

The COLONIAL SECRETARY: That I took notes of the points raised by the hon. member and had them submitted to the authorities concerned.

Hon. A. Sanderson: I can only express my deep regret.

The COLONIAL SECRETARY: Perhaps I should apologise for not having been able to put the House right when the question arose. It was a point which had not occurred to me, and I therefore had not discussed it. The Royal assent to the Commonwealth's Navigation Act has been proclaimed but the Act is not yet in operation. It does not commence until a date to be fixed by a subsequent proclamation. Until the Commonwealth Act is brought into force the State legislation is all that we have to go on.

Hon. J. Nicholson: It is supreme.

The COLONIAL SECRETARY: There is nothing else. These amendments have been proved to be very necessary, especially in a case like that connected with the inquiry regarding the schooner "Geraldton" when the powers of the Chief Harbour Master and the procedure adopted at that inquiry were questioned. It was recognised that serious difficulty might arise unless our Act was brought into order. So far as the Crown Law authorities are able to advise me there is no inconsistency between our Act, as it will be amended by this Bill, and the Commonwealth Act when it is proclaimed. If there should be any inconsistency I do not know that it would be a matter of any importance, because directly the Commonwealth Act is proclaimed it becomes supreme. I have no doubt that practically the whole of our legislation on this particular matter will pass into disuse when the Commonwealth Act is proclaimed and comes into force. At present the only legislation we can proceed under in these inquiries is our own local legislation, and this Bill is intended to correct a flaw which exists.

Hon. Sir E. H. Wittenoom: Is this Bill inconsistent with the Commonwealth Act?

The COLONIAL SECRETARY: So far as I know it is quite consistent with the Commonwealth Act, but should it be inconsistent it does not matter, because directly the Commonwealth Act is proclaimed it takes precedence.

Question put and passed.

Bill read a second time.

In Committee.

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

House adjourned at 4.51 p.m.

Legislative Assembly,

Tuesday, 1st October, 1918.

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

[For "Questions on Notice" and "Papers Presented," see "Votes and Proceedings."]

BILL—DENTISTS.

Introduced by the Attorney General and read a first time.

BILL—CRIMINAL CODE AMENDMENT.

In Committee.

Resumed from the 26th September; Mr. Stubbs in the Chair, the Attorney General in charge of the Bill.

Postponed Clause 26—Insertion of new section after Section 660:

The ATTORNEY GENERAL: Consideration of this clause formed the subject matter of debate at the last sitting. Suggestion were made by the leader of the Opposition and, I think, by the member for Perth, that proposed Section 662 should be limited in its applications; that is to say, instead of general power being given to impose indeterminate sentences, such sentences should be limited to a term of years. There are two or three things I would like to point out in respect of it. First of all, it has been the law in Victoria for a number of years. It was re-enacted in 1915 and it had been the law in that State prior to that date. In the annual report for 1913, of the Indeterminate Sentences Board of Victoria, we find the following:—

During the five years the Act has been in operation 157 prisoners have been admitted under indeterminate sentence to the three reformatory prisons, and 53 of the number have been released on probation on the board's recommendation. In the past year there was a considerable increase in the number of youthful offenders committed to the Castlemaine reformatory prison, and the prison statistics reveal a large increase in the number of youths sentenced to imprisonment in the ordinary gaols during 1912. Quite recently His Honour Judge Johnston is reported to have said, "that so many cases requiring treatment in reformatory prisons came before him that the necessity for improving the system was imperative." There can be little doubt that if there were some better provision than is afforded at the Castlemaine prison for dealing with youthful delinquents on sound reformatory principles the courts would more readily apply the indeterminate sentence to this class, and the board is persuaded, even under present conditions, that it is far preferable to place youth under an indeterminate sentence than to commit him for a definite term.

Then, in the report for 1915, I find this—
In no other Australian State where the indeterminate sentence has been adopted has

it been so extensively applied as here. The Victorian Act, it is true, is wider in its ambit than similar legislation in other States where indeterminate detention is imposed on habitual offenders only, but the Victorian courts in dealing with this class have adopted this form of sentence to a greater extent than has been the case elsewhere. Experience has shown that the Act is in need of amendment in a number of particulars to facilitate its working and to make it more effective, and a Bill embodying the desired amendments has now passed its final stages in the Legislature.

It is this amendment in that Bill of 1915 we have copied here, in proposed Section 662.

Provision is made for some larger and necessary powers to be intrusted to the board, and the measure should mark a new and progressive stage in the indeterminate sentence system in this State. When the Act became operative, practically no provision had been made for the reception and treatment of offenders who might be dealt with under its provisions, and but little outlay has since been incurred in improving the accommodation and equipment; these facts must be borne in mind when reviewing the results of the system in its first stage or during the period covered by the operation of the Act to 30th June last. Within that period 270 individuals have been admitted to the three reformatory prisons, and, with the exception of 10, who were transferred under definite sentence from Pentridge to Castlemaine under Section 9 of the Act, all had been ordered indeterminate detention. This number does not, of course, include every person dealt with under the Act, many having still definite sentences to complete before entering upon the indeterminate stage of their imprisonment. The number released on probation on the recommendation of the board has been 164. Of these, 35 have completed their probation of two years and passed beyond the board's control, 79 remain in various stages of their probation, and 50 have again become delinquent. Of those still in their probationary term, 20 have failed to keep in touch with the Board, but the remainder report at more or less regular intervals, and can be accounted for as doing well. In addition to those released as stated there were 10 other discharges, one death, and two escapes—not recaptured.

The other day I quoted from our own report, and I now wish to quote from that report some remarks on the Victorian Indeterminate Sentences Act—

The State of Victoria has already recognised the necessity of this—

That is, the indeterminate sentence.

and its Indeterminate Sentence Act of 1907 makes the necessary provision enabling magistrates in lower courts to order persons convicted of certain offences to be brought before a judge of the Supreme Court or Chairman of General Sessions to be dealt with under the Indeterminate Sentences Act. Section 6 of the Act gives all the power I seek, and I recommend, *mutatis mutandis*,

its incorporation in our Criminal Code. In the event of this section becoming law, it will affect all who offend under the Police Act. If, at any time, the Inebriates Act should be amended, those guilty of repeated drunkenness will come within its scope. This will apply to both sexes and will be a far greater deterrent than the present system, under which sentences of six and twelve months are imposed. As a reformatory prison for this class of prisoner, Rottneest Island offers unique advantages. The spot recently selected for a prison site and under process of being prepared for prison purposes is carefully secluded and out of sight of the general public. The seclusion of the island affords an excellent opportunity of exercising the "Honour" or "Parole" system, and the developmental work required on the island can be efficiently and economically performed by prisoners under this system. As the idea develops, we may erect a reformatory prison in other places, but Rottneest is ready to our hand for a start. In this respect we are more fortunate than Victoria, where, during the first stages of preventive detention, the existing prison accommodation had to serve as best it could. Certain structural alterations at Fremantle which have recently received your approval will also conduce to a proper classification of prisoners and will prove useful in dealing with prisoners serving indeterminate sentences in cases where Rottneest might not be suitable.

Mr. Willcock: Is that from our Comptroller General of Prisons?

The ATTORNEY GENERAL: Yes. I have given much consideration to the suggestions of the leader of the Opposition and of the member for Perth, as to the limitation of these sentences; that is to say their limitation to a term of years; and the more I think of it the more I am driven to the conclusion that such a limitation would defeat the very purpose for which the Act is intended. At this stage let me say that any person upon whom an indeterminate sentence is imposed has a right of appeal to the Court of Criminal Appeal, so that no person shall be given such a sentence, as one might say, automatically, without any redress except through the prison board which will be established to consider sentences. The prisoner will have an appeal direct to the Court of Criminal Appeal.

Hon. T. Walker: You know how difficult that is.

The ATTORNEY GENERAL: It should not be difficult. I do not know where it is difficult. Undoubtedly that right of appeal will prevent, so far as we can prevent, any injustice being done. The indeterminate sentence is not imposed by way of punishment. I ask hon. members to put that idea out of their minds. If punishment is desired in any particular case, that punishment will be in the form of a term of years, or months, or days, as the judge thinks fit. But if in awarding that punishment the judge considers it wise, having regard to the evidence before him, or other evidence, or, as is the rule in criminal cases, a man's complete history, and having

regard also to the antecedents, environment, and associations of the man, to inflict a light sentence and give the man the chance under the indeterminate sentence of being sent to a reformatory prison, where reform can be admitted, the judge can do so under this provision. The indeterminate sentence is in the first instance aimed at reformatory treatment, and in the second instance at deterrent treatment; and never in any case is the indeterminate sentence by way of punishment. The man would be taught a new trade or calling, or given some special education, and then he would be released on probation, or, as is done in Victoria, under supervision. He would be in touch with those who not only do not want to see him punished, not only do not want to see him prey on society, but who wish to guide his steps into the paths of honest citizenship. That being the view of the measure, and being the view of those responsible for the preferment of this Bill here, I ask hon. members to give the scheme, which is a new one here, an opportunity of being effectively carried out. No scheme will work well for everybody. I did not expect to learn from the Victorian figures that out of 276 men treated under the Indeterminate Sentences Act 276 had been reformed. If a quarter, or even a fifth—nay, if even a tenth, or, I would say, even one man has been reformed by the indeterminate sentence, I would say that good work has been done in trying the system. Even where a complete reform is not effected, the State has done its duty by that class of the community who are frequently harassed by our laws, and who are said to be frequently harassed—I do not know whether it is so—by the police.

Hon. W. C. Angwin: Unquestionably they cannot be harassed by the police when they are in gaol.

The ATTORNEY GENERAL: Of course I am speaking of when they get out. The system would establish a new regime in this country, a new method altogether; and I appeal to hon. members to let the clause alone. If they clip its wings, I shall have to disclaim all responsibility. Hon. members who criticised said, "Here is some young fellow comes along and commits an offence, and is given this indeterminate sentence, and goodness knows when the poor wretch will be set free." Mistakes happen in boards, in Royal Commissions, in Legislatures, in Governments, in armies, and in fact everywhere; and I am not going to warrant that the board to be created will not make mistakes. But I am prepared to say that the members of the board will set about their work with the idea of reform in their minds.

Mr. Money: If a man is released, he comes under police supervision again.

The ATTORNEY GENERAL: Not necessarily.

Hon. P. Collier: If released on probation.

The ATTORNEY GENERAL: Or on parole. Further, a prisoner released on parole or probation who misbehaves himself, comes back and serves the remainder of his sentence.

Hon. W. C. Angwin: What is the remainder

Hon. P. Collier: And he does not get allowance for what he has served in the past.

The ATTORNEY GENERAL: It is impossible to frame with restrictions a section which will give those controlling the administration of the measure the scope that they require. I appeal to hon. members to pass these proposed sections. I have taken this trouble to explain them again because I was greatly impressed with the remarks of the leader of the Opposition and of the member for Perth. I carefully talked over those remarks with the officers responsible for the idea of this reform. I have one or two new clauses to propose, in conformity with the ideas of the leader of the Opposition and of the member for Kanowna about publication of evidence and so forth.

Hon. T. WALKER: Whilst I approve on principle of the indeterminate sentence, I question whether we are altogether making ample provision for dealing with the cases of young people sent for sentence to the Supreme Court. It depends on the spirit of the administration of the Bill after it leaves our hands. There are no reformatory prisons. As to Rottneast being converted into one by and by is mere talk. For 20 years I have heard remarks about this and we are where we were practically. It will depend on the board, the Comptroller General, and the Minister; all these elements, as to whether we are to derive any benefit from this clause at all. The mere assertion of opinion is no good unless we have the means of carrying it out. Therefore, is it wise to deal with it at all? As to the indeterminate sentence, we are going back to the old convict system. Call it what we like, it really means ticket-of-leave men or boys. It will not increase the morals of these persons, to have to report every move; to feel the shadow of the policeman always is not likely to get the best out of them. The police force is to be added to by probationary officers. There is not only to be prisons, but probationers, officers, a board, and all the machinery for carrying out the law which is going to cost hundreds of thousands of pounds to do it properly.

The Attorney General: I am told it will cost no more than at present.

Hon. T. WALKER: Where are the reformatory prisons? They are not in existence. We cannot turn people out in the wilds and call it a reformatory prison. There must be tutors, teachers, and people who understand those who are to be made citizens. There must be proper buildings and equipment and that is not going to be done for nothing. There must be the surroundings and the atmosphere of reformation. We are introducing the ticket-of-leave system over again, which shows to me clearly that those in charge of the measure have not a grip of what ought to be done in the reformation of delinquents from whatever cause, who pass out of the walks of life into the pathways of crime. They still have hunting them the police methods—the watching, the dodging. They are to be kept under the thumb of these persons, and no good will be done under shadows of that kind. It is the sunshine and not the shadow that is to do good. The object is to build them up in moral strength. They must be led to believe they are going

ing responsible for their future conduct, not surrounded by shadows which warp the better qualities. It is the old ticket-of-leave system which we have found from experience not to work well, and which we were ashamed of, and now we are to bring it up afresh. Those responsible for the Bill have not gone into the study of human nature in its pathological, normal, and abnormal aspects. They are not qualified by the study of alienology. I see the danger that will come upon us. The only recommendation the Bill has is that it is an attempt to do something and to that extent I welcome it. We have no reformatory school, no institution necessary to carry out the work outlined by the clause. We are legislating blindly. I feel that the suggestions made by those who debated this matter in my absence are desirable.

Mr. PILKINGTON: The objection I raised to the clause has not been answered by the Attorney General. We are introducing a method whereby a person charged with a criminal offence is to have his punishment increased by reason of the court investigating his character and antecedents and finding that his punishment should be increased by that reason. That is entirely new. It is a novel thing in criminal law that a criminal should after conviction be awarded a heavier punishment because of his prior character. This provision enables the court to investigate a man's prior character and antecedents, and by reason of it to increase the sentence, which is a novelty and wrong.

Hon. W. C. ANGWIN: There is a possibility under the clause of young persons sentenced to imprisonment for three months being kept in gaol for years. This is a dangerous provision. There is no place at present where we can send persons for reformatory purposes. Those who know Fremantle gaol know that it cannot be done there. The surroundings are not suitable inside the walls. It is impossible to do anything unless we put up a new place in which we can keep these people apart from other prisoners. But, as it is, if they go into the workshops in the prison they must mix with the other prisoners. It is impossible, therefore, to carry out the proposal. To send a young man to prison for an indefinite period, a young man who may have fallen once, is wrong and should not be allowed. The clause generally is a dangerous one, and I certainly think we can do without the proposed Section 662. I move an amendment—

That the proposed new Section 662 be struck out.

