terrible hardships they endured. On seeing the immense waste of country, one can imagine the feelings of these men going out into back parts with very little hope of obtaining water. I think the work done by them is very worthy of record; and it would be invidious to mention names, but we should mark our sense of gratitude to those who helped this industry in its early years. With regard to the Bill, as I said at the start it can be dealt with altogether outside of party politics, since it deals entirely with the industry that keeps the farmer, the agriculturist, the pastoralist, and the metropolis going, and all the industries of Western Australia moving. We do not want to give way or pander to any section of the community, but we want to try and formulate an Act which will do everything possible for the purpose of exploiting—a word which I hardly like to use, I would rather say for the purpose of using the great mineral deposits of Western Australia for the many advantages of the State itself. I move the second reading.

MR. R. HASTIE (Kanowna) moved that the debate be adjourned till the next Tuesday.

MR. F. ILLINGWORTH (Cue): I suggest a longer time, perhaps two weeks. This Bill should go through the country first.

THE MINISTER FOR MINES: I have no objection to a longer postponement, especially before the Committee stage. There are members, however, who want to go on with the second reading. I will not press the Committee stage until we can send the Bill before the miners' associations and chambers of mines, and to all the mining centres; but if we can get through the second reading, I would be prepared to go on with the Committee stage as soon as we feel sure that the outside public have a thorough grasp of the Bill.

Motion passed, and the debate adjourned.

ADJOURNMENT.

The House adjourned at 10·38 o'clock, until the next day.

Legislative Assembly,

Thursday, 27th August, 1903.

THE SPEAKER took the Chair at 4·30 o'clock, p.m.

PRAYERS.

ELECTION RETURN, NORTH FREMANTLE.

The SPEAKER announced the return of writ issued for election to the seat for North Fremantle, vacant by the resignation of Mr. D. J. Doherty; and that Mr. J. M. Ferguson had been duly elected.

MR. FERGUSON, having been introduced, took the oath and subscribed the roll.

QUESTION—ABATTOIRS, STATE MANAGEMENT.

MR. WALLACE asked the Minister for Lands: 1, Whether it is the intention of the Government to erect State abattoirs. 2, If so, when the erection will be commenced, and where will they be situated. 3, Whether it is intended to confine the slaughtering of all animals for future consumption within the metropolitan area of Fremantle, Perth, and Guildford to the abattoirs.

THE MINISTER FOR LANDS replied: 1, Yes. 2, Immediately, at Owen's Anchorage and the Eastern Goldfields. 3, Yes; as far as reasonable.

LEAVE OF ABSENCE.

On motion by MR. MORAN, leave of absence for one fortnight granted to the member for the Moore (Dr. O'Connor), on the ground of urgent private business.

CONSTITUTION ACT AMENDMENT BILL.

RECOMMITTAL.

Resumed from the previous day.

MR. HARPER in the Chair; the PREMIER in charge of the Bill.

Clause 61 (resumed)—Amount payable out of Consolidated Revenue Fund:

MR. PIGOTT moved as an amendment,

That the word "seventeen" (£17,000) be inserted in lieu of the words "thirty-one" struck out.

In view of what he had previously said in objecting to the total amount payable, the effect of this amendment would be to strike out the £13,200 provided as payment for the 66 members of Parliament proposed in the Bill. The member for Mount Magnet had remarked on his motive for moving such an amendment, and had said that, while he was doing so, he was praying to God that the amendment would not be carried; but later on the hon. member contradicted that statement by saying, in effect, that the mover was in earnest, and that his reason for moving as he had done was to shut out from the Assembly the members of the Labour party. The hon. member's speech need not be criticised any farther. He could assure the House that he was entirely in earnest in his opinion on the system of payment of members. On account of the criticisms and personal attack made upon him, he desired to say once for all that his true reason for moving as he had was that he did not believe in the system of payment of members for the very reason that it brought corruption into the Assembly. No member of the Assembly who had gone through the sittings for the last two and a-half years could do other than admit that he was right. He did not want at present to go into details; that might be necessary at some future time.

MR. DIAMOND: The hon. member dared not.

MR. PIGOTT: The hon. member wished to draw him; but he wished hon. members to consider what had occurred in the House some little time back, when the House was convulsed by a crisis which had been overcome only by special means taken. Members would admit that, had there been no payment of members at that time, the House would have been dissolved.

THE PREMIER: What was the hon. member alluding to?

MR. PIGOTT: Alluding to the time when the Leake Government were out of power, when the Piesse Ministry could not be formed, when the Morgans Ministry were defeated, and when the Leake Ministry came back to office. The Committee would give him credit for bringing forward a motion about which he was in earnest.

MR. HASTIE: Would the hon. member explain the corruption?

MR. PIGOTT: The time would come when he would have an opportunity of explaining it before the public.

