to connect that bridge with the other side of the river. To carry out this object there must be large resumptions of land and somewhere about £30,000 will be necessary in order to make these resumptions. The hon. Mr. Connor must know the purposes for which this money is intended.

Hon. F. Connor: All resumptions were paid for under the James Government.

The COLONIAL SECRETARY: The remarks of Mr. Holmes have brought to my mind what the heading, which appears here, failed to do. I now know that this item has to do with the new railway bridge at Rocky Bay. The present bridge will require, perhaps, considerable repair work done upon it, and probably cannot be repaired as effectively as could be desired. It has consequently been decided to build a bridge at another point on the Swan river, and a start has already been made in the direction of testing the river. As a consequence of the construction of this new bridge, it will be necessary to make a deviation of the line from Cottesloe, and this money is intended to cover the cost.

Hon. F. CONNOR: How is it proposed to spend the amount of £40,000 under the item Esperance-Northwards, and for what purpose?

The COLONIAL SECRETARY: This is in connection with the Esperance railway which was sanctioned by Parliament some little time ago.

Hon. H. P. COLEBATCH: I can endorse what has been said to the effect that the Colonial Secretary invited members to ask for any information they desired upon these items. I asked for some information myself and have to thank him for the particulars which he gave me, although in some instances the replies are not altogether satisfactory. This is particularly so in connection with the State fish supply, but as the additional vote is only a small one it is perhaps just as well to let the matter go so that we can see what the Government will actually make out of the concern. On the

item for steamships I move an amendment—

That in the item "Steamships" the figures "£200,000" be struck out, and "£5,000" inserted in lieu.

My reason for submitting my amendment in that form is that some members of the Committee have indicated their intention of voting for the item so far as it is required to purchase the "Kangaroo," but have signified their disapproval of the purchase of further ships. The amendment being moved in this form, it will be competent for those hon. members to vote for the striking out of the amount of £200,000 and then to suggest what amount should take its place. The statement of the Colonial Secretary to-day has entirely removed from my mind any doubt or misgivings I might have entertained as to the course I ought to pursue and to ask hon. members to pursue. The only doubt I had was as to what would happen if the item were struck out, the Government having undertaken to purchase the ship "Kangaroo" and apparently having paid for it. From the Colonial Secretary's statement it is evident that nothing serious would ensue because there is another firm of the highest repute anxious to take over the ship or buy her from the Government. Then why should there be any hesitation in knocking the item out? Even if the Government cannot sell her, the Colonial Secretary tells us she is insured for £150,000, and, as the gentleman in the old-clothes shop said, "Vy not?" The Colonial Secretary persists in slandering the trade journal issued, as I have told him before, by one of the largest oil companies in the world, a company with a capital of about seven million sterling. In order to support his attack upon this reputable trade journal, he quotes a number of extracts from other journals which he describes as disreputable. It would be just as reasonable if I, in attacking the *Geraldton Express*, were to quote in support of my attack the misdeeds of the *West Australian* and the *Sunday Times*. Nothing that the Colonial Secretary has said has disturbed my belief that the "Panama," a bigger

vessel than the "Kangaroo," has cost only £83,000. The Colonial Secretary contends that the difference in capacity of the two vessels is not so large as I have suggested. The hon. gentleman, however, does not deny, but practically admits, that the superior boat—superior, let us say for the sake of argument, by only ten per cent.—may have been built for £83,000. If that is the case, are the Government justified in embarking on an entirely new enterprise, this overseas shipping, without the authority of Parliament, and, in order to do so, buying for £140,000 a ship that in times of peace would not be worth half that amount of money? The Colonial Secretary told us that the Government had been informed that the "Western Australia," if sent Home now, might be sold for £60,000 or £70,000, whilst if they waited a year she would be worth perhaps only £22,000. Could there be a stronger argument in favour of the proposition I put forward? Assume that the "Kangaroo" is now worth £140,000. Wait a year or two, and she will not, on this reasoning, be worth more than £70,000. Mr. Millington said that rather than attack the State Steamship Service at this juncture we should have attacked it when it was initiated. The hon. member was not in the House at that time, or he would recollect that it was during recess, while Parliament was not sitting, that the Government took upon themselves to initiate the State Steamship Service. The first thing this House did after assembling was to pass an amendment to the Address-in-reply expressing its disapproval of the Government's action in starting the State Steamship Service. So there is nothing in Mr. Millington's contention. Statements have been made that we are adopting the same attitude as the House of Lords once assumed in denying the House of Commons the right to control the public purse. My contention is that the Government have taken the control of the public purse out of the hands of the Legislative Assembly, out of the hands of the representatives of the people, and are doing all these things off their own bat without consulting anyone.