The ATTORNEY GENERAL: There is no suggestion that there should be increased punishment by reason of surroundings or character. The suggestion is that if, by reason of surroundings or character or environment, it is seen that it is good for the man that he should be kept apart, in order that he may be given a fresh chance in life, that is what we ask for.

Hon. W. C. ANGWIN: That is, if his character wants reforming, you give him an extra term of imprisonment.

The ATTORNEY GENERAL: I am prepared to admit that the whole spirit of this reform movement will depend upon its careful and sympathetic administration. If any officer

ishment, as suggested by the member for Perth, or as contemplated by the member for North-East Fremantle, all I seek to do will be undone. I feel perfectly sure that those who have to administer this statute, as has been done in other places, will administer it in the spirit which prompts the Legislature to pass such a measure. Therefore, I do not think for a moment that the man who has fallen once through drink, and has done something silly, will ever be kept in prison for life. Those in daily contact with the man will be able to judge as to his ability to reform under congenial surroundings, and the object of the Bill is to give the man that opportunity.

Mr. Teesdale: If it is abused we can amend the law.

The ATTORNEY GENERAL: Certainly, but I would rather deal with those who abuse the law.

Hon. W. C. ANGWIN: Under the clause any person who is permitted to leave the reformatory prison will be deemed to be in custody all the time he is out.

The Attorney General: Out on probation, not when he is released straight out.

Hon. W. C. ANGWIN: As a matter of fact, the person will be on ticket of leave and that is a dangerous thing to start when there is no necessity for it. No reform will be brought about in that way.

Mr. ROCKE: No system of prison reform can be effected without a system of classification. That must be the foundation stone upon which all reform is built. There was an attempt a few years ago to introduce reforms in our penal establishments, but the basic principle was omitted for some reason or other. Generally, it is there but there is no definite system of classification. We have neither buildings nor institutions wherein we can begin the reform, and neither have we the trained men. A grave injustice is likely to be done by sentencing indeterminate a first offender, by reason of the fact that one of the determining points is the individual's antecedents, which is unfair. During the past two or three years we have heard of cures which have been effected, but they have all been moonshine. The people who were supposed to have been cured merely moved their sphere of activity from one State to another and have been imprisoned in some other part of the Commonwealth. The Attorney General said that the prisoner would have the right to appeal. That, however, will have to be made much easier than it is at the present time. The Attorney General also stated that the punishment will be of a lighter character. But if a judge has power to order an indeterminate sentence, I cannot see where the lightness of the punishment comes in. I intend to support the amendment.

Hon. T. WALKER: The point raised by the member for Perth has not been touched on by the Attorney General. The clause is certainly an innovation and I can well imagine the duties we would ask a judge to carry out in sifting a youth's antecedents, so far as his health, mental state, and even parentage were concerned. There is no limitation as to how far we are to go, what rumour we are to

listen to and what we are to reject. I have seen some of the wildest harum scarum boys, full of vitality, brimming over with energy, getting into mischief at every possible chance, and then grow into some of our best, bravest, and noblest citizens. Given proper surroundings, the very qualities that lead to mischief in the boy are the qualities that give energy and perseverance to the matured man. Again, certain qualities that some people consider bad have in themselves a basis of good. This provision means imposing on the court a new method of trial. If it were intended to take a child into a home with good surroundings, one could understand such inquiries being made, but to adopt this as a basis on which to decide the period of the boy's future liberty is an experiment which one should not lightly put into force. The time for these studies of character, and of the pathological and psychological conditions of the prisoner, is when he comes into the hands of those who have to administer the next Bill, the Prisons Bill, which really ought to have been considered before the one now under review. To take this Bill first is starting at the wrong end, as the Government always do. In defence of the clause, the Attorney General told us that we have provision for an appeal, and that the judges will not go wrong, because the prisoner has a chance to appeal.

The Attorney General: On the contrary, I admitted that even a judge goes wrong occasionally.

Hon. T. WALKER: The Attorney General knows the extreme difficulty a convicted man would have in getting a case adequately put before the court of appeal. First of all he requires to have money, whereas it is these very people who fall who generally are moneyless. Frequently they commit offences because they have no proper avenue of obtaining money and the pleasures that money brings and, being weak-minded, they have little or no sense of the wrong they are doing in making no distinction between meum et tuum. Such a man has not the money for an appeal to the Supreme Court, and consequently he has to go to gaol without being heard. Moreover, in those appeals the real character and antecedents are never taken into consideration, but on the bare letter of the law a man is either released or condemned. I thought we were going to get some reform that would look to the primary causes of crime and endeavour to remove them and fortify human nature against them. The clause merely casts on the judges new duties which they cannot adequately carry out. I will support the amendment. I think the provision should be deleted, because it is no reform. It evidences a good meaning behind the Attorney General, but it cannot accomplish what is desired, and indeed it will be a stumbling-block to the reforms we aim at.

Mr. MONEY: There is nothing in the provision to indicate in what direction the age is to be regarded. Presumably the court is to have discretion in respect of any age between 18 and 98. Looked at broadly, the proposed section means that the court may, at its discretion, in any case impose not only the ordinary term of imprisonment, but may also

decide that after that term has been served there shall be a committal to a reformatory prison. If it is right that the provision should operate we might well amend it to read, "the court may in its discretion in any case, etc." The Attorney General might tell us whether he does not think it would be better to do away with the provision in so far as it relates to age, special circumstances, and antecedents, and simply give the court a discretion.

The CHAIRMAN: If the hon. member is desirous of moving in the direction he has indicated it will be necessary for him to vote against the amendment and, subsequently, to move a further amendment.

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

Ayes	15
Noes	21

Majority against ..	6
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AYES.

Mr. Angwin	Mr. Mitchell
Mr. Chosson	Mr. Munsie
Mr. Collier	Mr. Pilkington
Mr. Duff	Mr. Rooke
Mr. Foley	Mr. Walker
Mr. Green	Mr. Willcock
Mr. Holman	Mr. O'Loughlen
Mr. Lutey	(Teller.)

NOES.

Mr. Angelo	Mr. Money
Mr. Broun	Mr. Mullany
Mr. Brown	Mr. Nalrn
Mr. Davies	Mr. Plasse
Mr. Draper	Mr. R. T. Robinson
Mr. Gardiner	Mr. Teesdale
Mr. George	Mr. Underwood
Mr. Harrison	Mr. Veryard
Mr. Hickmott	Mr. Willmott
Mr. Hudson	Mr. Hardwick
Mr. Lefroy	(Teller.)

Amendment thus negatived.

Mr. MONEY: I would like to move an amendment that the words, "Having regard to the antecedents, character, age, health or mental condition of the person convicted, the nature of the offence or any special circumstances of the case" be deleted. This will leave it to the discretion of the court to pass sentence in any case in which it may think fit to do so.

The CHAIRMAN: I am afraid such an amendment is too late.

Mr. MONEY: You said that if I desired to move an amendment, I should have to vote against that moved by the member for North-East Fremantle, and then move mine subsequently.

The CHAIRMAN: When the hon. member was speaking I understood it was his intention to move that certain words should be added. He now sends up an amendment to delete certain words in the clause, which the Committee have agreed should stand. I, therefore, cannot accept the amendment. The question now is that the clause stand as printed.

Mr. HOLMAN: If the hon. member desires to move an amendment, he should be able to do so, because he was misled into thinking

that he could move an amendment after the previous amendment was decided.

Hon. W. C. Angwin: The whole clause can be struck out.

Mr. HOLMAN: If members desire to amend the clause in such a way as to improve it, it will be quite possible to strike it out altogether, with a view to recommitting it in amended form. If, however, the member for Bunbury wishes he can add a proviso or any number of provisos to the clause. If the clause is unsatisfactory to members, we should not pass it. I hope the Attorney General will adopt the course I have suggested.

Mr. MONEY: I understood you to rule, Sir, that I would be in order in moving that certain words should be added.

The CHAIRMAN: They may be added to but not deleted from the clause.

Mr. MONEY: I should like to move that after the word "may" in the sixth line the following words be inserted—

The CHAIRMAN: They must be at the end of the clause.

Mr. MONEY: I would have moved my amendment before but for your remarks, Sir.

The CHAIRMAN: I did not know what was in the hon. member's mind.

Hon. W. C. ANGWIN: I hope the Committee will vote this clause out altogether. The Attorney General would then have an opportunity of recasting it in such a way as to make it suitable to the Committee. I regard it as a dangerous clause, and three members of the Committee have shown that it contains words which should not be there. The member for Bunbury was under the impression that he could alter it and make it more clear in its operations. What is easier than for the Attorney General to allow the clause to be struck out, and the necessary amendments made on recommitment, or in another place? If I had known that the member for Bunbury wished to move an amendment I should have withdrawn mine. I hope hon. members will vote against the clause.

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

Ayes	19
Noes	15

Majority for	4
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AYES.

Mr. Angelo	Mr. Mullany
Mr. Broun	Mr. Nairn
Mr. Brown	Mr. Plesse
Mr. Davies	Mr. R. T. Robinson
Mr. Gardiner	Mr. Teendale
Mr. George	Mr. Underwood
Mr. Harrison	Mr. Veryard
Mr. Hickmott	Mr. Willmott
Mr. Hudson	Mr. Hardwick
Mr. Lefroy	(Teller.)

NOES.

Mr. Angwin	Mr. Money
Mr. Chesson	Mr. Munsie
Mr. Collier	Mr. Pilkington
Mr. Duff	Mr. Roche
Mr. Foley	Mr. Walker
Mr. Green	Mr. Willcock
Mr. Holman	Mr. O'Lughlin
Mr. Lutey	(Teller.)

Clause thus passed.

New clause:

The ATTORNEY GENERAL: I have a new clause to move.

Hon. T. Walker: Does it appear on the Notice Paper?

The ATTORNEY GENERAL: No; but it is a clause which was proposed by the member for Kanowna. When we were on Clause 3 the question arose, in the course of debate, whether we should give all children's cases, indictable offences and otherwise, to the Children's Court, with the object, as the leader of the Opposition said, to prevent publication, or whether we should adopt the alternative course suggested by the member for Kanowna, and allow the Supreme Court to try indictable cases, as is now done, but giving the judge the powers contained in the State Children Act, to prevent publication, and to clear his court. Having considered the matter very carefully, I have come to the conclusion that it would be a wise thing to give the Supreme Court the powers suggested, so that in the event of any young person coming before the Supreme Court, the judge may have power to clear his court, when publication will not be given. I move—

That the following be added to the Bill, to stand as Clause 21: "That the following section be inserted in the Code after Section 635, as Section 635a: 'At the trial on indictment of any person under 18 years of age, either alone or in conjunction with any other person, for any offence, or at the trial on indictment of any person for any offence of an indecent character committed against a person under the age of 18 years, the court may exclude all or any persons not directly interested in the case from the court room or place of trial, and may prohibit the publication of all or any portion of the evidence or proceedings.'"

Hon. T. WALKER: Has not the judge all that power now, precisely?

The Attorney General: No.

Hon. T. WALKER: What specific new powers are added by this new clause? What is the extent of the innovation?

The ATTORNEY GENERAL: At the present time the judge has power to order all witnesses out of court, and if there is a disturbance in the gallery, to order the gallery to be cleared, or if there is a disturbance in the court, to order the court to be cleared. But, except in matrimonial cases, there is no power by statute whereby he can hear the case, as we call it, in camera.

Mr. Money: Should there be?

The ATTORNEY GENERAL: My friend opposite suggests the further power that in cases of young people under the age of 18 years the judge should have power to clear court and gallery and to prohibit publication, since an acquittal condemns a boy or girl in the public eye almost as much as a conviction if the evidence is published.

Hon. P. Collier: The practice now obtaining in the Children's Court should be extended to the Criminal Court.

The ATTORNEY GENERAL: Exactly so. It is only at the discretion of the judge whether he clears the court and whether he prohibits publication.

Mr. Money: It is a slight infringement of publicity of trial.

Hon. T. WALKER: I question the value of a discretionary power. My suggestion was that the practice in vogue in the Children's Court should be extended to the Criminal Court. I submit that the judge now has all the powers we propose to give him by this new clause.

The Attorney General: No. Only in the case of disturbance.

Hon. T. WALKER: There is no more power under divorce procedure than there is under ordinary procedure.

The Attorney General: Yes; by statute.

Hon. T. WALKER: There is no special power. The judge has control of his own court in all cases. It is only the custom, the practice, that has grown up of people attending and reporting. I am decidedly in favour of the practice which obtains in the Children's Court being applied to charges in the Criminal Court against children under 18. But the power is merely discretionary, and it is seldom exercised.

The Attorney General: It is always exercised in the Children's Court.

Hon. T. WALKER: Yes.

The Attorney General: And it is merely discretionary there, too.

Hon. T. WALKER: A general running discretion is likely to be forgotten unless there is some special mention of it. I am not arguing against the provision, but as I speak there is running at the back of my head the idea that in all probability there is a necessity for at least an official report of these proceedings.

The Attorney General: There will be, of course. That would continue as exists now. The judge's notes and the official report of the case will continue as before.

Hon. T. WALKER: As regards the judge's notes, I do not wish to say anything derogatory.

The Minister for Mines: They vary.

Hon. T. WALKER: They vary very considerably. They are not always full.

The Attorney General: In the Criminal Court there are always the minute depositions taken in the court below.

Hon. T. WALKER: But very often the Crown in the Criminal Court departs from the depositions, new witnesses being called. For the protection of persons tried it is necessary to have more than discretionary notes, if I may use the term. The judge takes down the salient points that strike him in the way of evidence. But there are many attendant circumstances which a full report would give. I suggest that there should be, for preservation as part of the history of the case, for the purposes of any future reference that may be necessary, a report of the case filed upon the record, not for publication to the outside public, but for the protection of the person charged. The nature of the case can be known only if the evidence adduced at the trial is reported fully. What provision will be made for securing a report of that kind?