MR. DIAMOND: The hon. member should let them have it now.

MR. JACOBY: The member for South Fremantle knew.

MR. DIAMOND: The member for South Fremantle did not know.

MR. PIGOTT: Having said sufficient on that matter at the present time, members might draw what inference they liked from his speech. He was not going to be drawn into personalities, and he hoped he would never be drawn into them. [MEMBER: Why make the allusions?] The allusions he made were understood by every member of the House, and if the cap fitted any particular member, that member might wear it.

MR. REID: Let the hon. member put it on himself.

MR. PIGOTT: In order that we might get an opinion on this matter he had moved the amendment.

THE PREMIER: The hon. member proposed to cut out all members' salaries?

MR. PIGOTT: The amendment would do away with the £200 a year, leaving in the Ministerial salaries.

THE PREMIER: If the amendment went to the vote, the Committee could divide on the question whether there should or should not be payment of members. He assumed that if the hon. member lost that amendment it would then be open to the member for South Fremantle (Mr. Diamond) to again move that the farther consideration of the clause be postponed; and in dividing on that motion the question could be decided whether the present salary for members was to be maintained or not. Those who thought the present salary was high enough could vote against the postponement, and those who thought there should be some increase could vote in favour of postponing the matter for farther consideration. He took it that it was competent for the member for South Fremantle to again move the motion.

THE CHAIRMAN: No; because it had been already dealt with.

THE PREMIER: Apparently the motion was out of order yesterday.

THE CHAIRMAN: It was.

THE PREMIER: Could not the motion be put that the farther consideration of this proposed amendment be adjourned?

THE CHAIRMAN: We must go on with the Bill.

THE PREMIER said he did not want to report progress, because that would prevent them from going on with other clauses which did not raise the same issue. His desire was that the Committee should have an opportunity of saying whether the present salary was high enough or not.

MR. MORAN: Why not have a substantive motion?

THE PREMIER: It would be ruled out of order. Moreover, we wanted to deal with this question while the Bill was before us. Could he withdraw his motion with the consent of the member who moved the amendment to this clause, and let the consideration of that stand over until we had dealt with other matters on the Notice Paper? Then we could report progress if necessary on this Bill.

THE CHAIRMAN: *May* said: "Clauses may be postponed, unless they have been already partly considered and amended." This clause had been amended.

THE PREMIER: We could treat the amendment of the hon. member as raising the question whether there should be payment of members or not; and when that was disposed of, if members thought there should be a higher rate of pay or a lower rate of pay, they could vote on the amendment he formally moved. He had very little to say in opposition to the present amendment, because nonpayment of members nowadays was almost as much out of date as an inquest would be to inquire whether a person was affected with a devil or witchcraft, or something of that sort. We were committed, and he thought wisely committed, to payment of members, and he disagreed entirely with the suggestion that members were influenced in their parliamentary duties by the salary attached to the position. That had been often urged in opposition to payment of members. The influence which payment of members had on the actions of members was suggested by the mover when he used the word "corrupt"; the contention being that as members were anxious to retain their salary of £200, they allowed it to interfere with their fearless discharge of duty. He (the Premier) did not think the hon. member desired to use the word "corrupt" in any other sense than that; nor did he think there could be the least ground for such an accusation so far as the past history of this Parliament was concerned. He failed to see how the argument as to a dissolution could be used unless it was used directly against the Premier for the time being, as the Premier had the right of applying to His Excellency for a dissolution. If it could be used at all, it must be used against the Premier or the Ministry who preferred to keep their Ministerial positions, or if they lost them temporarily they lost them with the hope of coming back quickly rather than submit to a general dissolution. We had in this House 50 members. The Labour party were supposed to come here by reason of this payment of members, because they followed occupations where it was impossible for men to afford the necessary sacrifice of time to come to Parliament unless paid. There being seven Labour members in a House of 50, how could it be said that seven in 50 could affect a question of this nature, more especially remembering that when the Labour party came into power the member for Mount Margaret (Mr. Taylor) sat on the Opposition side of the House, and not on the same side as Mr. Leake; so that on that occasion the only number who could possibly have been concerned would be six. He submitted to the mover, with respect, that there could be no possible foundation for the charge suggested, that because there were six members here who occupied a position where they needed this parliamentary allowance—and he would point out that we all seemed to draw the salary—therefore those six exercised an improper influence in connection with parliamentary affairs. He believed in payment of members, and had always urged it in the House. Rather than payment tending to bring about improper motives in the discharge of duties, it tended to purer parliamentary life and closer supervision of

parliamentary affairs by the people of the State, and in every instance it tended rather to elevate public opinion and public life than to elevate a member's affairs.