We are told to-day that the sum of £140,000 has been paid to Harland and Wolff direct. On Thursday last we were told by the Colonial Secretary—and this appears in *Hansard*—that the money was paid to the East Asiatic Company.

The Colonial Secretary: I said the contract was made with Harland and Wolff.

Hon. H. P. COLEBATCH: The Colonial Secretary said the money was paid to the East Asiatic Company.

The Colonial Secretary: That was in reply to a statement of yours.

Hon. H. P. COLEBATCH: The statement is in *Hansard*. When we remember that although Harland and Wolff built the hull of the boat they did not provide any of the machinery, it seems obvious that the actual cost of construction may not have been finally determined by Harland and Wolff.

Hon. J. Cornell: Be fair. Harland and Wolff do not construct marine engines.

Hon. H. P. COLEBATCH: There is nothing unfair in what I say. The fact that Harland and Wolff did not build the machinery, which represents a very large proportion of the cost, shows that they cannot have entirely determined the cost of the vessel. I am told that I am casting reflections on Sir Newton Moore because of my references to a cablegram to him in regard to the sending home of the "Western Australia." The Colonial Secretary says that no Minister except himself interferes in the State Steamship Service. I would like the Colonial Secretary to read the extract from the evidence given before the select committee on the Wyndham Freezing Works, regarding a cablegram despatched by Watson Bros. of Fremantle, to a ship broker in London. The Government had cabled to Sir Newton Moore asking him to obtain that broker's advice as to whether or not the "Western Australia" should be sent Home for sale. Watson Bros. sent a telegram to the same broker informing him that the Government had asked Sir Newton Moore to get his advice and also stating that the authorities here were anxious that the "Western Australia" should be sent Home. The Colonial Secretary says it is an insult

to Sir Newton Moore that a cablegram of that kind should have been sent. But, if Watson Bros. sent the cablegram off their own bat, why did the Government pay for it? A copy of the cablegram was handed over to the Government, and the Government paid the cost of transmission. I have made no reflection on Sir Newton Moore, but have simply stated what the files disclose. So far we have had no explanation from the leader of the House as to why that cablegram was sent. Certain members have said that it is too late for us to object to the purchase of the "Kangaroo." Have we had any previous opportunity of objecting? We have to object now or never. If we pass the item at the present time, we make ourselves parties to the purchase of the "Kangaroo" for £140,000. Some members have said that they are not going to take upon themselves the responsibility of voting against the payment. Let me say that we cannot dodge our responsibility. We have to take responsibility one way or the other. We have to take the responsibility of approving or of disapproving of the purchase. So far as I am concerned I have no hesitation whatever in disapproving of it.

Hon. J. F. CULLEN: I recognise, of course, that the position is a very serious one. I think it should be considered a little more fully and that the further discussion should be adjourned to the next sitting. No loss of time will be involved, because another place, I understand, is waiting for some information on the Land Bill—a Bill which must be passed before the Appropriation Bill can be passed. Both Parliament and the Government are pledged to the country that that Bill shall be passed. Accordingly, I intend to move that progress be reported.

The CHAIRMAN: The hon. member, having spoken, cannot move that progress be reported.

Hon. R. G. ARDAGH: I move—

That progress be reported.

Motion passed.

[*The President resumed the Chair.*]

Progress reported.

ASSENT TO BILLS.

Message from the Governor received and read assenting to the following Bills:—

- 1, General Loan and Inscribed Stock Act.
- 2, Weights and Measures.
- 3, Vermin Boards Act Amendment.
- 4, Mines Regulation Act Amendment.
- 5, Perth Municipal Gas and Electric Lighting Act Amendment.

BILL—ROAD CLOSURE.

Message received from the Legislative Assembly notifying that the Council's amendments had been agreed to.

BILL—LICENSING ACT AMENDMENT CONTINUANCE.

Assembly's Message.