The ATTORNEY GENERAL: I do not propose to alter the law in that respect at all. There is a custom and practice in the superior

way; and it would be very dangerous for us to interfere with that. Personally, I have a great respect for judges' notes; and I do not know that they miss anything of importance. If the judge does not take a particular thing down, he can always be asked by counsel what note he has taken; and the judge will always read his notes. Generally speaking, the judge, being an absolutely impartial man, takes a note of everything of importance that is said on either side. I admit that in the Court of Appeal counsel sometimes do say that this should not have been done, or that that should not have been done; but the judge takes the notes for himself. I do not propose to disturb the existing practice. All we seek here is to prohibit the reporting by the newspapers of cases in which children are concerned.

Sitting suspended from 6.15 to 7.30 p.m.

New clause put and passed.

[The Speaker resumed the Chair.]

Progress reported.

ANNUAL ESTIMATES.

Message from the Governor received and read transmitting the Annual Estimates of Revenue and Expenditure for the financial year 1918-19, and recommending appropriation.

FINANCIAL STATEMENT FOR 1918-19.

In Committee of Supply.

The House having resolved into Committee of Supply for receiving the Annual Financial Statement, Mr. Stubbs in the Chair,

The COLONIAL TREASURER (Hon. J. Gardiner—Irwin) [7.34] said: Mr. Stubbs, May I claim the privilege of speaking from the Table of the House, as the reporters do not hear me very well. The Estimates of Revenue and Expenditure presented for the last financial year showed an anticipated deficiency at the end of the year of £936,311. The actual deficiency was £705,743; so that roughly, there was an over-estimate of the deficiency of £230,568. The better position was materially helped by the earnings of the railways, due to the carriage of wheat being much larger than was anticipated. The total estimated revenue for last year was £4,400,732. The actual revenue received was £4,622,535, or an increase of £221,803, more than was anticipated. The total estimated expenditure was £5,337,043, the actual expenditure was £5,328,278, or £8,765 less than was anticipated. The revenue for the year 1917-18 was £4,622,535, or £45,528 more than for 1916-17. The expenditure for 1917-18 was £5,328,278, or £51,514 more than it was for 1916-17. It will thus be seen by comparison of these two years that 1917-18 ended £5,986 worse off than 1916-17.

The Deficit.

Consequently, the deficit was increased to £705,743, as against £699,757, the previous year. It is only fair to say this, that by comparison with the previous year we had to meet heavy extra expenditure which was not included in that year. Here are some of the items: extra interest £109,000; loss on North-West cattle £40,000; back pay of railway men

£25,000; education £20,000; increased cost of police £10,000; general election £8,000; statutory increases £10,000. These roughly total £247,000 extra expenditure. Against these increases can be taken the £45,000 extra revenue and roughly £75,000 to £100,000 which was included in the previous Estimates and which were not recurring items, thus leaving an extra expenditure of roughly £100,000 to £125,000 more for 1918 than was done on the revenue of 1917. It would have been as well, when the war broke out, and during its continuance, if Parliament had realised that we had to face an annual deficit of between £600,000 and £700,000, and to have made every effort to see how much we could have curtailed that amount. A reference to the year which closed on the 30th June, 1914, that was before the war, will show that the deficit then was £446,925; the year after the war that amount went up to £1,012,742, an increase of £565,817. In 1916-17 this increased to £699,757. The last year it increased to £705,743. That is fairly conclusive that we ought to have realised the war conditions when they started and said we had to face under these circumstances an annual deficit during the year approximating £600,000 or £700,000. Our interest and sinking fund in 1914-15 amounted to £1,546,652. It is estimated for the year ending on the 30th June, 1919, that it will be £1,972,210. This in itself shows an increase of £425,558. This is, of course, a material factor in our deficit, but when we add to this the falling gross revenue of the railways over the same term, it can easily be seen that these two items alone will account for our annual deficit. The gross revenue over expenditure of the railways in 1913-14 was £683,418. In 1914-15 it fell to £546,111. In 1915-16 it went up a little, to £582,691. In 1916-17 it fell to £422,556, and in 1917-18 it fell to £374,203. It will thus be seen that the difference between the gross revenue of the railways in 1913-14 and in 1917-18, comparing the two years, was no less a sum than £309,215. To that these two items alone, increased interest and decreased railway revenue, were accountable for £734,773. During that time there has been practically no new taxation to make up for the shortages. The total deficit at the end of the last financial year was £2,766,465. This had practically accumulated over a term of seven years and at first sight it looks as if we had gone to the bad that much in general administration during that term.

General Administration.

That is the view that is frequently advanced by outside critics, and I want if I possibly can to disabuse their minds on this particular point, that is, that we have not gone to the bad in administration to the matter of £766,465, and this is why: During the same term the total sinking fund that has been paid by this State amounts to no less a sum than £1,841,427. This sum is represented by our own bonds. We bought them in the open market and have got them. We have not got them in the safe here; we have them in the safe in London. So that if we make a debit and credit account of our deficit, and deduct the

sinking fund from the deficit, it means that in the seven years, so far as general administration is concerned, we have gone to the bad £925,038, the balance being represented by gilt-edged security in the nature of our own bonds. This means that for seven years our average loss on administration has been £132,000 a year. But in addition to the actual sum of £1,841,427 the State has probably benefited in discounts on the purchase of Bonds, which would bring it up to about £2,050,000, so that the real, genuine deficit will have been reduced to £716,000 for the seven years, or a little over £100,000 a year.

Hon. W. C. Angwin: You would be in clover if you were in the same position as the other States.

The COLONIAL TREASURER: Yes, or within coo-ee at any rate. At the present time we are bearing the whole of the responsibility, principal and interest, with regard to this, which makes the financial position extremely difficult. But futurity will benefit by the provision of the sinking fund and interest on the bonds purchased, which goes to the credit of the sinking fund, and the State's actual loan indebtedness is being reduced in this direction by a greater sum than we have to borrow to meet that obligation. The total sinking fund on the 31st March last, represented by bonds and securities at their face value, was £5,581,298. The actual cash provided to purchase these bonds was £5,026,353, so that the discounts represented by the difference in the purchase price, and the face value total no less a sum than £554,945, or practically 10 per cent. profit on the total investments. That 10 per cent. has gone into a general sinking fund.

Sinking Fund Suspension.

We come to the sinking fund, as it is known. I have been making every effort to have the sinking fund suspended until at least two years after the war. When I was trying previously to achieve this end, the Imperial authorities placed their veto upon it, on the ground that it would depreciate the security provided for by an Order-in-Council in 1901. When in Melbourne at the Treasurers' conference I brought the matter up, and the Acting Prime Minister, Mr. Watt, promised me every assistance to enable me to gain the end desired. In the meantime I sent a cable message to our Agent General in London, in which I put before him an alternative proposition, in the event of their not being prepared to allow us to suspend the sinking fund. The cable was couched in these words—

Commonwealth Government intend making strong representation Imperial Government allow us suspend sinking fund until two years after end of war. They say perfectly legitimate request seeing we have to borrow at 4½ per cent. to pay it. Our financial position largely due to sacrifice of producers over war. Suggest you tactfully again approach authorities, and if they still persist, sound them on cancellation of our own stocks which we hold ourselves saving interest but continuing sinking fund on whole loan. New South Wales, Queensland, South Australia have suspended sinking fund.

Commonwealth taxation to meet war obligations will be so heavy that States will be unable to increase theirs.

I have also a telegram from Mr. Watt in which he states that his Budget preparations had prevented attention, but he hoped during that week to advise me on the lines indicated to me at the Treasurers' conference. I think he must have taken some steps, because I received a cable from London in reply to mine, reading—

Referring to our cable of 2nd September this year, sinking fund. After further interview, Imperial Government now state they will not oppose Act suspending sinking fund appropriation during period of national emergency. They requested me consult our financial advisers whether such action is judicious from point of view of State itself, regard being had to impression which suspension of sinking fund may create upon London market. Conferred with London County and Westminster Bank and Sir Robert Nivison. Bank and brokers say that in interest of State they would deplore any departure from terms of prospectus, as they consider even temporary suspension would be extremely detrimental to credit of State. They earnestly urge Government to reconsider. To avoid any suspension, bank are willing to make advances from time to time to meet sinking fund requirements, amounting to about £630,000 for, say, two years at five per cent. repayable out of a loan to be issued by bank as soon after peace as practicable. If Bill to test is proceeded with, am convinced will create position here which will be very damaging to credit of State and Dominions generally. Imperial Government do not favour alternative suggestion for suspension payment of interest on stock already held on behalf of sinking fund. Please cable your decision.

There is one phase in that which my friends opposite will see required some consideration, and that was "Repayable out of loan to be issued by the bank as soon after peace as practicable." That was too much like giving an open cheque. I therefore sent the following cable—

Sinking fund: would bank be prepared advance the £630,000 on terms suggested on clear understanding that when necessary float loan for redemption. This should not be done without approval Western Australian Government to date, price, rate of interest, and currency.

To that I received a reply which stated—

London County and Westminster Bank agrees to your terms.

The Government have decided to accept the bank's offer. There is, however, just a hope that we will be able, for another consideration which will cost the State practically nothing, to get the interest reduced to 4½ per cent. In coming to this decision the Government were influenced by two important considerations, namely, being the only State in Australia which by Act of Parliament provides in its Acts and prospectuses for a definite sinking fund, it was thought that the suspension of this might not only have some damaging effect on our own credit, but might affect generally the

credit of the Dominions. That was one consideration. The other, and it was more material, was that the £630,000 if invested in the stocks that it is intended to redeem, would purchase our own stocks to the value of £810,000 in the open market at present day quotations; so that posterity will be reaping a profit of £180,000 on the deal, and for that advantage we to-day would practically have to pay in two years, seeing that it is only paid as we want it, interest totalling probably £22,500 to £25,000. We are getting money at the maximum of five per cent., whereas if we borrowed through the Commonwealth it would probably cost us in the region of 6½ per cent. Therefore, from a business standpoint, assuming the Committee agreed it is a wise thing to keep the sinking fund going, we are making a saving of 1½ per cent. on our interest bill. As I can see my way to economically finance this until 31st December, the new arrangement will operate as from the 1st January next.

Sinking Fund Operation.

It might not be out of place to give the Committee some information with regard to the operation of the sinking fund, because I do not think the majority of members, and I am sure the majority of the people in this State, understand anything about the operations of the sinking fund. The credit for making provision for sinking funds for our loans is due, not to the late Lord Forrest or to any other Treasurer, but entirely to the late Hon. A. O'G. Lefroy, father of our present Premier. The first loan, which was floated in 1873, was for £100,000 and a two per cent. sinking fund was provided for in connection with that loan. In the General Loan and Inscribed Stock Act, 1884, permanent provision was made for paying sinking fund on all our loans. These sinking funds are invested by trustees in London, and we have to make regular provision for the payment of them out of our funds in London. They are not as in the other States; you cannot trace them. We have to pay actual cash in London to the trustees. Then the trustees go on the London market and buy our own stocks. When I was Treasurer before I tried to impress on the trustees in London the necessity of following the principles laid down by the British Government when they guaranteed the South African loan after the war in that country, and that was, that as far as possible the sinking fund provided for individual stocks should be used to buy those stocks that it was provided for to redeem. Under such an arrangement the rise and fall of a particular stock, assuming it was our own, would not affect us to any material extent until it approached maturity, when it would gradually approach par. Unfortunately, either this was impracticable or other of our stocks were being offered at a more seductive price. I will give an illustration to show how this works. We have a three per cent. loan maturing in 1927, totalling £2,500,000. That is the Coolgardie water scheme loan. On the 31st March last we held against that loan £1,737,193 of face value of stocks, principally our own. But we only held £377,292 of that particular stock that the sinking fund was provided for to re-

deem, or in the whole of the stocks we held, totalling over £5,000,000, we only held £611,714 of this particular stock. Had we held the whole of this stock—the £1,737,193 of the three per cent. stock—we could have reduced both the interest and sinking fund in order to provide sufficient to redeem the balance at maturity, whereas now we have to go on paying three per cent. sinking fund and three per cent. interest up to the date of the maturity of the loan, and assuming that our stocks brought the face value we would then have made an overpayment of, roughly, £400,000 more than sufficient to redeem it, but, of course, under present circumstances, when they have to sell the other stocks to redeem, we would have to face discounts which would probably swallow the profit we had previously made in our buying. The Committee can clearly see how much better investment it is to buy the individual stock which the sinking fund is provided to redeem; then at maturity we would have no worry at all. On the £5,581,000 worth of bonds which we hold, probably £5,000,000 worth is in our own stocks. At present we are paying the full interest on the money which we are borrowing to pay the sinking fund. It might be thought that we would be entitled to the difference in the interest on the stock purchased, between that interest which we pay and that which they receive. We do not get that at all. All the interest and all the profits combined go into the sinking fund, together with all discounts made on the purchase.

The Financial Position.

In trying to trace to its source the cause of our present financial position, one finds that it can be directly attributed to two causes, in the first place the depleted earnings of our public utilities and works, and the extra cost of the essentials for their working. For this the war is partially, if not wholly, responsible. The second cause is excessive borrowing, with corresponding interest obligation. For this I think we have all, both inside and outside the House, been responsible, and we have to accept our proportion of the blame. In order to prove my first contention I have prepared a return covering the last six years and showing the net earnings of our loan expenditure, the amount of interest and sinking fund which we had to provide over the same term, and the deficiency. In 1913-14, the year before the war, the net receipts from our loan expenditure were £1,038,756, and the interest and sinking fund which we had to provide amounted to £1,334,096. So in that year we were £345,340 short of paying our interest and sinking fund from our loan expenditure. In 1914-15 our net receipts were £775,582. Our interest and sinking fund was creeping up. It amounted to £1,546,652. There was a deficiency that year of £771,070. In 1915-16 the net receipts amounted to £961,818 and the interest and sinking fund rose to £1,664,137. But the earnings had improved, so consequently in that year the deficiency was

only £702,319. In 1916-17 the net receipts amounted to £945,545; but up went the interest again, until it reached £1,765,839. That left a deficiency of £820,294. Then we come to my unfortunate year. In 1917-18 the net receipts amounted to £948,183 and the interest and sinking fund to £1,875,198, the deficiency being £927,015 as against £345,340 in the year before the war. It will thus be seen that whilst the difference between our net earnings and the amount required to pay interest and sinking fund was £345,340 in the year before the war, last year the deficiency was £927,015, while our net earnings were £90,000 less than in 1913-14, clearly showing the influence of the war. Yet our friends outside the House—inside they frequently have more sense—expect me to remedy that in 24 minutes. I would like to see some of the so-called business men having a go at it. This accounts for a shortage of £581,000 and goes a long way towards accounting for the deficit of £705,000 last year. So there is material cause for our present financial position. I candidly admit that these are bad times in which to make comparisons, and therefore I am merely stating facts. I do not intend to dogmatise on our loan expenditure, its utility and its ultimate aim, or to apportion praise or blame to different Governments—we have had too much of that—as I find that all Governments are committed to the expenditure of their predecessors in office. But surely we can draw from such comparisons, in our adversity, lessons of wisdom, so that when good times come again every item of loan expenditure will be, not a matter of each party getting the other party to help them put it through, but every item of loan expenditure will be carefully scrutinised and every work constructed will be its own justification of the careful thought, foresight, and stability of that expenditure. Let us, further, hope that after the war our loan expenditure will enter upon its full productiveness. When it does, I venture to say it will quickly redeem our financial position.