MR. PIGOTT said he would be exceedingly sorry to see any Parliament which did not include a Labour party: he believed the Labour party should be in Parliament, and his complaint was not thrown at that party. The Premier had said words to the effect that he had been talking at the Labour party. He assured members that in his opinion there should be a Labour party, and he would be sorry to see a House without members on the Labour benches. The Premier was right last night when he said that a lot of trouble was caused probably by his (Mr. Pigott's) youth in politics. There might be some truth in that, but it was his duty, holding the position he did as a member of Parliament, to state his views, no matter what they were, or how he hurt the feelings of members; he must state them fearlessly. He did not believe in payment of members. Although the Premier had said it was absurd for anyone at this stage to attempt to do away with payment of members, he had come to the conclusion that payment was bad, and he would work until some far distant date, if he were returned to the House, with the object of stopping payment.

Mr. BATH: It had been his intention to speak to the amendment last night, and to have stated that the member for West Kimberley had carefully avoided when speaking on the question, of what he must have been fully aware if he possessed any degree of intelligence, because being an Australian-born and having knowledge of Australian politics, it was not possible for him to avoid having the knowledge of what payment of members had done in politics. The member for West Kimberley had moved an amendment, and had been able as it were to anticipate the remarks which he (Mr. Bath) intended to make last night by bringing forward certain charges. As far as his experience of the agitation for payment of members was concerned, in New South Wales it was not at first introduced with the idea of providing remuneration for services rendered; but the object of payment in New South Wales was for the purification of politics, and he had every reason to believe that was also the object of the advocates of the movement in Victoria, Queensland, and New Zealand. However, at the time the agitation for payment of members was introduced in New South Wales, that State was suffering from one end to the other by a series of most disgraceful scandals in political life that Parliament had ever known. At that time there was the scandal in connection with the Wooloomooloo Bay resumptions; there was the scandal in connection with the Hornsby estate, and there was the scandal in connection with the Milburn Creek mine, and in every instance not only members of the unpaid Assembly were mixed up in it, but the scandal also included Cabinet Ministers of the day, and in at least one case it caused the retirement of the Minister for Mines. Such a feeling of indignation was aroused in New South Wales at the time that instantly an agitation was set on foot for the payment of members; and when people asked why the scandal existed it was pointed out that many of the men returned to Parliament took the first opportunity of paying themselves. These members were mixed up in a scandal to the eternal disgrace of colonial politics. The principle of payment of members was introduced, and it brought about a purifying influence. One had only to point to the statement made by Lord Carrington after completing his term as Governor of New South Wales: when he went to England he stated that the advent of the Labour party in New South Wales had purified politics in that State, and had saved the country millions of money. That was a statement made by Lord Carrington from a disinterested point of view, and it was his impression; therefore we should attach some weight to it. The records of politics in any of the States since the introduction of payment of members had not shown any scandals of that character which disgraced politics before the introduction of payment. The only thing approaching such a scandal was in connection with the late Minister for Lands in Victoria recently, which caused that Minister to retire from the position of Cabinet Minister. The member for West Kimberley must be aware that these things had taken place; therefore he (Mr.

Bath) could not understand the leader of the Opposition advocating such a proposal that where a constituency wished to return a man who could not possibly take his seat in Parliament unless some allowance were provided, the people should themselves provide the money to pay the member. It was known that constituents in such circumstances could not return a sufficient number of members to prevent these things being carried on. It meant that through the customs and the various methods of taxation the workers contributed the biggest part of the revenue to carry on the government of the country, and they would be providing plunder for this class of men in the House, and would have directly to tax themselves to return members to try and prevent it. That was an undesirable state of affairs. The history of the Australian States proved that payment of members had cleansed politics; and if there must be payment of members, then the taxation should come out of the revenue of the country. In New South Wales some of those gentlemen who were in opposition to the principle did carry that opposition into effect after payment was instituted by refusing to accept their allowance. Mr. Bruce Smith, now a member of the Federal Parliament, refused to accept his allowance, as also did Mr. Slattery; but since their advent into Federal politics, where payment was made at a higher rate, these members accepted their allowance and had apparently accepted the principle of payment as one that was instituted in Australia for all time.

MR. HASTIE: However admirable the speech of the member for Hannans appeared to be, it was to be regretted he did not challenge the position taken up by the leader of the Opposition; and it was to be regretted the Premier spoke so very lightly of the remarks which had been made. The member for West Kimberley occupied a most responsible position, and in that position, and in the hearing of all the House, he actually charged members with corruption. That was a serious charge. It was heard in various places from irresponsible people in the State that there was corruption, but when the charge came from the leader of the Opposition it was time to deal with it. It was no excuse for the member to say that he felt strongly on the matter, and that he did not refer to this or that party; but his words were that the House was guilty of corruption. Singularly the member seemed inclined to stop there, and for some reason not apparent he would not give particulars; therefore there was no opportunity of refuting the charge. We could not blame people if they quoted this statement all over the country as having been made in the House.

MR. NANSON: No one would take notice of it.