Message received from the Assembly as follows:—"The Legislative Assembly acquaints the Legislative Council that it sees no reason for departing from the decision already conveyed in Message No. 28. The Legislative Assembly still holds to the opinion that the amendments made by the Legislative Council to 'The Licensing Act Amendment Continuance Bill' are not within the Standing Orders of the Legislative Assembly; but are, in the opinion of this House, contrary to Parliamentary practice in this State and the British House of Commons. The numbered paragraphs of Message No. 27 have no bearing on the question inasmuch as No. 1 does not appear to be supported by fact, and No. 2 refers to a Bill of another character, since the measure amended was itself an amending Bill as declared by its title and subject-matter, and the amendments made thereto were relevant to the subject-matter thereof."

Hon. W. KINGSMILL (Metropolitan) [8.50]: Hon. members will recollect that

the Message with which we are now dealing is in answer to a Message of ours in relation to this Bill, which was sent to the Assembly on the 28th October. It is now the 23rd November. I understand we have been accused in other places of delay in dealing with this Bill. Here we have an instance of how we have been hanging up legislation. We sent a Message to the Legislative Assembly which, if they had been in earnest, should have been dealt with as quickly as possible after the 28th October, and we receive a reply to it only last Thursday. There is another instance of the misrepresentation which takes place outside this Chamber in regard to the actions of the Chamber itself. With reference to the Message, I do not suppose we can do very much. Things have reached almost an impasse. The Legislative Assembly have disagreed totally on a matter, not of fact, but of opinion, with the opinion expressed by this House in the Message sent on the 28th October. I propose, therefore, to move—

That the following Message be sent to the Legislative Assembly:—"That the Legislative Council acquaints the Legislative Assembly in answer to its Message No. 39 that it sees no reason to alter the opinions expressed in its Message No. 27 sent to the Legislative Assembly on November 2nd, which opinions are as follows:—The Legislative Council sees no reason to depart from the procedure it has adopted in amending that Bill, as the amendments are, in its opinion, relevant to the subject-matter of the Bill, as required by its Standing Order 193, and the title of the Bill has been amended to the extent required under Standing Order 198, and so reported. The Council further claims that, as the case is fully dealt with under its Standing Orders, there is no necessity to seek other authorities, but would point out in answer to the contention that the procedure on Expiring Laws Continuance Bills is violated by the course adopted by the Council:—(1) That there is no analogy between an Ex-

piring Law Continuance Bill, as presented to the British Parliament (which re-enacts several expiring Acts, set forth in a Schedule to the Bill), and the Bill now under consideration. (2) That if such analogy existed, precedent is afforded even during the present session for the course adopted, as a 'Bill to amend and continue the operation of the Roads Act, 1911,' was considered (and amended) by both Houses without protest or demur. For the above reasons, the Legislative Council requests the Legislative Assembly to consider its amendments in this Bill on the respective merits of such amendments."

That question was put and passed. I do not know that it is necessary for me to reiterate the arguments I used then. The difference mainly occurs in the subject matter of the Bill in question. It is undoubtedly the regulation of the sale of liquor in Western Australia, and that being so, any amendment relative to that subject can be introduced in this Bill. The Legislative Assembly, it appears to me, has taken a most narrow and restricted view of the matter in question, and I do not think for a moment that their position is a tenable one. Each House however is master of its own destinies and the constructor of its own legislative opinions, and, that being so, they differ with ours, and we differ with theirs, so that there is nothing left but to agree to differ. For that reason I propose to move that the Message which I have read be sent. It may be urged by some hon. members that this means that the Bill will be dropped. So far as I am concerned I do not wish that to take place, and if any hon. member desires to move an amendment to provide that the Bill shall not be dropped, but that a *via media* shall be taken between the two courses, I shall be willing to accept it. Personally I feel it incumbent on me to move the Message which I have read for I see no reason to depart from the position I have taken up. It seems as if it were one of political life's little ironies that I should have to defend a posi-

tion of my own choosing. On the occasion of the first discussion, I suggested the amendment we are now dealing with, and which the Assembly will not deal with on its merits would better come in the Licensing Act Amendment Bill which we are about to consider in a few minutes. I understand in deference to the wishes of the very people who are making the most awful accusations against this House about delays, those amendments were not moved in the Bill I allude to, but in this Bill now under discussion, and it is a most peculiar thing that I should be called upon to defend a position not of my own choosing, but indeed which was deprecated by myself at the time.

Hon. A. SANDERSON (Metropolitan-Suburban) [8.55]: I will be guided to a great extent by the experience of the hon. member who has just spoken. The hon. member has told us that his advice was not taken and I greatly regret that. So far as the public are concerned they are the people primarily interested, and it will puzzle them to understand the position we find ourselves in now. We should have passed the Continuance Bill and then had a discussion on the Licensing Bill.