Railways and Tramways.

Let us take specific instances. The railways are a governing factor in the financial position of the State—the key factor, they might almost be called. Unfortunately, lack of shipping due to the war has depleted the railway revenue of some of its best paying traffic, whilst the cost of materials has gone up enormously. I have already pointed out that while the gross return from the railways fell from £683,418 in 1913-14 to £374,203 in 1917—a fall of £309,215—a comparison of the expenditure will show that the expenses fell only £127,218. Now we come again to another business phase: the position, after all, is much the same as that of business houses, where the overhead charges would be sufficient for a considerable extension of business but cannot be proportionately cut down when the volume of business decreases, especially in a big proposition like the railways. Take the two years mentioned. In 1913-14 an expenditure of £1,581,867 gave a gross return of

£653,418, whilst in 1917-18 it took an expenditure of £1,454,649 to earn a gross return of £374,203. We can see that whilst the railways still have to keep their overhead charges, everything they have to buy has gone up enormously. The cost of materials has risen almost out of sight. A list of 20 items in general daily use in the railways shows that the lowest advance in price has been 31 per cent., whilst the greatest has been 328 per cent. Newcastle coal has increased by 3s. 6d. per ton, and Collie coal by 1s. 6d. per ton as compared with 1917. And we still have to spend considerable sums out of revenue to keep the lines in good order. In the present year we have to provide for re-sleepering £20,000, for re-fish-plating £9,000, and for ballasting £10,000, or practically £40,000, which is being spent out of revenue. This would be a perfectly legitimate charge against loan funds, but we are paying it out of revenue. In the tramways the position is much the same. It is anticipated that the revenue from the tramways this year will be £13,520 more than last year, while the expenditure will show an increase of £5,939. Here again we have to spend considerable sums in keeping the lines and carriages in repair. This year we are spending out of revenue £17,500 in belated repairs, all affecting the deficiency.

Hon. W. C. Angwin: When are the belated repairs to finish?

Water Supply.

The COLONIAL TREASURER: Do not ask me. Coming to the waterworks, we are met by the same position, namely an increase in the cost of earnings, and a decrease in revenue. In 1917-18 a gross expenditure of £220,112 brought in a gross profit of £159,813, while the estimate for the present year is an expenditure of £229,254 for a profit of £135,746 or £9,000 more expenditure to earn £24,000 less revenue. So practically this year I go to the bad to the extent of £33,000 on this big work. Here again we have been making fairly large expenditure out of revenue to keep the pipe line in order. The Mines Water Trust has approached the Government for a reduction in the price of water for those mines which will otherwise have to close down, and we have to face this. It is receiving the attention of the Minister for Works at present.

Hon. P. Collier: Could not some of the rich mines pay an increased price?

The COLONIAL TREASURER: I cannot say. I want hon. members to get this into their heads: whilst it is necessary to show that these big concerns are in a much worse position in respect of returns than they were in the year before the war, that very position leads us to hope that when things again become normal and those ventures come again into their full profits, they will cause the present worrying deficit to materially decrease, if not disappear. That is a not unreasonable hope. All that can be done at present is to scrutinise carefully all expenditure and methods. It may be that even in these times an alteration in method would materially increase the productiveness of those concerns.

State Trading Concerns.

Now I come to the question of which we have heard a good deal, namely, State trading concerns. Judging by the conversations one hears, I think a good deal of misapprehension exists as to the amount of money which the State has invested in these undertakings. The total capital employed in these concerns as on the 30th June, 1918, was £1,054,977. Of this sum, £417,896 has been spent on the Wyndham Freezing Works, which up to the present have of course not returned any income. The total net revenue after providing for interest and sinking fund, that we anticipate receiving from these services for the year, is £164,460.

Hon. P. Collier: The Minister for Works will have to withdraw some of his remarks now.

The COLONIAL TREASURER: Of this amount £132,000 is to be received from the State steamships, which is £64,000 more than last year. This will leave us, presuming the "Kangaroo" keeps her time as she is now doing, two months' earnings for the year which we have not taken into consideration. I hope this is a clear statement of facts. From the Treasurer's standpoint, I assure the Committee that the returns from the steamship service are the bright spots in the revenue returns for the year. So far as the remaining works are concerned, we are endeavouring to apply business principles to their management and we hope for good results.

Mr. Munsie: I hope your colleagues do not get their way and dispose of the State steamers. It would be a bad job if they did.

Loans and Interest Obligations.

The COLONIAL TREASURER: The second cause is excessive borrowing and corresponding interest obligations. For the period 1911-12 to 1917-18, seven years, the State's loan expenditure was £14,647,391. Of this sum £3,649,037 was for assistance to settlers, workers' homes, agricultural bank, etc., which of course we expect eventually to have repaid to us in cash.

Hon. P. Collier: You are optimistic.

The COLONIAL TREASURER: I hope the hon. member will not deprive me of some optimism. Our loan expenditure, therefore, as we generally recognise it, over that term was roughly £11,000,000.

Mr. Harrison: There were croakers about the steamships a little while ago.

Mr. Munsie: You were one of them.

Mr. Harrison: I challenge you to point out where.

The CHAIRMAN: Order! I must ask the Committee to keep order.

The COLONIAL TREASURER: Last year our loan expenditure was £1,054,000, but as the same items accounted for £503,170, our general loan expenditure was therefore roughly a little over £500,000. Seeing that our loan expenditure for seven years totalled over £2,000,000 a year, it can easily be seen that a day of reckoning so far as interest and sinking fund is concerned must inevitably follow. If such expenditure had been on works having in them the germ of ultimately paying interest

and sinking fund, such a proposition would carry little grave anxiety, but if that money had been injudiciously expended such expenditure could only bring in its train a great amount of financial anxiety. How quickly interest and sinking fund obligations accumulate can be gauged by the following rather startling figures. Our interest bill in 1911 was £809,981, the sinking fund was £236,254, or a total for interest and sinking fund of £1,046,235. Our interest bill in 1918 was £1,573,666, and the sinking fund £301,532, or a total of £1,875,198 in 1918, against £1,046,235 in 1911, so that the increase for seven years was, interest £763,685 and sinking fund £65,278, or a total increase between 1911 and 1918 of no less than £828,963. The gross indebtedness on the 30th June was £42,304,001, less sinking fund £5,581,298. The net loan indebtedness, therefore, on the 30th June was £36,722,703. On the 30th June, 1914, the net indebtedness per head of the population was 94 4s. 11d., and on the 30th June, 1918, it was £117 17s. I have endeavoured, in dealing generally with the financial position of the State, to place before the Committee and the country the position of the deficit and the sinking fund as on the 30th June last, the reduced earnings of our loan investments, and the result of our borrowings.

Estimates of Revenue and Expenditure.

I now propose to address myself to the estimates of revenue and expenditure for the year ending 30th June next. The Estimates are being presented this year in a somewhat altered form. We have in one direction followed the British and South African methods, and are asking the Committee where one department has to do work for other departments to pass a lump sum for that work, and do away with all re-votes, the departmental votes being reduced accordingly. This would apply to printing, lithographic work, motor cars, lighting, etc. We are holding each of these departments responsible for the administration and check of these particular items. There is neither profit nor loss in these to the State, and consequently we want to avoid all unnecessary book entries. Ministers will be prepared in Committee to give every information which does not appear, possibly, on the Estimates themselves. When I say that the alteration in the form of the Estimates will save as a minimum some 20,000 entries, I think the Committee will agree that this offsets any little inconvenience to which members may be put. The amalgamation and centralisation of departments is another factor in the Government policy which we are arranging to carry into effect. The member for North-East Fremantle (Hon. W. C. Angwin) put his finger on the insuperable barrier to doing this quickly, and that is the question of office room. We have just completed a careful examination of the room and air space in the public buildings, and we are satisfied that with an expenditure of roughly £2,000 in alterations, we can effect big economies in administration, and at the same time have a better and more complete housing of departments, more especially in the accountancy department, where we hope by

concentrative housing to save thousands of pounds and secure greater efficiency.

Suggestions from Civil Servants.

I now come to the question of suggestions. The Committee will remember when I said that I was going to ask for suggestions. As a result of the announcement that the Government would consider and reward any suggestions of value from civil servants, several hundreds of these have been received. All of these suggestions have been carefully gone into, many rejected, others were found to be already in force, and some few have been adopted, but a large number yet remain to be carefully gone into, and this will be done when I have got rid of this Budget. The Governments of South Africa and South Australia have these methods in force, and find them satisfactory, and the Victorian Government promise to follow suit. I want the Committee and the critics that we so frequently get—occasionally I have a chance of getting home on them—to realise that all these alterations mean a considerable amount of work.

Mr. O'Loghlen: You surely did not invite them here for that purpose?

The COLONIAL TREASURER: These alterations require time, and cannot satisfactorily be made by Ministers when Parliament is in session.

Hon. P. Collier: Do not attack your guests in your own house.

The COLONIAL TREASURER: These reforms cannot be effected, as outside critics sometimes think, by a mere scratch of the pen. Reformers have not only to supply the principles, but unfortunately the details as well. In big departments one meets with a good deal of opposition and active and passive resistance against innovations which mean centralised versus departmental control. Since we received the draft Estimates Ministers have been much exercised, and their efforts in effecting economies not being as satisfactory as was anticipated, they went into the requirements of all their departments, and fixed the limits to which they thought such estimates should be reduced. As the present Estimates will show, material reductions have been made which I hope will be satisfactory to the Committee and to the country, and will prove that we are honestly trying to effect genuine economies in administration. As pointed out by the Minister for Works, in 12 months the salaries show a saving of £35,000. It is true that some of these are paid from loan.

Mr. O'Loghlen: Most of them.

The COLONIAL TREASURER: Not a great number of them. We are quietly continuing this work without blazoning it from the house-tops. If we went in for drastic retrenchment we would have everyone in the State saying, "If the Government are doing it, we will do it also," and before we knew where we were we would have more unemployed in the streets than we knew what to do with. In printing, lithography, stationery, postage, etc., we have also effected substantial economies. I do not think I would be over estimating the result of these economies if I said that there would be a saving of £50,000 in these directions alone. I regret that retir-

ing and other allowances will prevent us from receiving the benefit of the full economies in salaries for a year or two.

The Civil Service.

Now we come to the civil service. On the Estimates will be found a vote of £2,760 to provide for increments to civil servants. These increments, which apply to those civil servants receiving salaries of £204, £216, £228, £240, and £252, were stopped in 1915. I do not like parting with money at all, personally, but the Government felt, notwithstanding the financial stringency, that it was their obligation to follow what the Arbitration Court in its awards, and many outside firms, have done, and recognise the largely increased cost of living, and consequently, in justice, they made this provision. Under it 190 officers under the Public Service Act will be paid their statutory increase of £12 a year, and 39 officers in the Education Department their statutory increase of £10 a year. Such increases will date as from the 1st July of this year, and will only apply to those officers who were entitled to the increase on 30th June, 1915.

Hon. P. Collier: That is the salaries between £200 and £252. There is no increase under £200?

The COLONIAL TREASURER: No, they go up automatically. The estimated revenue for the year is £4,883,177, and the estimated expenditure is £5,519,412, the estimated deficit for the year being £636,235. The deficit for the first three months of the year ended 30th September, 1917, was £272,177 17s. 4d. For the same three months of 1918 it was £231,132 2s. 9d., or £41,045 14s. 7d. less than for the same term last year. I would like to think that the reduction will keep up; but it is no use speculating on that kind of thing, and I am adhering to my original figures. At the end of the last financial year the deficit was £705,743, so that the present year will close £69,508 better off than last year. At once the Committee will say that there ought to have been a greater reduction seeing that Parliament passed more taxation measures at the close of last session. Well, all the additional revenue which it is anticipated I shall receive from this additional taxation during the current year is £130,000. While I was away the revenue was estimated at half a million sterling; but when one gets back to facts it comes down to about £130,000.

Estimated Receipts.

My revenue from the Railway Department is estimated to increase by £31,147, but it is going to cost £48,694 extra expenditure to earn that. The Water Supply Department is estimated to give me £14,925 less revenue than last year, and it will cost £9,142 more to earn that decreased revenue. Now let us come right down to dead facts. The £130,000 revenue from additional taxation was promptly swamped by an increase in interest and sinking fund for the year of £97,000, extra expenditure for poison for extermination of rabbits £19,000, increase in the Education Vote £17,000; and it is gone. There will be other unavoidable increases of expenditure totalling

probably a further £40,000 or £50,000, accompanied, unfortunately, by a falling revenue from the Commonwealth and from almost every other small source, the only large anticipated increases being £27,000 in the Lands Department and £64,000 in the State Steamship Service. Thus, the lands and shipping returns, and economies, are responsible for a deficit decreased by £69,508 as compared with last year—a result which I hope the Committee and the people of this State, after fully reviewing the difficult surrounding conditions, will see is fairly satisfactory.

Taxation Measures.