MR. HASTIE: Certainly people would take notice of a charge made by the leader of the Opposition; and, as a matter of fairness, that member ought to state who were the people who were corrupt.

MR. NANSON: The statement was made in a Pickwickian sense.

MR. HASTIE: It had not been stated that it was made in a Pickwickian sense. We should know the reason why the charge was made. Probably the hon. member was thinking of the time when a change of Government took place in the State, and he apparently believed there ought to have been a dissolution; but whom he blamed for corruption in not causing a dissolution, it was impossible to understand. It was not the party sitting on this (Labour) bench, and the only inference——

MR. NANSON: We had been accused of being "boodlers."

MR. HASTIE: Such an expression had never been used by him (Mr. Hastie) either towards the hon. member or anyone else in the House. If it was not that some members in the House were corrupt at that time, it must be the Government; and that surely could not be, for at that time all the members of the Government went to the country. So it was impossible to know where the corruption came in, and it was impossible to know why men were corrupt because they were paid salaries. During last Parliament four or five times there was a strong agitation, more especially on the goldfields, for Parliament to be dissolved; and at that time members were not paid. Were members not corrupt at that time in not going to the people? Were not members at least as corrupt then as members were during this Par-

liament when members were paid? The hon. member would see it was his duty either to withdraw such a serious charge, or substantiate it in some way. One did not wish to speak particularly for the Labour party or any other party, but he wished to look after the honour of the House. Personally, he had not seen any corruption in the House, and would do his utmost to refute the charge.

MR. WALLACE opposed the amendment. The mover (Mr. Pigott) had made a vague reference to corruption in the House, and said those whom the cap fitted might wear it; but unless he provided 49 caps it would be difficult to give effect to his desire. The hon. member should make a definite charge, instead of trying to make the House believe that he had volumes of evidence by which he could, if he chose, justify his opposition to payment of members. In the absence of such evidence, opponents of the amendment were absolved from making any defence. When the hon. member used the word "corruption," he evidently referred to the time when the game of "ins" and "outs" was being played in the House, when certain members, instead of consistently supporting either of the leaders put forward, transferred their support from one leader to another rather than imperil their parliamentary salaries by going to the country. The charge could apply to none but members of the present Ministry.

MR. HASTIE: They had gone to the country.

MR. WALLACE: But the leader of the Opposition evidently forgot that, and would not remember what was being said now, for he was sound asleep. There was nothing to answer in the hon. member's remarks. He had made a vague accusation against other members, had attacked a principle upheld by every Australian State, and did not seem to recognise that the game of "ins" and "outs" played here had been played in every Parliament throughout the world. The spectacle was not novel to anyone familiar with politics. The amendment was serious; for if payment of members were once abolished, it could not easily be restored to the statute-book. He (Mr. Wallace) strongly favoured payment, and was not ashamed to say so; for, unlike the millionaires sitting in Opposition, he was pleased to take his little cheque every month. The member for Hannans need not have instanced Mr. Bruce Smith or Mr. Slattery, for there were no Bruce Smiths or Slatterys opposite. The Opposition rushed the pay-sheet every month. The Hospital Saturday Committee should beware of those members; for if the collectors hung around the door of the Assembly on pay-day, the hospital box would hold the same amount at the end of the day as at the beginning. He (Mr. Wallace) was open to conviction by fair argument; but the leader of the Opposition either did not dare to give his reasons, or had none to give beyond the fact that it was a glorious thing for his party to go to the country with the statement that they were opposed to the principle.

MR. THOMAS: With the amendment he had no sympathy, having declared himself in favour of payment, and strongly favouring an increase of the allowance to at least £300. He approved of the Premier's suggestion that country members should get more than metropolitan, for the former could not possibly live on the salaries paid them, and it was necessary for some constituencies to return men who must entirely depend on their salaries for a livelihood. Moreover, payment was necessary to permit a constituency to elect the best representative of its various interests; for such representative might have no means of livelihood other than his salary, and the country should pay him enough to permit of his whole time being devoted to its service. The Premier's suggestion of £252 a year did not go far enough. Some country members must expend that amount in expenses of visiting their constituencies, leaving nothing for board and lodging. Adopt the suggestion of the leader of the Labour party (Mr. Hastie), and make the allowance £300 for a country member.