Hon. A. J. H. SAW (Metropolitan-Suburban) [8.56]: As a young politician I would be glad if a *via media* were found by some hon. member. This undoubtedly is an extremely important Bill, and I should be sorry to see it lost. It may be that many of our alien enemies, having been interned, there may not be the great urgency for the measure that there was for it when it was first introduced, but this Bill gives the Government great powers which up to the present they have been disinclined to use. I believe the power exists to close hotels at certain times when transports are in port, but, up to the present time, the Government have not been inclined to exercise it. For that reason I should be sorry to see the Bill go out, and I hope that by a *via media* we may see our way out of the difficulty.

Hon. H. P. COLEBATCH (East) [8.58]: I entirely agree with the attitude Mr. Kingsmill has taken. I have not the slightest doubt, in my mind, that he is absolutely right, and that there is no excuse for the Assembly to refuse to consider our message. At the same time, I am in accord with the opinions expressed by other hon. members, that it is really essential that this Bill should pass. And in view of the fact that another opportunity will present itself of giving the Legislative Assembly a chance to say whether or not it will be taken, I beg to move the following addition to the motion submitted by Mr. Kingsmill:—

And in view of the desire of the Legislative Council to continue the powers enjoyed by the Government under the Licensing Act Amendment Bill, 1914, the Council no longer presses its amendment to the Licensing Act Amendment Continuance Bill, 1915.

Hon. J. F. CULLEN (South-East) [9.0]: I support the amendment. The powers provided under the emergency Act must be continued, though we hope there will not be any great need for their exercise. The fact that another place has unnecessarily raised difficulties need not be seriously considered. This House is surely old enough and wise enough and large-minded enough to decide upon its own course of action.

The PRESIDENT: Will the hon. Mr. Kingsmill accept the addition of the words proposed by the hon. Mr. Colebatch?

Hon. W. Kingsmill: Yes.

The PRESIDENT: Then I shall put the motion and the additional words as one.

Question put and passed.

BILL—SALE OF LIQUOR REGULATION (No. 2).

Second Reading.

Debate resumed from the 18th November.

Hon. V. HAMERSLEY (East) [9.2]: Having failed to persuade the Govern-

ment to take the responsibility of fixing the hours under the Licensing Act Continuance Bill, we should endeavour to get the hours fixed under this Bill. To take a referendum next May as has been suggested would mean postponing the matter for six months. I can see no reason why the Government should wed themselves to taking a referendum on the occasion of the Council elections, seeing that the Council rolls do not embrace the whole of the electors of the State. An increased number of polling booths would be necessary, and as much expense would be involved as by taking a referendum almost immediately. If a referendum is to be taken there should be no delay. If the Government wish to expend money at a time when there is little to spare, and if they are inclined to expend it on taking a referendum, there is no reason why it should be postponed until next May. It should be taken in December or January. The suggestion that the hours for trading should be 9 a.m. to 9 p.m. was most reasonable. It would have suited the whole of the people, it would have come into operation immediately, and if any benefits are to accrue to the community by restricting the trading hours of hotels, the hours of 9 a.m. to 9 p.m., representing, as they do, a reduction of three hours in the morning and two hours at night, a total of five hours for the day, formed a very reasonable proposition. I am surprised the Government did not accept it and I am more than surprised that the advocates of reduction did not accept it also. I was glad that this debate was postponed so that the arguments of the temperance people at their meeting in Perth on Thursday last could be made known, but I am at a loss to understand the attitude of the people; they seem so eager for a referendum on the question. I do not favour the referendum because the division of the State into districts would lead to confusion. This district system would probably result in one closing hour applying to hotels on one side of a street, and another hour to hotels on the opposite side of the same street. The hours of 9 a.m. to 9 p.m. should satisfy all parties and I hope

some member will move to incorporate them in this Bill. A curtailment of the hours of hotel trading during war time might prove beneficial. The morning hours of trading are possibly of more importance than the night hours, but the Bill makes no provision for consulting the electors in regard to the morning hours, and hotels would still open at 6 a.m. I move about the country a good deal, and I am satisfied it is unnecessary to open hotels at 6 a.m. The Government should have considered this point. If a referendum is to be taken, it should be taken immediately, seeing that the Bill is a war emergency measure. The Government are merely pandering to some cry to take a referendum in May next at great expense to the State, irrespective of whether it will be of any use.