Had my taxation measures gone through Parliament as introduced by me, there would have been a decrease in the deficit of nearly £200,000. When I left for the Premiers' and Treasurers' Conference, I had passed three out of four of my taxation measures through this House. Unfortunately, when dealing with the fourth taxation Bill, the House introduced the principle that although the Commonwealth and South Australia have super taxes, there should be none here. Consequently, the other taxation measures had to have that provision withdrawn, which not only deprived last year's revenue of about £60,000 expected from the new income tax and dividend duties tax, but necessitated our making an allowance this year of £28,388 for over-collected land tax of last year; and by the elimination of another principle of collection embodied in the measure, the cost of collection has been considerably increased. Now, the Committee cannot put that responsibility on to anybody else. The Standing Orders preclude me from criticising decisions of this House. When members realise that the total estimated increase from these four taxation measures over last year is only £130,000, they will agree that I as Treasurer at least have serious ground for complaint. The gross anticipated revenue is £4,883,177; and one frequently hears the expression that with such a big revenue the State ought easily to finance her obligations. On hon. members' tables there are certain returns.

The State's Obligations.

Viewing Return No. 1, in which only credit balances are taken into consideration, hon. members will see that the actual cash balance available for financing the State's obligations is £2,846,337. From return No. 2 hon. members will see the obligations which have to be met from that balance. First of all, there are obligations under the Constitution and special Acts. These are interest and sinking fund £1,972,210, His Excellency the Governor £10,900, Parliamentary allowances £25,400, Pensions and retiring allowances £26,588, lands improvement loan fund £15,000, University of Western Australia £13,500, Tramways Purchase Act £4,500, Aborigines £10,000, sundry items £11,500. These total £2,089,648. When this is done—and we have got to pay those amounts, which are provided under the Constitution—it leaves only £756,689 to pay for the general administration of the State, which totals £1,392,924; so that I have got, as I

have said, a deficit of £636,235. Now the particulars of general administration £1,392,924 comprise—Premier's department £11,059, Colonial Treasurer £143,686, Colonial Secretary £498,153, Minister for Mines £60,642, Minister for Lands and Agriculture £115,965, Attorney General £60,874, Minister for Education £368,454, Minister for Works £110,000, Minister for Industries, and Woods and Forests £12,975, His Excellency the Governor £1,682, expense of Parliament £9,424. These items total £1,392,924. Now that is the only sphere in which we can operate for economies, in that £1,392,924. The misinformed, or the uninformed, are apt to think that our deficit could be easily avoided by economies which could be effected here. They say, "Cut down administration." Now I will endeavour to put the position clearly before the Committee and the business people of the State, to show how very limited indeed is the amount which can be saved in this direction. Of the £1,392,924, £823,362 has to be provided for the domestic concerns of this State. Here they are: Aborigines £18,059, Gaols £20,135, Lunacy and Inebriates £63,158, Medical and Public Health and Charities £157,361, State Children £69,002, Police £127,193, Education £368,454. Now, this domestic expenditure is not the policy of any one Government. It has become the policy of the State, and almost, from general recognition, part of the State's Constitution. Let hon. members ask themselves what economies can be effected here. In the first place, the people and Parliament say that the Education Vote shall not be cut down. They say it shall be increased. Therefore, of the £823,362 there is £368,454 that I cannot touch at all.

Mr. O'Loughlen: But Parliament did not say that the Education Vote should be increased.

The COLONIAL TREASURER: This leaves £454,908 only where any economy can be exercised. That is as regards the domestic concerns. The £454,908 is the only place in which I can exercise economies. In the balance of these concerns—let hon. members look for themselves—the demand for expenditure is increasing, not decreasing. As regards hospitals, the Children's Hospital the other day notified that unless the Government gave an extra grant, the institution would have to be shut down; and I do not want to see it come on the Government. The Perth Public Hospital requires more than last year. Lunacy expenditure is increasing and the accommodation at Claremont now is overcrowded. In almost every sphere in this connection there is a growing tendency on the part of persons to shirk responsibility and to throw it on the shoulders of the State. Time was when people considered it a shame to take charity: to-day it is looked upon almost as a virtue. Now, whilst the Government are making the strictest inquiries into the management and administrative control of these votes, we do not anticipate a very substantial reduction. But the Government are determined that in future a closer examination shall be made into the ability to pay of many who use these institutions, and we

hope to increase considerably the very small revenue being received.

Economies on Domestic Concerns.

Taking, therefore, everything into consideration, if these votes, excluding education, could be reduced under present circumstances, having regard to the high cost of commodities, by five per cent., we would be doing well. And this five per cent. would total only £20,000. Assuming that we could collect an extra, say, £7,000, that would be only £27,000 by which we could improve the vote. And that is the outside amount that we could save and make on this total domestic expenditure of £823,362. Now, that leaves me £569,562 for general administration of the State, which includes, amongst other things, repairs and renovations to public buildings, renewals to wharves, grants to roads boards, parks, literary and scientific, extermination of rabbits, State farms, printing, postages, and the balance of salaries paid to civil servants. I ask the business men of this State, remembering that the Government are in the same position as they themselves are in regarding overhead charges, and in many instances are faced with special pension obligations if they retire officers, what would be a fair reduction to make in this total vote? And with probably as large a business experience as any one of them, I challenge them to say, much more than 10 per cent. During the last 12 months we have got rid of salaries totalling £35,000; deducting these, and included not in this vote but in loan works, say, £7,500. That is a total of £27,500. In printing, stationery, and other items, we have effected probably another saving of £12,500. This totals £40,000 for the year in this direction, and we are hoping during the current year to double that amount, making it £80,000 altogether. The State, as I said before, is not going to receive, because of pension rights, the full benefit at once of these economies. If my arguments are sound, we can take as an absolute maximum 10 per cent. on the whole of the expenditure. That is, on the amount of our domestic expenditure excluding education. The savings that can be effected in the general administration, in the whole of the general administration, in the only sphere in which the Government can operate without alteration of the Constitution, would be represented by £100,000, and, of course, this could not be a recurrent saving.

Financial Critics.

I hope, therefore, that in future when we hear armchair and footpath financial critics saying that our financial position can be easily remedied by this cause, that the people of this State will know they are talking arrogant nonsense. Our position summed up is a deficit for the year of £636,235. Let us assume that £314,000 of that sum is represented as sinking fund by assets, what the Government have to tackle and try to reduce is the balance of loss on administration of £320,000. From all appearances there may be

some avenues of just taxation or revenue left us by the Commonwealth. But we must wait and see. In any case, however, they will be few. And as the Commonwealth and Western Australia tax the same people we must carefully consider any additional taxation, which only means a super tax. Therefore, the Government are faced with, and recognise their responsibility of, exercising every economy in administration, and of inquiring into their business and trading concerns to see whether, under the present circumstances, other methods might not improve revenue and make savings. Here, again, Ministers have to recognise their limitations. We have many critics who have no limitations, "authorities on every subject under the sun." Our big concerns are managed by experts, and when the lay Minister makes suggestions he stands the chance of either being treated with condescension or being told that his suggestion is such that if a disastrous result takes place the Minister must shoulder the responsibility. Even under these disadvantages the Government recognise their obligations and may make mistakes in trying, but they intend to try as they realise that it is worth all the trouble and anxiety to endeavour to put the State on a stable financial position now, so that when the war is over we will start in a better way for the effort. I have refrained from making any reference to the relationship of the States with the Commonwealth. I morely say in passing that, if the States had received their just returns under the Surplus Revenue Act, in the form of the 25s. per capita for our soldiers, instead of being practically robbed of both, there would have been little or no cause for financial anxiety. But in 1920 we have to face a reconstruction of the States and Commonwealth financial relations, and this will be a period when all parties in the House will require to combine to protect the State's interest. The Loan Estimates will be placed on the Table of the House and explained later.

Conclusion.

When Pandora the first time opened the box which the gods sent Epimetheus, she let out all the troubles and worries of life. When she opened it the second time she let out the spirit of hope. When I delivered my last Budget it was absolutely necessary, in order to convince the people, to paint things in their proper colour, and that colour was somewhat drab. To-night I desire to let out the spirit of hope, for as each successive victory of our glorious armies brings us nearer the end of the war, we must realise that the nearer that end, the nearer comes a bright dawn for this State. Western Australia is the young man's country of the Commonwealth. She has immense open spaces, and in those immense spaces undeveloped wealth, which must attract the venture-some. As we view the position to-day, were it not for the war, we would have every occasion for optimism. Proserpina has returned for a time from the underworld, and as a result Ceres is in one of her most gracious moods.

The pastoral industry is in a flourishing condition. In agriculture, from all districts come the highest hopes of a splendid harvest. Our timber industry will be in a better position than since the war, and is attracting strong notice in the Eastern States. We must cudgel our brains to grant every assistance and encouragement to our mining industry. But the revision of the War Profits tax will doubtless help materially in the development of our base metals. We are making discoveries which may be highly profitable. Science is probing for us and helping us. Almost weekly now the train brings us wise men from the East, some of whom are starting new industries in our midst, and if we marry the Spirit of Hope to an unshakable Spirit of Faith in our own potentialities, and wake up some of that spirit of independence and determination under difficulties, which characterised our pioneering forefathers, surely no State can be a richer heritage for a man to call home than Western Australia. Think it, preach it. We may have upon the State at the present time a heavy money mortgage. Let us thank God that owing to the magnificent sacrifices of our Allies and of our own sons, our land is still free from a mortgage of blood. After the war many of the nations will have to be re-made, in order to retrieve possibilities. Here we have a land ready made, full of promise, awaiting development. May we hear, and realise our destinies, when this land of ours cries out to us—

I am the plain, barren since time began,
Throbbing with thoughts of motherhood, when man
In his good time discovers all my charms
And gives me towns, as babies, in my arms.

I beg to move the first item—

His Excellency the Governor, £1,682.

[The Speaker resumed the Chair.]

Progress reported.

BILL—PRISONS ACT AMENDMENT.

Second Reading.

Debate resumed from the 17th September.

Hon. T. WALKER (Kanoona) [8.55]: After the peroration which we have just heard, one does not feel inclined to discuss a subject for which there is no immediate clamour, no cry on the part of the public. I have every sympathy with reforms affecting the welfare of my fellow man, and this is an attempt in the right direction, but I think I am justified in complaining at the very outset of the Minister who is in charge of the measure for giving us very little material to go upon. He furnished us with no facts; he merely gave a detail of what the Bill provided for, which we could have obtained from reading the measure. But the justification for the measure, the real object of it, he failed to deal with in any manner whatever. We are faced with this fact, that we have practically passed through this Chamber another measure dealing with prison reform. What is practically in the Bill now under consideration has been dealt with in the Criminal Code Amendment Bill. This should have been the first measure introduced, if we are to deal with a subject of this kind at the present time, but it has been left until we

have practically pledged ourselves to it by the provisions in another measure, when as yet we have had no adequate explanation of the measure in hand from the Attorney General. The chief factor of the Bill is its provision for indeterminate sentences. We have been discussing indeterminate sentences in this Chamber for the past fortnight; yet this is the very soul and core of the Bill. One would expect in a great provision of that kind we should have heard from the Attorney General some reference to the experiments made in other parts of the world, some reference to authorities who have foreshadowed measures of this kind, and who have given their reasons for them. But there has been no voice whatever on the part of the Attorney General leading us to a proper comprehension of the purpose of this measure. As it stands at present without further explanation, it simply means we are increasing the penal weight upon the community, that is to say, we are increasing the number of crimes and increasing the vindictive punishment for them. I know the Attorney General will tell us that this measure is intended to be a remedial measure and not one of vindictiveness, that it is not one of abhorrence to the criminal, that it is intended to give the criminal, or alleged criminal, a chance to reform and to go back into society. But as it stands there is no guarantee whatever of that. The Bill is merely waste paper, unless what it suggests is accomplished before the Bill is put into operation. First of all we must provide for reformatory prisons; we must build them, establish them and equip them. Now is there upon the Estimates that have been introduced to-night anything that would justify our expectations that one single step is to be taken by the Government to establish and equip these reformatory prisons? What amount of money are the Government going to devote during the ensuing year to the carrying out of this reform? Is this Bill like the South Perth bridges of the Attorney General, altogether in the air, an allurement to the spectator, a mere species of political kite-flying, or are we desperately in earnest in the creation of these institutions? Under the Estimates provided for this year we find exactly the same figure to be expended in the coming year as was expended in the financial year just past. Where, then, is the earnest of the Government in bringing down a measure of this kind? These subjects are too important to be trifled with, because every attempt at reform, every effort put forward that is a failure, is a discouragement to the spirit of reform; instead of helping on humanity it keeps it backward, chills and paralyses it, stops its progress. This is one of the measures of that kind. The Government are merely playing with it, with an important matter affecting the happiness and welfare of our fellow creatures, and holding up this hope which, resulting in despair, creates that nervous and psychological prostration in the community which in itself is the very atmosphere in which vice can generate and flourish. I want the public to know that there is no real earnestness in introducing this measure at the present time. It would appear to me that it is merely used as a stop-gap, as a means of filling in the time by a sort of debating-society, academic

discussion until other measures are in preparedness for the consideration of the Assembly. Let us see what would be required. First of all we must have new institutions if we are to make this work effective. Mere artificial divisions in Fremantle gaol can, in no sense, render Fremantle gaol a reformatory institution. We cannot have cells on one side of a wall and cells on the other side, and call the cells on the east the reformatory prison and those on the west the usual prison; at least we cannot do this with any degree of justice and with any due regard to the purposes we claim to have in hand. Fremantle gaol reeks with the old associations. If there be anything in the idea that the very walls take, as it were, an eternal portrait of what happens near to them, if it be that the very elements of life impress their conditions upon the dead inanimate surroundings, why Fremantle gaol is the very ghost of human suffering, of by-gone agonies and all the wretchedness of our fellow men for years past! Do what we will, we cannot dissociate that place from those memories. It is a very symbol to those who have been unfortunate enough to suffer there, it is in a modified sense the very symbol that the Bastille of France was to the people of the Faubourg St. Antoine at the time of the Revolution, that fortress in which human lives were incarcerated more often unjustly than rightly, that fortress which was the very symbol of all that was horrid to the human mind. And so it is in a modified sense with our gaol at Fremantle. We cannot make it less a gaol by giving it a new christening, by terming one little section of it a reformatory; we cannot the less make of it the old gaol with its old associations, its past memories, its gloomy surroundings and its hopelessness. We cannot take all that away from it, whatever Bills we may bring into existence. And we have no other gaols that would do for the purpose of reformation. We have to establish new institutions. On the discussion on another Bill to-night, Rottneest was suggested as a possible place. But Rottneest is not an ideal spot for such a purpose, and in any case we would have to spend thousands of pounds to fit it as a reformatory. A reformatory does not mean a mere place where we have warders guarding, watching, disciplining all day and all night those in their charge. It does not mean even putting each individual to a particular trade and seeing that he learns it and goes through the daily routine of his work, the employment allotted to him. That is not what is meant by a reformatory prison. To be a reformatory prison there must have been some preliminary study of what human nature comprises, what the elements of sane, social instincts are. Where those instincts are lacking or are departed from or are diseased in the abnormal, it is necessary to look upon the composite nervous and brain system, the emotional qualities of the human being, to study them in their normal activities and, when disease attacks them, to see what the disease is, how it may be cured and so on; to put hope where distrust has hitherto existed in the human heart, to give some self-respect where despair has hitherto ruled, to give an outlook of companionship to a lonely mortal who has hitherto felt that not one