MR. YELVERTON: On this question every member should clearly express his opinion. He would not support the amendment, for no man should be debarred from entering Parliament because his financial position was less comfortable than other men's; and the workers should have the right to return a man of their choice. That this might be done, payment of members was essential. But while favouring payment he did not favour any increase,

considering that £200 a year was sufficient, and that if more were paid men would enter Parliament for the sake of the salary alone. That could hardly happen now. He disagreed with the suggestion to leave the matter till the next election. Now, when considering the Constitution Act, was the proper time to settle the remuneration of the next Parliament, at any rate. Nor did he favour the Premier's suggestion that country members should receive more than those representing metropolitan constituencies. Many country members lived in town; hence it would be unfair to pay them at the higher rate. As to the Labour members, he (Mr. Yelverton) objected that they sometimes exhibited rather selfish ideas, and did not always consider the best interests of the people generally. He believed in the workers being represented by any whom they liked to return, but did not believe in the occasional tactics of the Labour party, who ignored the general welfare of the community for that of their own class. The leader of the party said, "Give an instance;" but instances were so many that he need not quote one. Every adult man and woman had now a right to vote; therefore any man should be in a position to sit if elected. He would not vote either for the amendment (Mr. Pigott's) or for an increase.

MR. MORAN: If the country could afford to pay State members £1,000 a year each, the electors could still choose a representative. What did it matter, supposing members did seek election for the sake of the salary? Perhaps they would work better if paid better; and if the country had members who would constantly fill the Chamber and take an intelligent interest in all business, its work would be better done. He had no sympathy with those who abhorred the professional politician. The great politicians of our Empire were professional politicians, and for generations had been bred and born to the profession of politics. This great Empire was governed by professional politicians, "tradesmen" and not botchers. Professional politicians were needed here, not amateurs who frequented the Refreshment Room rather than the Chamber, and who were of no use to the country. The sooner Australia encouraged by adequate payment the study of the highest of all civil professions, the sooner would she secure satisfactory political service. We often heard the warning, "Beware of the professional politician;" but the fact remained that the people had a free choice, and if they desired a professional politician to do their work, should they not have a right to elect him? They could have a "botcher" whether or not he was paid; but probably they could not have the "tradesman" unless payment were forthcoming. To pay members well did not limit the choice, for a constituency which wanted a man of affluence could still choose him. To pay wagesmen or any other workers badly was against all modern experience. If we could afford to pay good wages for good work, pay them.

MR. ATKINS: The hon. member was talking of piecework.

MR. MORAN: If the country paid by the piece, some members would draw very small cheques. If members of the Federal Parliament were worth £400 a year, work in this Parliament, if well done, was worth £300. The State Parliament had yet a tremendous task to accomplish in providing for the development of our natural industries; and that work was not so well done as the country wished Consider the experience of last session The payment of adequate salaries to members would bring men into the Chamber who would remain here to discuss a Bill and educate the public upon it, which should be done in all important legislation. The Labour party could not be charged with neglecting their duty to the House, and the House might take a lesson from them in this direction. He hoped the remarks of the leader of the Opposition would not be taken too seriously. He regretted that the hon. member should have used the word "corruption" in this matter. No doubt payment of members had an effect on the longevity of Parliaments. It was a charge commonly laid against the system, that it had a tendency to prolong the life of a Parliament. The hon. member was not putting forward something outrageous: he was simply unfortunate in the use of the word "corruption." No scheme was so perfect that it caused no disadvantage. Payment of members might have disadvantages, but on the other hand the advantages were

so overwhelming as to put the system beyond argument. It had so many advantages in a democratic country, that some small disadvantage was outweighed. The leader of the Opposition took a pessimistic view of the matter; a view not outrageous, but voiced by many great writers. His argument was one of the greatest arguments used in the old country against payment of members. Here we should take a broad view of the question, and not "jump" on the hon. member because he made use of one expression. The hon. member was not experienced in placing his views before the House; his parliamentary career had not been sufficiently long to enable him to achieve the same end by using other words. One did not think the hon. member meant to impute a direct charge against any members of the House.

MR. DIAMOND: Then why did he not say so?

MR. MORAN: The leader of the Opposition belonged to the school which believed that, when parties were equally divided and one or two votes made a great difference, there might be one or two members who would view a general election with consternation, and would find their views much more elastic than at any other time. Payment of members was as fairly established in Australasia as representative government itself. Even if we did alter the system at the present time, the country would speak on the matter; so he thought it better to go to the country pledged to give increased payment to members, rather than make any alteration now. He favoured increased payment of members, and thought the country should be asked to place members in the House who would sit in it and discuss matters for the welfare of the State, so that we might get a decent vote on a big question, and not the small votes of last session.

MR. PIGOTT thanked the hon. member for his explanation, and remarked that much had been said on the interpretation of the word "corruption." In his opinion, the man who made his vote on any question, no matter how trivial, subservient to the money value of it, was as corrupt as any man could be.

MR. HASTIE: Who had done that?

MR. JACOBY: The hon. member had not, and need not worry.

MR. PIGOTT: Payment of members led to that sort of thing, and for this reason he was opposed to it.

MR. DIAMOND: The leader of the Opposition was a sort of unauthorised Kyabramic prophet; but his mission in Western Australia would end in failure.

MR. PIGOTT: The abolition of payment of members was not one of the Kyabram planks.