Hon. A. G. JENKINS (Metropolitan) [9.10]: Every member must be glad that the debate was adjourned from last week so that the House might have before it the views expressed by certain speakers at the so-called temperance demonstration held in Perth on Thursday last. Apparently that meeting was taken possession of by what might be termed the extremist wing of the Temperance Alliance, and the moderate people—there are moderate people in the Alliance—do not seem to have been given a hearing at all. Notwithstanding anything said to the contrary, that meeting to my mind was essentially a party meeting. It was a meeting simply to boost the Labour party, and make a cockshy of the Legislative Council. That has apparently always been the policy of the extremist section of the Temperance party. One has only to read their paper. They never have anything good to say of the Liberal party. Everything the Labour party do is correct, and they are more extreme in their support of the Labour party than the Labour paper, the *Worker*. The leader of that meeting reviled the Legislative Council for no apparent reason whatever, and the reproof administered by Dr. Saw was well deserved. I hope that, at the adjourned meeting, the speakers will show themselves conversant with the facts.

Hon. J. Cornell: That is not one of their characteristics.

Hon. A. G. JENKINS: It is evident that at that meeting most of the speakers did not state facts. I had prepared for my speech for this evening a speech on practically the same lines as Dr. Saw followed in his letter to the *West Australian* a couple of days ago, and I will commend the ladies and gentlemen who are supporting this temperance movement so strongly to closely study that letter and then show at the adjourned meeting how this House has been responsible for one hour's delay in the consideration of this question. There has been no delay with us at all. If there has been any delay, it undoubtedly rests with another place. This House dealt with this question immediately it was put before us on each occasion. We have always considered the Bills and sent them back promptly to another place with our amendments and, without in any way attempting to cast reflections, I maintain that, if there have been any delays, the Council has not been responsible for them. I do not give the Government the credit for the same amount of sincerity on this question as the extreme temperance party appear to give them. I heard a prominent member of the Government state openly on many occasions that he is a strong supporter of Sunday trading, and that he believes in the opening of hotels on Sunday. I have already heard the same gentleman express the opinion that he is not going to be a party at any time to depriving the working man of his beer. I am not prepared to assume that that gentleman is strongly in favour of any temperance reform. I suppose the greatest evil which affects the temperance question to-day is that of Sunday traffic in liquor.

Hon. J. Cornell: I am in favour of Sunday hours.

Hon. A. G. JENKINS: Every member is entitled to his own opinion.

Hon. W. Kingsmill: It is what we used to think.

Hon. A. G. JENKINS: Yes. I am strongly of the opinion that Sunday drinking is one of the greatest evils con-

nected with the temperance question to-day. Before referring to the Bill itself and the few questions which struck me concerning it, I would like to call attention to one or two of the speeches which were made at the meeting I have referred to, and to show the speakers there how entirely wrong they were in the statements they put forward. I can hardly believe that such incorrect statements were made deliberately. I can only assume that they were made as the result of an incorrect knowledge of the facts. We will always give precedence to the ladies. I notice that a lady, Mrs. Cowan, made use of these words—

Temperance reformers have been wrongly treated. The Upper House did not treat the women seriously, because the other day when they asked to be heard at the Bar of the House the only people of the Alliance to be shut out were the women.

That is quite an incorrect statement. I do not know from what source the lady got her authority, and can hardly believe that she would make such a statement knowingly. If she had taken the trouble to inquire she would have found that every one of the petitioners was refused a hearing at the Bar of the House. Although I presented these petitions, and although I would gladly present any petition from any elector or any representative body in my Province, I think the House did quite right to refuse to hear them. This House has heard, both by speeches and letters of every conceivable kind, all the information it could possibly get from people who are both for and against this Bill. I hope this lady when she addresses the next public meetings, will not again make such rash assertions. I am sure that this Chamber at all times would be only too pleased to hear the views of any representative body on any question which might come before it. The next remarks to which I would call attention were those made by Mr. Albany Bell. I know Mr. Albany Bell, and have found him as a rule a fair-minded man, and one who is prepared to discuss a question with one in a fair-minded manner. Mr. Bell said this—

Their legislators had found that there was something wrong with the title of the Liquor Bill. Next time the measure would no doubt be thrown out because of a fly speck on the edge of the paper.