soul in the world had respect for him. Those qualities cannot be generated, those facts cannot be produced in the old prison mill system. They have to be effected by men who have made a study of abnormal, weak, degenerate human nature, men who have spent a lifetime in learning what is to be done, and what is needed, and who have by experience ascertained what is requisite in the way of the application of reformatory principles. None of this is anticipated, not one feature has been outlined by the Attorney General leading us to believe that we are to have institutions where we shall have treatment instead of punishment, care instead of vindictiveness, love instead of all the horrors of the clanging chains and cold flags and miserable darkness of stoney dungeons. Not one word of that have we heard from the Attorney General. No, anything will do. Slice out a bit of Fremantle gaol and call it a reformatory prison and there your work is ended. Send them over to Rottneest on the usual system, warders and workers being the inhabitants there, and you have your reformatory. No further idea than that. In view of this can I believe that those in charge of this measure are in earnest? Then the next and most essential feature after this is the appointment of a board. What kind of a board? Are we to have an offences board, such as we have at present in regulation of our gaols, a board consisting of the superintendent of gaols, the chaplains that officiate there, and the magistrates who visit there? Are we to have a board of that kind to consider reform of the important nature outlined in this measure? Not a word of explanation as to who are to be the board. I submit that if we are to have a board comprised of men of the calibre of those constituting the present board, we might as well tear up the Bill at once. So far as the board is concerned, it is of no value whatever from the prisoners' standpoint, that is, from the reformers' standpoint. Those men who hitherto have managed these affairs have been men accustomed to all the gaol discipline, who have their habits of introducing a sort of stereotyped method of conduct. A bell rings in the morning, the doors open, there is the accustomed walk out; another bell rings, and in they go, and the doors clang to and are shut. Another bell rings and they are trotted out to prayers; and they are trotted back and the bell rings and the door shuts again. That is the method to which those people in our gaols are accustomed. How are we going to produce the brightness of life, the hope of betterment and the aspirations of true manhood out of unfortunates subjected daily to discipline like that? How are we going to reform them? How are we going to fit them to be citizens? And a board of this kind are those who least of all should be put in judgment as to the fitness of those men to commingle once more with their fellow mortals outside, because they are in daily relationship with them. I do not care how much men may try to be impartial, and try to take an isolated and independent view of the conduct and habits of those who are under their command, the very

fact of being in command gives them a prejudiced view of the conduct of these persons, and the slightest offence in the portrayal of their manhood, free from the restraint of authority, becomes to them an insult, a sign of insubordination, and an evidence of their unfitness for moving in the world outside. Anything like insubordination in these institutions, anything that would show a spirit of resentment against insult, even from a warder or from a man in a higher position in gaol authority, is looked upon as a blemish, as a want of manhood, and as a lack of those qualities that fit the prisoner to mingle with the world. The cunning man, though deficient in mental qualities otherwise, though lacking in a higher moral susceptibility otherwise, but who can touch his hat to his superior, bow in reverence to the man who is over him, rush to apparently obey the will and anticipate the wish of his superior, is the man who is coddled, and deemed to be a fit person for release. But the man whose blood curdles at seeing another, that he knows to be intellectually and morally his inferior, having to yield obeisance to an unjust snub or a rude order, who resents and stands upon his manhood, is rated as an undesirable, his conduct is bad, he is rebellious and unfit to face the world again. That is the standard and the test applied by such boards as we have. It only shows with what earnestness this measure is considered by the Attorney General when he is not even listening to such arguments as I may be trying to put forward.

The Attorney General: I never miss much that you say.

Hon. T. WALKER: At all events the Attorney General is not showing his interest.

The Attorney General: I am not interrupting.

Hon. T. WALKER: It is because of his want of courtesy, not to me, but to this House, that I am complaining that he has not told us or given us one hint as to the character of the board that is to be constituted, with such important duties to perform. Let us see what duties they have to perform. First of all they have to make themselves familiar with every prisoner. Everyone who is of a special character is sent to this institution under the indeterminate sentence, either to Fremantle first or direct to a reformatory. His has to be studied by this board. That is not a light work, and no ordinary volunteer board will do the work. It is work which requires very great application of time to begin with, but the element of time is not the only one that is demanded of them, for they must have ability. They must be able to diagnose the cases submitted to them. They must be able to decide what in a particular case is due to heredity and what is due to accident in life, what is due to a man's habits of life, and what is due to deficiencies caused by his unequal struggle for existence in the world. Where are we to get these men? We cannot get them from amongst our gaol officials. They must be an outside body, they are to sit in judgment on the methods and conduct of the gaol officials, and moreover they are to be

capable of organising new methods of treatment.

Mr. Teesdale: They will not be selected from the gaol authorities.

Hon. P. Collier: They are at present.

Hon. T. WALKER: I do not say whether they will be so selected or not, but the Attorney General has not told us from what source they will be selected.

Mr. Teesdale: I would object to that anyhow.

Hon. T. WALKER: I know the hon. member would object and so would everyone else, but we have no guarantee that under this Bill this will not be the case. At present there is a board, and the members of it are the prison authorities. There is a board now dealing with the prisoners, and that board consists of the inspector of prisons (Supt. Hann), the Roman Catholic Chaplain, the Anglican chaplain, a Salvation Army officer—Mr. Fairbairn was, but I think he has resigned—Mr. Dowley, and I believe there is the gaol doctor. All these men are associated with the institution and wrapped up with it, and accustomed to its methods. That is the board as we have it. Are we to have the same board to deal with this new measure?

The Attorney General: No, a different board.

Hon. T. WALKER: What board are we to have?

The Attorney General: I will tell you.

Hon. T. WALKER: We should have been told that before.

The Attorney General: I have already dealt with it.

Hon. T. WALKER: The Attorney General has not told us how this board is to be constituted, or from whence its members are to be drawn. We have had no information on the point. That is what I am complaining about. I have had to discuss this matter in the dark. It is only in reply to me that the Attorney General is able to give new matter, which should have been given on the occasion of the introduction of the Bill. This is the very crux of the measure. If we could get men who have a wide knowledge of manhood, men, in other words, who do not start upon the assumption that all men are born with equal free will to do as they like, and that if people do wrong it is because they want to do wrong, we might have a board that would prove satisfactory. No man is what he is to-day but as a result of his birth, and the influences of his surroundings from his birth to that moment. Every act of our life is the result of causation. Nothing happens in a human being's career but has had sufficient force behind it to produce it, and no man can be different to what he is at this moment under all the circumstances, that is to say, he cannot alter the whole chain of causation. What we are at this moment is the result of all our past, without one single break in the eternal chain of causes linked one upon and within the other. It is necessary to start with that assumption if we are to deal with prisoners. One man is born from a starved mother's womb, starved in his babyhood, and in his struggle for life, born enfeebled and weak,

roundings, born amid damp depressing environments, and he grows up untaught, unfed, and untutored in those finer and more delicate qualities of human nature. He is not capable of judging the finer pathways of life to tread, for he has not the brain capacity and was not born with it. Temptation touches him and he falls, because he has not the strength to resist. No man is a criminal from intention.

Hon. P. Collier: Or design.

Hon. T. WALKER: And desire. Everybody would like to enjoy the respect of his fellows, unless he is so diseased that the respect of others gives an annoyance to him in consequence of his anti-social nature through a perverted nervous system or his inverted moral qualities. We cannot all resist temptation, because we are weak and the temptation is stronger. We therefore fall. There is a saying that, to know all is to forgive all. It is the duty of those who are to constitute this board to know all they can. To send a lunatic to gaol, to flog him, or to whip him by more than the lash, by the sufferings we surround him with, is as inhuman as it was to burn the witches in the time of King James.

The Attorney General: Who does that or suggests it?

Hon. T. WALKER: Who does that? This is the Minister in charge of a Bill of this kind and he says, "Who does that?" We are doing it.

The Attorney General: No.

Hon. T. WALKER: We are sending lunatics to gaol through our Criminal Court.

The Attorney General: Nothing of the kind.

Hon. T. WALKER: The Attorney General knows not. He has not examined the men who are in gaol, these mental deficient. He declares his very ignorance in dealing with a measure of this kind, and yet he is the man in charge of it.

The Attorney General: You referred to lunatics.

Hon. T. WALKER: If it were not hurtful to mention names, I could give instances to the Minister. If he will see me to-morrow morning I will give him the names of men who are at present in the asylum, and they were taken out of gaols. No sooner had they escaped from gaol than they were put into the asylum.

The Attorney General: Quite so.

Hon. T. WALKER: They ought to have been in the asylum in the first instance. It was madness to send them to gaol.

Mr. Hickmott: There are clever and well educated men in the asylum.

Hon. T. WALKER: So there are. There are some, I believe, who ought to be out, and who are quite fit to be out. Once get them into this institution run by local bodies, who have the same tendency as all departments have to magnify the importance of their own little department, and who want their boarding-house everlastingly filled with boarders, and what do we find? The same thing applies there that might apply here, for once we get these indeterminate sentences, run by a board which is purely local and wants to keep the institutions full, and show that

the members are doing their work, and that they have work to do and cannot be dispensed with, we will be faced with the position which I have been pointing out. If the Attorney General will consult with me to-morrow I will give him the names of men who, when they were committed at the Criminal Court for offences, were at the time lunatics. I can give him the absolute demonstration of it by the records since of the men. I am not going to weary the House by quotations of authorities, but it is a well recognised fact that crime and lunacy are on the border line together, on the very border line. Just drop a little over, and you are known to be a lunatic; stop just on the line, and you are supposed to be a criminal. In those families which have bred criminals we have instances of one brother a gaol bird, another in the lunatic asylum, and a sister in the brothel. The three run in close association, having developed out of the same causes. Many a crime of violence has been committed, not because of a free will to commit the crime, but because of a disease in the emotional nature, a weakness of the powers of restraint, and general mental deficiency. That is why the crime is committed. Let hon. members read the work of Dr. Forbes Winslow dealing with his experience in the criminal courts of England, and he will show them more than one instance of cases of absolute lunatics being sent to the scaffold to hang—men absolutely deficient intellectually and morally. Again, the Attorney General must not forget that the law, and particularly the criminal law, is extremely backward in adopting any adequate test for insanity. We have only one test in the law, as the Attorney General knows, for the sanity of a man—does he know what is right and what is wrong; does he know; has he the mere memory, the cognisance of the fact that one thing is called right and the other called wrong? If he has that which a dog may have, which the child of undeveloped years may have, that which is the lowest form of intellectual development, then he is responsible for his conduct. The whole theory of responsibility of conduct rests upon mere knowledge, knowing right from wrong; that is, what is called right from what is called wrong. On that knowledge a man may be hanged, whereas every man of the world knows that responsibility lies far deeper. Responsibility depends upon the power to do or not to do, not upon the power to know or not to know. There is where the root of responsibility is, in the power to do and the power not to do. That is ignored by the law, or almost ignored. As a real test it is ignored. I admit that in the consideration of sentences very often a man's weakness, and a man's temptations, and a man's provocations, are considered; and that there is just beginning to be a glimpse—and it is modern, quite modern, belonging to a time almost within our own memory—a glimpse of that perception of influence which determines conduct that was entirely ignored in the old criminal law. But we must go deeper than that; that criminal test must be abolished. It must be no longer, to know or not to know, to have the knowledge of what is right, and what is wrong; but the test must be, could that man, with his organisation, in the midst

of those temptations and impulses, resist doing that thing?

The Attorney General: That is quite outside the scope of this Bill, you know.

Hon. T. WALKER: Again, the Attorney General shows, by his interruption, that he does not grip what the essential reforms of this country should be.

The Attorney General: I want to keep you to the Bill, that is all.

Hon. T. WALKER: I am keeping to the Bill, and I am saying that the board must have these principles in their minds.

The Attorney General: So they will.

Hon. T. WALKER: Then that is right. But the Attorney General absolutely shows his unfitness, his absolute unfitness, to have charge of a measure of this importance to the community. It is a travesty of reform to put these measures through for kite flying purposes, without having adequately considered their true import. This is a measure which affects the well-being not only of the unfortunates now in gaol, or who may get there within the next few years, but of future generations; for we can create criminals by our treatment of the unfortunate. We can so pile up the sense of resentment against the ferocity of authority that in every heart there is a sort of rebellious, anti-social instinct that will upset the order of things; and we can intensify that feeling by ignorantly dealing with matters of this grave importance. Before we can deal with a measure of this description, we must have men qualified by years of study, reading, and experience. We have not got them in the State. Where are we to get them from?

Mr. Teesdale: That is pretty rough on the State.

Mr. Jones: What about Mr. Lovekin?

Mr. Pickering: Are not we to do anything until we get them?

Hon. T. WALKER: We are not to do anything wrong, or stupid, or foolish. It makes my blood curdle to realise that measures of this importance are discussed in a House of men absolutely ignorant so far as this subject is concerned, men who have never spent six months of their lives in seriously trying to understand the causes of vice and crime, or the cure of the same.

Hon. P. Collier: Not six hours.

Hon. T. WALKER: And those men presume to interrupt and to sneer. We must not play with these things. We are playing with them, playing with human society, with the future, tampering with what is vital, and with what concerns the well-being of generations to come. We have our difficulties. In the first place we cannot at present obtain men to take charge of the administration of such a measure as this. I should never be one to vote for this measure if I thought we were to have, under it, a voluntary board of some of those fanatics who are to be found in every community here and there, killing time by heading charitable movements.