MR. DIAMOND: Such a prophet would run his head against a stone wall. The hon. member had referred to presentations made by certain constituencies to their members in the House; but when the hon. member considered the matter farther he would see his error, for surely constituents, whether their member was paid or not, could mark their appreciation of his services by a presentation.

MR. PIGOTT quite approved of it.

MR. DIAMOND: The hon. member's reasons for doing away with payment of members were not very clear. If he had straightforwardly and honestly given his real sentiments, saying he wanted to drive the representatives of democracy out of the House, the hon. member would have earned more respect. This was simply class legislation, to wipe out the representatives of one class of the people The hon. member had also said that certain members of this House received a salary which was in excess of the remuneration they would receive in their respective classes of work. That statement was without foundation. There was not a member who could not earn at his trade or occupation more than he received in the House. New Zealand had made immense strides since payment of members was introduced. Prior to that it had been absolutely one of the most corrupt places in Australasia. The South Australian Parliament had been absolutely purer in every respect since payment of members was introduced. It was said during the discussion that we were trying to vote money into our pockets. He (Mr. Diamond) never had any idea, when moving in the matter, that the members of the present Parliament would profit by an increase. He did not intend to treat very seriously the remarks made by the leader of the Opposition during the afternoon. The hon. member was not mentally capable of

treating any public question seriously from a large point of view. With regard to "corruption," the insinuation was devoid of the slightest foundation; and he hurled back the insinuation in the hon. member's teeth with the contempt it deserved. He defied the hon. member to give any evidence of anything in the shape of corruption that had taken place in connection with this House. He would not descend to gossip which went on outside, and which affected every member of this House. He did not believe in the charges of corruption; he did not believe there was any ground for them; and if there were, he knew nothing about it. He defied any member of the House to show that he had the slightest knowledge of anything of the sort. One should be a little more decisive in making a charge of corruption. He thoroughly agreed with the statement of the member for the Murchison (Mr. Nanson) that the remarks of the leader of the Opposition were not to be taken seriously. He would ask the leader of the Opposition to remember that not only had he the honour and dignity of his position, but it behoved him in conjunction with the leader of the House, the Premier, to uphold the honour and dignity of the House. Apparently the hon. member thought fit to cast a slur on it; but when the hon. member arrived at a true sense of the responsibilities as well as the dignity of his position, he would be sorry he ever made the remark.

HON. F. H. PIESSE: Every member should agree that, no matter what constituency another represented, each one should fearlessly express his opinions. To charge the leader of the Opposition (Mr. Pigott) with want of earnestness was a course which should not be encouraged. Our desire was, as men who had the best interests of the State at heart, to see the State progress, and we should, to the best of our ability, express the views we held, no matter what the effect might be in the opinion of other people. As to the Labour members, the opinions he held in regard to various matters concerning Labour were well known. At the same time he always believed that it was well to be fair. In fact it was their due. Those who represented Labour came here and gave the whole of their time to the discharge of their duties, and they had faithfully adhered to their parliamentary work. If a farther addition of £100 a year would insure more careful attention to parliamentary duties, the money would be well spent. He took it, however, that after all it was not a question of money. It was a question of doing what was right as regarded one's duty to the State generally and to the constituency he represented. He was still opposed to payment of members, and would vote with the leader of the Opposition upon this amendment. He regretted that allusion was made to "corruption," because that word should not have been used. But it was not intended to apply in the sense in which many members took it to apply. It was intended to refer to a certain matter which no doubt would later on be touched upon; but at this stage he thought no good could be obtained by farther prolonging the debate. We had previously settled the question of payment of members by, in the first instance, not a very large majority, but the principle had been affirmed, and therefore very little good could be obtained at the present stage by farther discussing this important matter. Reference had been made with regard to the wiping out of democracy, and wiping out the Labour party. He had never expressed an opinion in favour of wiping out the Labour party or in favour of wiping out democracy. A fast growing evil was what might be termed a tendency to trim to the universal opinion. Many men were afraid to get up and say they were in favour of what might be termed conservative opinions. He was not afraid to express them, and was not going to be put down by anyone who might consider himself the greatest democrat in the State. Whilst he held these opinions, he would continue to express them.