I feel sure that Mr. Bell, if he had made himself conversant with the facts of the case, would not have made such an erroneous statement. If the attention of the House has not been called to the flaw in the title of the Bill, and had we gone on with that measure and passed it, its effect would have been valueless, and the Bill would have been declared void by the courts and the Government could not have proceeded under it. Rather than have blamed this House Mr. Bell should certainly have passed a vote of thanks to the Hon. Mr. Duffell for calling attention to the matter because by his action Mr. Duffell saved the Bill from an inglorious termination. If Mr. Bell verifies his statements I feel sure that when he again addresses the meeting he will rather give this House credit than abuse. The extraordinary part of the affair is this. What is a vice in our Chamber is a virtue in another place, because although the Legislative Assembly refused to deal with certain amendments that we made in the Continuance Bill, because they said they were not within the scope of the Bill, no objection was taken at the meeting to this, and apparently in the estimation of the speakers the Assembly were thought to be pursuing a right and proper course. I would now like to refer to the remarks made by Mr. J. H. Prowse, a gentleman who occupied a prominent position in Perth. That gentleman moved the adjournment of the debate and said—

Like Messrs. Taylor, Heitmann and E. B. Johnston, he felt inclined to pass a condemnatory motion against the Legislative Council without submitting a no-confidence resolution.

For what reason should he do this? Judging from the laughter, which appears to have been raised, this was thought to have been something witty and funny. I do not know that the passing of such a resolution would cause much perturbation

on the part of any hon. member of this Chamber, and I do not know what grounds Mr. Prowse had for making such a speech. If he was going to move such a motion I should also like to know in what capacity he intended to move it, whether as a member of the Liberal party, as a supporter of the Labour party, or as one of the Executive of the Country party, because he has been a member of each. Perhaps he intended to move the resolution as a representative of all three parties, and as representing the feelings of the public meeting. This is not the sort of thing one expects from a man occupying a responsible position. One expects that a man of this sort would supply himself with facts upon which he can rely. Last but not least is Brigadier Albiston, a gentleman who became very abusive. He was the only speaker who resort to abuse. He said—

Do not trust the Council. He had no faith in them.

I never heard yet that any public speaker, or any speaker at all, as a matter of fact, could ever get anything by abuse, and I think the Brigadier might take these words to heart. I understand that he represents an organisation which has done a great deal of good and is very powerful in this State.

Hon. J. Cornell: And practises Christian fortitude.

Hon. A. G. JENKINS: I do not suppose the Brigadier will make many converts by abuse of this sort, or many converts in this House by abusing its members. He should set a better christian example, and if he has no sound arguments to use he should refrain from using any, instead of getting up at a public meeting and telling the people that he does not trust the Legislative Council but views it with suspicion. In referring to what has been done by the Legislative Council I would like to show the temperance people how far we really have advanced in assisting them in their endeavour to lessen the drinking evil during the period of this war. When we refer to the Eastern States, we find the following position:—

In Queensland they have done nothing, and in Tasmania I believe they have also done nothing. In Victoria they have fixed the closing hours at 9.30 p.m. In New South Wales they are going to fix the closing hours at 10 o'clock. They did suggest 9 o'clock, but on a subsequent division 10 o'clock was decided upon.

Hon. W. Kingsmill: In Parliament?

Hon. A. G. JENKINS: Yes, in Parliament. There was no referendum. The position in South Australia is quite different. A Bill has been introduced there for the fixing of the closing hour at 6 o'clock, after a referendum. But that referendum was taken in South Australia in pursuance of their original Licensing Act which was passed many years ago. It happened that the poll which was to be taken under that Bill fell due in the year 1915, and the poll had therefore to be taken during that year. It had nothing whatever to do with the question of war legislation as affecting the liquor traffic. In this State if no amendment is made in our Licensing Bill we will take a poll in 1921 on a continuance or reduction of licenses. This poll was taken in South Australia under the old Licensing Act, and, as I have said, had nothing to do with war legislation. So far as our own legislation is concerned, we have had the amendment moved by Mr. Cullen against shouting. No other State in Australia has advanced in any way in that direction, and yet this House is held up to opprobrium, and we are told that we have done nothing to counteract the evils of drink. I say that this House has done more than any other House in Australia to endeavour to counteract these evil effects. Not only do we get no credit for this, but we are abused time and time again, not only through certain articles that appear in a section of the Press but at public meetings at the hands of people who have evidently not made themselves conversant with the facts. Personally, I think that Parliament has a right to determine this question for itself, namely that of the closing of hotels in war time. Parliament should be prepared to take the responsibility of doing this.