Mr. Jones: Some of them are sexual maniacs.

Hon. T. WALKER: I refer to fanatics who have a desire to wear the crown of philanthropy, posing before their fellow men as great benefactors but who are absolutely de-

void of the first requisites of a work of such importance as this.

Hon. P. Collier: Does not that fit Lovekin?

Hon. T. WALKER: This is not work for the men of good impulses who think they are reforming the world when they carry a bowl of hot soup to a starving prisoner. It is not men of that kind who are going to do this work, but men who have studied carefully what changes can be effected in nervous structure, and in the whole bodily organisation, by heredity, disease, and environment. We have not got those men at the present time. And yet these measures are to be carried on! Prisoners are to become the playthings of the community, a sort of toy to a certain idle section of the community who are to visit them and pamper them and praise them and every now and then make a spasmodic fuss of some one or other of them. The work of actual reform, of reaching the dead heart and rousing it to life—of that work they know nothing. And neither does the Attorney General know what to do. He could not to-night tell the House what is requisite for these reforms.

Mr. Teesdale: The position is hopeless, then, if you will not let a start be made.

Hon. T. WALKER: I want a start to be made, but I want it to be made on good grounds, with sense behind it; not as an advertisement; not as a stop gap, until the Repatriation Bill is ready.

Mr. Teesdale: You say we have not men capable of sitting on the board. What is to be done?

Hon. T. WALKER: Get them. But here are the Estimates for the current year, and there is not a shilling on them for that purpose. Where is the Government's earnestness? There is no earnestness about them. It makes me wild to think that human suffering, human weakness, human degeneration, human imperfection, can be played with in this fashion, filling up a gap in the debate, and with so little conception of what is needed for the weak, ailing, and crippled, morally and intellectually, of the human family.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning—in reply) [9.42]: I was hoping that this measure would be debated by someone other than the member for Kanowna (Hon. T. Walker), who unquestionably has devoted a large part of his life to the study of this subject, and is perhaps as well qualified to discuss it as any other man in Australia. But the unfortunate part of it is that the hon. member's studies have been so prolonged as to lead him to think that no one else in Western Australia has given a thought to the subject. Therefore, when he comes to discuss it, he speaks of those who are making an honest attempt, as engaged in kite-flying, or filling in time. Such a sneer should be beneath the dignity of an honourable member who has studied the subject as the member for Kanowna has done.

Mr. Jones: By their fruits shall ye know them.

The ATTORNEY GENERAL: The suggestion has been made that this Bill is brought before the House as a stop-gap, while the Premier is thinking out his Repatriation Bill. But this Bill was on the records of the House

last session. If the other arguments of the member for Kanowna are of no greater value than this one, then all his criminal studies avail him little to know the human person. The Bill is put forward as, and has been admitted by the leader of the Opposition, who can look at the thing with a much broader view than his colleague, to be an honest attempt by those responsible for the administration of the prison life of this country, to achieve reform. Reform not on the lines that we are to spend hundreds of thousands of pounds in new institutions, to house and to teach these people who are unfortunate, but reform with such means as we have at our command, in the making of a start on the road of amelioration.

Hon. W. C. Angwin: A reform in the way of keeping people in gaol all their lives for a trivial offence.

The ATTORNEY GENERAL: The hope is that as the years go on and the idea of reform develops, means will be found to create those institutions which alone can give the fullest effect to the reforms we have in mind. But because we have not £100,000 to-day to devote to the erection of such an institution, are we to continue to herd men who are not insane but perhaps mentally afflicted; or who do not deserve to be herded with common criminals, are we to continue to do that if we can find other means of getting over the difficulty? I do not care how small the means, the House welcomes the introduction of a Bill that advocates that principle, and I am glad that is the tone adopted by the leader of the Opposition. The member for Kanowna has said that I have not brought down a sum of money on the Estimates, but I am assured by the officers of the Colonial Secretary's Department that they can commence the administration of the Bill and the reform indicated without extra cost to the community within the next year.

Hon. W. C. Angwin: By keeping them within the gaol.

The ATTORNEY GENERAL: I will give the House the assurance, despite the remarks of the member for Fremantle, that the Colonial Secretary's Department in reply to my repeated questions, assure me that it is just as easy and cheap to treat men on the reformatory side as on the criminal side. It is already foreshadowed in the memorandum from the Comptroller of Prisons which I read this afternoon, that the island of Rottnest itself is thought of where a beginning might be made, and I do not know of any place in Western Australia that might be suggested where an experiment of that sort could be tried under better conditions.

Hon. P. Collier: That is so, if the island was not used for holiday purposes.

The ATTORNEY GENERAL: Probably I do not know the island as well as the hon. member. I have raised that very question to the present authorities, and they have repeated their assurance to me that the quarters that could be set apart for this particular purpose are quite isolated from other parts of the island.

Hon. W. C. Angwin: Have you seen the gaol they have there?

The ATTORNEY GENERAL: I can only tell the hon. member what I have been told by the officers of the Colonial Secretary's Department, that it is quite good enough to make a start with. As the leader of the Opposition said, there are many places in Western Australia where this reform can be carried on and where such institutions as gaols are not necessary. I do not want to indicate the ideas I have in mind at this moment, but it must be apparent to anyone who thinks that the treatment of those men sent to our reformatory side will not be the treatment in the future. If we use that cry the worst that can happen to us is that we fail. I do not care if we do, provided the attempt is honest and on the road of social reform. But because it is not going to cost a mint of money, is it to be despised by hon. members who have made a study of criminology? I have yet to learn that it costs more to be civil than to be uncivil, to be rude than to be polite, to treat a man humanely or to treat him brutally. The cost is the same, it is the motive, the mind that is behind it all. Anyone who has studied criminology and failed to recognise that as the first principle of human life, is not capable of giving an opinion about how to treat prisoners. I quite agree with the members for North-East Fremantle and Kanowna when they say that to start a reform or a reformatory in Fremantle gaol itself, where every stone appeals to the days that are gone, is difficult. I understand probably knowing the police authorities there, that it is not proposed to do more in the Fremantle gaol than is necessary in the circumstances. But if I cannot find any other place and am driven to use the Fremantle gaol, why cannot the reform be started there? If the reform can be started elsewhere, then elsewhere will have the preference. The object of the Bill and the object of the indeterminate portions of the Criminal Code must go hand in hand, and it is to substitute treatment for punishment. Did I not spend an hour at least this afternoon in an argument in this House in trying to persuade members that the term of the indeterminate sentence is not meant as punishment at all, but treatment. And yet the member for Kanowna comes and trots this out as if he had discovered something new—love, instead of hatred. It is remarks such as the member for Kanowna has made that encourage hatred. When a man cannot discuss a matter of this sort, which has nothing to do with politics and only relates to the social life of the community, without a personal attack on me, or without jumping on the member for Sussex—well, we cannot have discussions with that kind of conduct. Are we to look to such men as leaders of reform, who cannot control themselves on the floor of this House. When I come to deal with the clauses in reference to the board, and explain in Committee what is in my mind, the House will have the information that it did not have on the second reading, for I purposely made the second reading speech on the Bill short, because the Bill speaks for itself. It is quite obvious that to encompass the reforms which I have in mind I could not do it if I appointed

mantle, or the chaplain of the gaol to be members of the board. It would undo the very thing I set out to do. They are not the people to do it. Not that those men have not enough full human sympathy in them or that they have been soured in their contact with criminals. I know no one in Western Australia who is more in favour of this class of reform than the superintendent of the Fremantle gaol.

Hon. W. C. Angwin: He has had every opportunity for reform during the last six years.

The ATTORNEY GENERAL: All the same I do not propose to put him on the board. I have in mind many people, but I have not in mind those who treat it as a fad, those who dive just below the summer surface of the skin of reform. They are not the people to put on the board, neither are those mentioned by the member for Kanowna. But I want to find those whom from a genuine love of reform and a love of the subject, from their uprightness of character, and broadness of outlook, and if I may say so, lack of partisanship, who can be found, and they can be found in Western Australia, that is the type of man or woman I want to see on the board.

Mr. Jones: Who is to examine to see if they have those qualities?

The ATTORNEY GENERAL: The board will consist of three members appointed by the Governor, and the Governor means the Governor-in-Council. Ministers will have the recommendation of those members.

Mr. Jones: That means you.

The ATTORNEY GENERAL: It does not mean me; I do not administer the Act. I am only introducing the Bill in this House. That shows how little the hon. member knows. This Bill is being administered, and will be administered under the Colonial Secretary's Department and not in mine.

Mr. Jones: But you are the reformer in this.

The ATTORNEY GENERAL: No, I am not; I am aiding the reform. The reform comes from the other side of the establishment. I am helping it with all my heart, and I am putting it before the House to the best of my ability. I have looked to members like the member for Fremantle, to be one of the first to support even the small measure of reform on the lines I have indicated.

Hon. W. C. Angwin: Not such reform as making a man a ticket-of-leave man all his life.

Mr. Jones: I do not look on it as a reform.

The ATTORNEY GENERAL: This Bill, which is dealing with prisons, makes more liberal the present law of prison procedure, which is a vastly different thing from legal procedure. If I wished I could not introduce into a Bill of this character any word or thought that would limit it in Acts which are known in the courts as the law of procedure affecting the plea of insanity. That would be out of place, but it has been brought into this debate. I point that out because the member for Kanowna says it is my ignorance.

Hon. T. Walker: I do. It is a reform which could be put into legal language in this Bill

The ATTORNEY GENERAL: It would be the last Bill in the world that the judges of the courts would look to for the rules of interpretation.

Hon. T. Walker: What about the criminal law?

The ATTORNEY GENERAL: We are not discussing the criminal law, but the Prisons Bill. However, there is the Bill for good or bad. An attempt is made by the Government to improve the conditions of prisoners, and I admit that in every case when we are on the road of reform—and one of the clauses which I think the member for Bunbury took exception to this afternoon, would have shown the very words that the member for Kanowna used—heredity, disease, environment, were in our minds, and whilst of course the board would take those into consideration, we had actually gone out of our way to provide that mental condition, antecedents, surrounding circumstances, physical condition, environment, will be taken into consideration by the judge himself, when the subject before him is a fit subject for the type of sentence.

Hon. W. C. Angwin: Can you tell us why you put the whole Bill into one clause?

The ATTORNEY GENERAL: I did not draft the Bill; it was drafted by the Crown Solicitor, Dr. Stowe, and it is remarkably good drafting.

Hon. W. C. Angwin: The whole thing is contained in Clause 3.

The ATTORNEY GENERAL: It is an amendment of the Prisons Bill and the clause contains the various sections, which in the or-

dinary way, would appear as sections in the Prisons Act. I agree with the hon. member that it would have been preferable to have brought down a new Prisons Bill altogether, repealing such parts as we wanted to use and drafting on to it new principles so that hon. members would then have one Bill. As a matter of fact, I would like to see all Bills drafted in that manner. I came to the conclusion in connection with this Bill, however, that it would be better to submit it in the form in which hon. members have it before them as it was new, and it was something that had to be experimented with. The lines on which it will best work are not altogether known. We have to take advantage of the knowledge of those who have made research and we have to take the benefit of the experience of others, and so I am sure if this line of conduct is carried out, we will see further amendments and possibly later on a consolidation of the law. I commend the Bill to hon. members.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Munsie in the Chair; the Attorney General in charge of the Bill.

(Clauses 1, 2—agreed to.

[The Speaker resumed the Chair.]

Progress reported.

House adjourned at 10.5 p.m.

[Return No. 2—continued]

DOMESTIC EXPENDITURE FOR YEAR 1918-19 (included in above)—

	£	£
Aborigines	18,059	
Gaols	20,135	
Lunacy and Inebriates	63,158	
Medical and Public Health and Charities	157,361	
State Children	69,002	
Police	127,193	
Education	368,454	
		823,362

[Return No. 3.]

Business Undertakings.

Items.	Estimated 1918-19.		Balance.	
	Receipts.	Payments.	Dr.	Cr.
	£	£	£	£
Avondale and Harvey Estates ...	4,400	3,810	...	590
Bunbury Harbour Board	6,000	...	...	6,000
Fremantle Harbour Trust	90,000	...	...	90,000
Royal Mint	30,000	22,500	...	7,500
State Batteries	63,370	72,210	8,840	...
Albany Cold Stores	1,350	1,117	...	233
Aborigines Cattle Station	6,000	5,407	...	593
Dairy Farm (Claremont)	2,900	3,296	396	...
Government Refrigerating Works ...	3,800	3,635	...	165
Kalgoorlie Abattoirs	4,950	3,471	...	1,479
Metropolitan Abattoirs, etc.	15,650	10,000	...	5,650
Perth City Markets	1,750	975	...	775
Yandanooka Estate	13,550	12,400	...	1,150
Bacon and Butter Factories	18,990	18,625	...	365
Recoup of Departmental Expenses, Interest, etc.	44,000	...	...	44,000
Tourist Resorts, Caves House, etc. ...	6,000	6,500	500	...
Wool Classing	1,225	1,225	...	...
	£313,935	165,171	9,736	158,500
Net Surplus ... ..	...	...	...	£148,764
Railways	1,860,000	1,503,344	...	356,656
Tramways	155,000	110,870	...	44,130
Water Supply and Sewerage	365,000	229,254	...	135,746
Electric Power Works	49,000	28,201	...	20,799
	£2,429,000	1,871,669	...	557,331

[Return No. 4.]

Loan Authorisations and Flotations.