MR. TAYLOR: There was no fear that the principle of payment of members would be lost in this House. It was necessary that the increase mentioned by the Premier should be raised at least by £50, making the salary £300. He was not annoyed at the statement by the leader of the black-labour party, or the leader of the Opposition, about corruption, because he felt himself perfectly innocent

of any charge like that. In this Chamber it was necessary for a man to take a stand against certain attitudes of Ministers and Governments. He took a stand which he had continued to maintain. If the leader of the Opposition thought there was any corruption in this Chamber, he should say out straight that there was corruption, and should lay it at the door of the member or members whom he thought corrupt, and not make any round-about statements which really meant a lot, but which he could wriggle out of, and in regard to which he could say that they meant nothing. If the hon. member thought that any member here had committed in any way a breach of faith with the people who returned him, or that he had been bought over by money, why did he not say so straight, and let the Chamber deal with that member? That was what he ought to do. Members had said they hoped the leader of the Opposition was sorry he made use of the expression; that it was an accident. There was nothing like that about him (Mr. Taylor). He was not sorry at all. If he had done anything wrong in this Chamber, he would like members to accuse him, and let him defend himself: other members ought to feel the same. Unless we had members who felt that way, we should not have clean and straightforward administration. So far as the member for the Williams (Hon. F. H. Piesse) was concerned, that member had repeatedly said in this Chamber that the Labour party represented a class.

HON. F. H. PIESSE: Never once had he said that they represented a class.

MR. TAYLOR: The hon. member had associated himself with a party since yesterday. The member for the South-West District had accused the Labour party of selfishness, but when this Bill was before the House last week, the member for the Williams was the most selfish in regard to representation. He desired to get more representation for the farming districts than the goldfields members did for the goldfields; and he was perfectly justified in trying to get as much representation for the people as he thought they were entitled to. That was all he (Mr. Taylor) did as a goldfields member. It was of no use for members on the Opposition side, or the Government side, or any side to say they did not believe in payment of members, and that they were not aiming their blow at the Labour party. That was the thing in a nutshell. It was the fear of Labour representation in this House that made members try to remove the payment. Those who opposed payment of members always belonged to the wealthy class. It was always the class of politician which came to this House to represent vested interests; property in all shapes and forms. As had been pointed out by the member for Hannans (Mr. Bath), the politics of Australia had been considerably cleaner since the adoption of the principle of payment of members; in other words, since the advent of the Labour party in the various Parliaments of the Commonwealth. He thought that the mark of the Labour members in this Chamber had been felt even in this State. What were considered the most respectable journals pointed out that things had been somewhat better in that direction since Labour had been represented in the Assembly. It was idle for members to say they had nothing against the Labour party. They must think the Labour members had not any brains at all, and that they could impose on the credulity of the Labour members when they stood up and said they welcomed the Labour party with open arms. It was known how they welcomed them. Let a Labour man stand for any constituency, and it would be seen how the capitalists rallied round their man in any shape or form to secure his return. Then they told members they believed in the Labour party. It was not the payment that some members were trying to reduce: if they could make the working man ineligible to sit in this Chamber they would do so. The salary of £200 was too small; but some members would not be remunerated if they received £300. He had been a working man all his life, but this was absolutely the worst-paid job he had ever taken. If all members sat in the House like members of the Labour party did, night in and night out, while debates were going on, taking part in those debates—and these members practically kept the House going—then members would say the salary was not sufficient. There was the bogey about the professional politicians. Those members who were in the House when pay-

ment of members was first moved for by the member for West Perth, who then represented the goldfields, could remember what members said, the member for the Williams amongst them. It was that if we had payment of members we should have the larrikin politicians from the Eastern States here.

HON. F. H. PIESSE: Nothing of the kind was said by him.

MR. TAYLOR: The reference was not made to the hon. member. It was remarkable that these statements were made again to-day. No new argument had been used by those who opposed payment. If men came to Parliament to receive payment for work done, could anything be more honourable than that? But there were men who received payment and did no work for it. Let members look up the division lists; take those of 1901 and 1902 and compare them with those of this session, then it would be seen who were doing the business of the country. It would be seen that there were numbers of men who received money and gave nothing in return. If some members received only £5 per month they would not give value for it. Those who were considered the professional politicians were the men who in this State and in other Parliaments devoted their time to big questions and to politics generally, and made the country better for people to live in. He hoped the Premier would see his way to raise the payment.

HON. F. H. PIESSE: In regard to the allusions which had been made by the member for Mt. Margaret, he (Mr. Piesse) had frequently said that the Labour members represented not a "class"—he had never used that word—but a "section" of the community.

MR. HASTIE: What section did the hon. member represent?

HON. F. H. PIESSE: The members of the Labour party did not do as he (Mr. Piesse) hoped he did, forget that he represented a section. He not only represented a section but the whole State. The member for Mt. Margaret had stated that payment of members resulted in a more honourable class of men being returned to Parliament. That was a charge levelled against members of the House which was altogether uncalled for. Admitting there might be some members who did not attend regularly, they should not be classed as dishonourable men. The member for South Fremantle, in alluding to the leader of the Opposition, had said that he was not a capable man. That was a charge which savoured of insult, and such words should not be used. We should be as temperate as possible in our remarks, and use argument, not abuse.