I have no hesitation in taking my share of the responsibility, and intend to support the hours that were moved for in the Continuance Bill, namely, from 9 a.m. to 9 p.m. It is all very well to say "Take a referendum." What is the good of taking a referendum in May? It is a perfect farce to suggest it. Every one hopes that the war will be drawing to a conclusion by next May. Why wait six months in order to take a referendum by a Bill which will only have a short period of existence afterwards, when by passing an amendment to the present Act we can next week reduce the hours of trading at once? I feel sure that moderate people even in the Alliance will be quite satisfied to accept the hours of from 9 to 9. But these are not the only things to be considered. We have the public to consider and our constituencies to consider. I have not the least hesitation in saying that far and away the large majority of people in this State at the present time would do anything to avoid the taking of a referendum on such a burning question as the liquor question. They would rather see Parliament fix the hours, and fix them at once; and 9 to 9 appears to me to be a fair compromise. Referendums lead to a lot of ill-feeling, especially referendums on the liquor question. That question, with religious questions, seems more than anything else to divide the community. It would be a pity and a shame if at a time like this we did anything that would tend to divide the people in any way. We must pull together, and we will not be pulling together if this referendum is held. Apart from that, it would not be fair to hold a referendum on the liquor question on the same day as we hold any State election. The present proposal is to hold the referendum in May next, when the Legislative Council elections come on. That is not fair at all to the men who will be standing. The issue will become confused. By some the liquor question will be placed in the front rank, while from others it will receive very scant consideration. Why should men who are standing have to face the ordeal of this question being thrust before them,

and having it always there? What may be a satisfactory solution of the question to the electors on the goldfields, would spell disaster to a candidate in a metropolitan or country electorate. Before closing I would like again to bring under the notice of the temperance people what this House has done in the past as regards the licensing measure which is now the law of the land. All the principal reforms in that measure were made by the Legislative Council. The 1911 Bill, as it came here, was amended in three important particulars by this Chamber—a fact which seems quite to have escaped the notice of the temperance reformers. Those gentlemen go to public meetings, and I think one cannot impress upon them too closely that these reforms were made by the Council. First of all there is the reduction of hours. Under the old licensing law the closing hour was 11.30 p.m. That time passed the Assembly and came to the Council, which fixed the closing hour at 11 p.m. Certainly half an hour is not much, but it was a reform in the right direction. The amendment was accepted by another place. If the Assembly had had its will, the closing hour would still be 11.30. Another evil—which I suppose will continue an evil until the section in question is taken right out of the liquor law—is that of the bona fide traveller. Under the old law the minimum distance to constitute a man a bona fide traveller was three miles. That was how the provision reached us from the Assembly. The Council made the limit 10 miles, and sent the clause back to the Assembly. That House, after a long debate, reduced the 10-mile limit to five miles; and the Council, rather than jeopardise the Bill, compromised and accepted five miles. It shows that the idea of members of the Council at that time was to place as much difficulty as possible in the way of people getting drink on Sundays; because, after all, Sunday is practically the only day on which the bona fide traveller clause is availed of. Another amendment made here was in connection with the sale of liquor on river boats. Under the Bill as it left the Assembly, these

boats could open their bars morning, noon, and night. They had simply to get away from the wharf and they could open the bars and drinking could go on as hard as possible until the boats hung up at the wharves again. It was well known that under those conditions it was not nice for a man to take his wife and children on one of the river boats on Sunday evenings. There again the Council amended the law, curtailing the powers of the river boats to sell liquor. Threats were made at the time that the boats would stop running; at least, that was indicated by one of the Fremantle members. However, the Assembly accepted our amendments and the boats are still running. Those are three reforms which the Council introduced into the licensing law of this country, and for which the Council has received no credit at all. As I have said, time after time we are charged with being the defenders of the liquor trade and the upholders of the rights of liquor. I feel convinced that nearly every member of this Chamber is only too pleased and too willing to do anything he can to lessen the evils of drink. I intend to support the 9 to 9 amendment, and I intend also to support the striking out of all the clauses referring to the referendums. I feel sure that if this House fixes the 9 to 9 hours, and if those hours are agreed to by another place, they will meet with the whole-hearted support, sympathy, and approval of the great majority of the people of this State.

On motion by Hon. A. J. H. Saw debate adjourned.

House adjourned at 9.27 p.m.