							£	£
Authorisations to 30th June, 1917	...	...	...	...	...	...	44,290,173	
Do. for 1917-18	...	...	...	...	...	...	<i>Nil</i>	
Total Authorisations								44,290,173
<i>Flotations—</i>								
General Loans	...	...	...	...	...	...	27,078,253	
Local Debentures	...	...	...	...	...	...	1,059,810	
Local Inscribed Stock	...	...	...	...	...	...	7,641,298	
Treasury Bills	...	...	...	...	...	...	a 5,182,240	
Commonwealth Advances	...	...	...	...	...	...	635,000	
Treasury Bonds	...	...	...	...	...	...	1,467,575	
								43,064,176
Balance available for Flotation								1,225,997
<i>Actual Loan Indebtedness—</i>								
Gross Debt on 30th June, 1917	...	...	...	...	...	...	40,914,826	
<i>Flotation during year—</i>								
Local Treasury Bills	...	...	...	...	...	...	a 378,940	
Local Debentures	...	...	...	...	...	...	b 697,000	
Commonwealth Advances	...	...	...	...	...	...	635,000	
Treasury Bonds	...	...	...	...	...	...	c 1,467,575	
							44,093,341	
Less "Commonwealth Advances" in previous year							1,719,000	
								42,374,341
<i>Less Redemptions—</i>								
Bonds Loans, 1878, 1881-4	...	...	...	...	...	...	12,300	
Treasury Bills	...	...	...	...	...	...	58,040	
								70,340
								42,304,001
<i>Less—</i>								
Sinking Fund (as on 31st March)	...	...	...	...	...	...		5,581,298
Net Indebtedness, 30th June, 1918								36,722,703

a £350,000 of this sum was included in previous year under "Commonwealth Advances."

b £879,000 do. do. do.

c £690,000 do. do. do.

						£	s.	d.
Net Public Debt per head of population on 30th June, 1918	...	...	...	...	...	117	17	0
Do. do. do. do. 1917	...	...	...	...	...	116	5	5
Do. do. do. do. 1916	...	...	...	...	...	109	19	9
Do. do. do. do. 1915	...	...	...	...	...	101	12	10
Do. do. do. do. 1914	...	...	...	...	...	94	4	11
Do. do. do. do. 1913	...	...	...	...	...	85	17	2

[Return No. 5.]

Loan Expenditure for 1917-18, compared with previous years.

Undertakings.	1917-18.	1916-17.	1915-16.	1914-15.	1913-14.	1912-13.	1911-12.
	£	£	£	£	£	£	£
Railways, including Land Re-sumption	181,394	246,994	350,855	520,344	1,080,910	1,406,602	1,320,309
Tramways—Perth Electric...	3,073	29,445	33,528	22,909	16,028	497,389	...
Electric Power Station ...	23,508	61,033	63,170	149,865	69,648	...	...
Fremantle Harbour Works ...	42,449	49,004	53,704	106,055	66,142	77,379	35,813
Fremantle Dock and Slip ...	...	...	14	1,291	1,868	11,330	80,842
Harbours and Rivers gener-ally	42,485	72,854	55,510	58,014	21,860	61,790	69,109
Sewerage—Perth and Fre-mantle	15,167	11,059	47,268	120,473	140,582	160,931	93,572
Water Supply	53,080	65,426	118,275	127,669	191,528	234,184	31,417
Development of Goldfields ...	10,661	19,829	19,142	47,263	50,659	78,143	92,345
State Smelter, Ravensthorpe	...	...	78,967	60,000	...	...	...
Development of Agriculture	156,083	169,493	165,727	79,271	156,752	155,432	362,406
Assistance to Settlers ...	478,170	...	199,890	602,110	...	...	...
Immigration	1,107	2,352	4,640	16,665	56,218	63,447	96,805
Steamships ... ..	...	409	141,065	...	5,907	100,000	...
Workers' Homes—Working Capital	...	...	...	97,500	278,000	150,000	...
Saw Mills ... ..	...	214	511	29,069	126,416	43,691	...
State Hotels	117	589	10,000	6,646	17,091	17,580	...
Agricultural Bank—Working Capital	25,000	93,165	172,335	271,612	506,638	259,808	...
Agricultural Implement Wks.	...	1,292	4,627	18,436	43,070	...	...
Brickyards	20	...	547	11,607	13,710	1,121	...
Ferries ... ..	...	...	...	5,974	2,000	4,993	...
State Fish Supply ... ..	...	131	3,031	...	...	...	...
Public Buildings	17,536	23,350	40,661	81,004	44,166	38,699	91,707
Roads and Bridges	2,473	2,557	6,152	5,026	6,167	37,818	23,106
Perth-Fremantle Road Re-instatement	20	839	7,663	21,198	...	...	...
Purchase of Plant and Stock (Suspense Account)	...	...	...	55,000	...	...	...
Fremantle Road and Railway Bridge	108	2,482	4,622	1,582	...	...	...
Sundries	1,729	2,676	2,738	5,225	17,652	8,881	12,121
Totals	1,054,178	855,183	1,584,642	2,521,808	2,913,010	3,409,218	2,309,552
Loan Expenditure per head of mean population	£3 8 2	£2 15 1	£4 19 3	£7 15 8	£9 1 8	£10 17 6	£7 16 11

[Return No. 6.]

Loan Flotations, Debt, and Expenditure on 30th June, 1918.

Works and Services.	Flotations.	Actual Indebtedness on Works.	Actual Cash spent.
	£	£	£
Railways and Tramways (including Electric Power Station)	19,373,425	18,995,966	18,180,085
Harbours and Rivers	3,873,722	3,816,109	3,641,396
Goldfields Water Scheme	2,903,078	2,901,828	2,689,824
Water Supply Generally	1,532,971	1,532,403	1,094,043
Sewerage	1,270,604	1,270,604	1,101,362
Erection of State Batteries	304,457	304,457	275,040
Development of Goldfields	1,537,158	1,519,532	1,452,939
Development of Agriculture	3,663,818	3,661,055	4,092,886
Telegraphs	276,721	229,208	269,308
Roads and Bridges	487,837	463,338	361,583
Public Buildings	860,423	853,040	797,063
Immigration	63,314	62,752	a 56,392
Workers' Homes—Working Capital	553,244	553,244	525,500
State Hotels	57,842	57,842	51,923
State Steamships	252,541	252,542	247,381
State Saw Mills	203,436	203,436	199,900
Agricultural Bank	1,547,761	1,547,761	1,328,558
State Implement Works	82,216	82,216	80,069
South Perth Ferries	13,375	13,375	12,967
State Milk Supply	4,590	4,590	4,496
State Brickyards	26,501	26,501	26,905
State Quarries	4,217	4,217	4,174
State Fish Supply	3,089	3,089	3,162
Crawley and Dalkeith Estates, Aborigines Stations, Savoy House, and purchase of Land at Nedlands	98,559	98,559	97,931
Stores and Stock Suspense Accounts	114,469	114,469	55,000
Miscellaneous	63,312	63,293	65,007
	39,172,680	38,635,426	36,715,494
Commonwealth Advances (Unallocated)	635,000	635,000	
	39,807,680	39,270,426	
Redemptions ... ..	...	537,254	
Cost of Raising ... ..	...	...	1,534,102
Unexpended Balance ... ..	...	...	1,558,084
	39,807,680	39,807,680	39,807,680

a An additional amount of £337,053 was expended upon Agricultural Immigration from Development of Agriculture.

Reconciliation with Public Debt (Return No. 5.)

	£
Indebtedness as above	39,270,426
Local Inscribed Stock, issued under Agricultural Bank Act, for conversion of Mortgage Bonds	1,566,000
Issues under Treasury Bonds Deficiency Act	1,467,575
Gross Public Debt	£42,304,001

[Return No. 7.]

Public Debt and Sinking Funds.

Loan.			Sinking Fund.		Remarks.	
Year.	Amount.	Maturity.	Rate per cent.	Accumulation.		
LOANS CARRYING SINK- ING FUNDS.						
Inscribed Stock.						
	£			£ s. d.		
1899-1915...	998,353	1934	1	528,673 14 8	G.S.R. Purchase. Coolgardie Water Scheme.	
1896 ...	1,500,000	1935	1	423,747 5 1		
1897-1900...	3,500,000	1935	1	860,866 16 3		
1897 ...	1,100,000	1936	1½	552,827 12 6		
1896 ...	2,500,000	1927	3	1,737,193 2 8		
1900-1902...	680,000	1935	1	122,798 11 6		
1902-1905...	2,600,000	1935	1	425,187 12 11		
1907-1908...	2,000,000	1947	1	173,738 1 0		
1909 ...	1,445,000	1955	½	38,954 11 8		
1910 ...	1,342,000	1955	½	27,861 0 9		
1911 ...	1,650,000	1955	½	82,338 8 9		
Issued for redemption on £1,876,000 stock: balance taken from Sinking Fund.						
1912 ...	1,000,000	1960	½	11,437 6 8	Sinking Fund represents pre- miums paid on Assurance Policy for redemption of prin- cipal.	
1913 ...	4,000,000	1962	½	14,421 4 11		
1916 ...	140,000	1936	3½	10,447 10 0		
Local Inscribed Stock.						
1903 ...	556,550	1923	1½	118,367 8 11		
1904 ...	322,470	1924	1½	62,528 3 6		
1911 ...	1,922,305	1926	½	286,470 17 6		
1912 ...	1,380,540	1932	½	5,270 17 2		
1914 ...	144,735	1934	½	22,813 10 1		
1915 ...	78,185	1935	1½	7,062 14 4		
1913 ...	716,708	1933	½	895 14 11		
Debentures.						
1872-1888...	93,300	...	1	2,947 10 7		Redeemable by Annual Draw- ings.
1917 ...	116,710	1921	} ½	32,688 5 10		{ Debentures issued for redemp- tion of Local Inscribed Stock.
1918 ...	133,290	1927		31,760 6 5		
1904 ...	246,100	1924				
	30,166,246					
BALANCE OF DEBT.						
Various ...	12,137,755	Various	Consisting of Inscribed Stock (£4,289,230 a), Debentures (£563,710), and Treasury Bonds (£1,467,575), for which Sinking Funds have not commenced, Treasury Bills (£5,182,240) which carry no Sinking Funds, and Commonwealth Advances against Loan since issued in London (£635,000).	
Total Debt	42,304,001	Accrued Fund	Sinking	£5,581,298 8 7		
Previous year's totals	£40,914,826	...	...	£5,041,160 16 7
Increase on year ...	£1,389,175			£540,137 12 0		

a The accumulated Sinking Fund in this Return is made up to 31st March, 1918, being the latest figures received from London; since that date the first contributions have been made

[Return No. 8.]

Trade, Production, Population, Etc.

	1909-10.	1910-11.	1911-12.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.
Railway Revenue	£1,649,397	£1,858,914	£1,898,679	£2,047,823	¶£2,382,022	¶£2,163,790	¶£2,217,250	¶£2,004,148	¶£1,970,333
Railway Mileage	2,145	2,376	2,598	2,854	2,987	3,332	3,332	3,425	3,491
Wool produced (exported) ...	£969,904	£1,047,456	£1,008,858	£964,938	£907,383	£817,630	£1,273,183	£1,420,291	g£241,515
*Wheat produced (bushels) ...	5,802,568	5,897,540	4,358,904	9,183,594	13,331,350	2,624,190	18,236,353	16,103,216	9,303,787
*Hay produced (tons)	195,182	178,891	289,695	255,751	278,585	156,932	395,172	236,989	267,163
Gold produced	£6,553,314	£6,003,789	£5,634,004	£5,493,072	£5,478,932	£5,195,732	£4,803,206	£4,361,698	£3,924,197
Timber produced (exported) ...	£907,702	£932,800	£1,001,593	£965,308	£1,142,280	£808,392	£442,014	a£310,893	g £219,806
Coal produced	£114,487	£104,016	£121,109	£150,184	£153,374	£137,575	£140,388	£182,852	£192,248
Other Minerals (exported) ...	£323,471	£156,277	£150,490	£195,764	£216,819	£169,094	£155,213	b	b
†Number of Sheep	4,731,737	5,158,516	5,411,542	4,596,958	4,421,375	4,456,186	4,803,850	5,529,960	6,384,191
†Number of Cattle	793,217	825,040	843,638	806,294	834,265	863,835	821,048	863,930	957,086
†Number of Horses	125,315	134,114	140,277	147,629	156,838	161,625	163,006	169,730	178,151
Area of land selected (acres) ...	1,904,780	1,922,112	1,973,565	1,408,108	998,851	502,551	308,590	235,640	547,583
Area of land leased (acres) ...	10,330,373	9,314,310	11,595,445	21,170,037	8,622,488	7,855,984	8,175,594	9,845,516	20,383,357
‡Area of land for cultivation ...	4,885,607	5,309,832	5,650,628	6,717,226	7,320,533	7,548,768	8,056,374	7,822,549	a 7,588,465
*Area of land under crop (acres)	722,086	855,024	1,072,653	1,199,991	1,537,923	1,867,547	2,189,456	2,004,944	a 1,680,417
Tonnage Shipping, Inwards ...	2,279,852	2,408,803	2,597,156	2,767,276	3,381,304	2,366,865	2,491,537	2,548,339	1,078,313
Tonnage Shipping, Outwards ...	2,271,879	2,419,078	2,615,952	2,755,500	3,375,282	2,794,822	2,492,875	2,557,986	1,088,841
Exports, including Gold	£8,576,659	£8,177,272	£10,443,570	£8,846,039	£10,415,095	£5,352,140	£8,040,484	d	d
Exports, excluding Gold	£3,530,560	£3,752,783	£3,300,473	£4,549,126	£5,429,954	£3,062,276	£4,795,057	£5,562,966	ag£1,720,212
Imports	£6,932,731	£8,450,855	£9,283,722	£9,589,745	£9,727,473	£8,301,280	£,983,0000	£9,382,210	£7,617,616
Savings Bank's Deposits	£2,400,099	£3,170,345	£3,504,626	£3,716,184	£4,551,872	£3,743,135	£3,640,874	£3,523,852	£3,606,153
Savings Bank's withdrawals ...	£2,070,776	£2,667,377	£3,316,113	£3,684,046	£4,600,884	£3,878,854	£3,828,187	£3,471,959	£3,546,514
Excess of Arrivals over Departures	3,487	11,632	9,418	6,852	3,851	c 7,752	c 13,280	c 11,469	c 1,629
§. Population	271,162	287,826	302,341	313,940	323,952	322,526	314,687	308,530	311,590

* Season ended 28th February.

† Year ended 31st December.

‡ Area cropped, cleared, fallowed, ringbarked, etc.

§ As on 30th June. ¶ Including Perth Tramways.

a Preliminary figures, liable to revision.

b Information withdrawn from publication at the request of the Customs Department.

c. Excess of Departures over arrivals.

d. The value of gold exported is not at present available for publication, and is not included in the Exports.

e. Not including School Savings Bank.

g. Excluding Overseas Exports for the ten months ended 30th June, which are not yet made available for publication.