MR. T. HAYWARD: Many of the members were returned to Parliament pledged to reduce the cost of government; but it was now proposed to add to the burden of the taxpayer an amount of £7,700 a year. The increase of salary suggested was £100, and in his opinion we should not get a better class of men returned to Parliament by increasing the amount of remuneration; therefore the extra amount was not necessary. This was a question which should be left to the people to decide at the next general election. He intended to vote for £200 and no more.

MR. W. J. BUTCHER: The member for West Kimberley was to be congratulated on having the pluck and courage of his opinion. There were members of the House who held the same views and opinions as the hon. member, but who had not the pluck to vote in accordance with those views. Such members would do so if there was a chance of carrying the motion, but they slunk behind, fearing defeat. He regretted to find that whenever a motion was brought forward in the House and a member put forward his views, he was immediately attacked and charged with having ulterior motives. On many occasions these charges emanated from the Labour bench, and he was right this time in saying that the leader of the Labour party had made a most unwarrantable attack on the leader of the Opposition. It was his (Mr. Butcher's) intention to support the leader of the Opposition in his amendment. He had spoken on the platform against payment of members, and had told his electors that he would oppose payment in the House. The member for Hannans went so far as to say that it was due entirely to the advent of the Labour party in the Parliaments of Australia that there was purer administration.

MR. BATH: So it was.

MR. BUTCHER: Had there never been pure administration before?

MR. BATH: There might have been some instances.

MR. BUTCHER: Could anyone prove that it was due entirely to the advent of the Labour party that there was now pure administration? It was mere assumption and assertion; there was no proof whatever.

MR. BATH: It was borne out by the opinions of people.

MR. BUTCHER: It was borne out by nothing but the word of the hon. member himself.

MR. BATH: The names of dozens could be mentioned.

MR. BUTCHER: A remark was made by one of the members for Fremantle, charging the leader of the Opposition with not being mentally capable of grasping some subjects. The leader of the Opposition was as mentally capable as any member in the House, and if he had not the fluency or the cultured manner or way of expressing himself as had the member for South Fremantle, it was more his misfortune than his fault. It was a pity that members could not discuss matters like this without resorting to personalities. It was his intention to support the amendment.

MR. W. ATKINS: When before his electors he had stated that he was in favour of the abolition of payment of members, and he intended therefore to support the amendment.

MR. R. HASTIE: The member for the Gascoyne blamed him for attacking the leader of the Opposition strongly, and it was said the leader of the Opposition deserved credit for his pluck in bringing forward the amendment. The leader of the Opposition showed no pluck whatever when he brought forward a foul insinuation which he had not the pluck to substantiate. He (Mr. Hastie) challenged the hon. member to substantiate his assertion, and the hon. member had not the pluck to do so. He could not be charged with attacking members personally.

Amendment (Mr. Pigott's, to insert a reduced amount) put, and a division taken with the following result:—

Ayes	...	...	9
Noes	...	...	27
Majority against		...	18

Ayes.	Noes.
Mr. Atkins	Mr. Bath
Mr. Butcher	Mr. Diamond
Mr. Hassell	Mr. Ferguson
Mr. Hicks	Mr. Gardiner
Mr. Phillips	Mr. Gordon
Mr. Piesse	Mr. Gregory
Mr. Pigott	Mr. Hastie
Mr. Purkiss	Mr. Hayward
Mr. Jacoby (*Teller*).	Mr. Holman
	Mr. Holmes
	Mr. Hopkins
	Mr. Illingworth
	Mr. Isdell
	Mr. James
	Mr. Johnson
	Mr. McDonald
	Mr. Moran
	Mr. Nanson
	Mr. Oats
	Mr. Rason
	Mr. Reid
	Mr. Taylor
	Mr. Thomas
	Mr. Throssell
	Mr. Wallace
	Mr. Yelverton
	Mr. Higham (*Teller*).

Amendment thus negatived.

MR. NANSON: Any proposal to increase the remuneration of members would be opposed by him until the country had expressed an opinion on the subject. There was no instruction from the people to increase the payment of members either of this or of the next Parliament. Stress had been laid on the fact that it was not proposed to increase the remuneration of present members; but this was a mere quibble, for at least half the members of this would probably be found in the new Parliament: hence if they now supported an increase they would virtually be voting to put money into their own pockets without the consent of their constituents. If, however, the country decided on a definite increase, he would be the last to protest. It was for the electors to fix the honorarium; and if they declared each man entitled to £1,000 a year, he would not object, but would object strongly to voting that sum to himself. Some speakers had enlarged on the disabilities under which members laboured and the sacrifices they had to make; but the right place for ventilating such grievances was not the floor of the House, but the hustings. Let candidates complain to their electors of the large sums disbursed in subscriptions to local cricket and football clubs, and all other taxes on members' resources, and the electors would reply: "If you find the sacrifice so great, why do you seek re-election?" As a fact, no candidates complained of being underpaid, or of the sacrifices they had to make: such talk

was reserved for the House. Surely, even in these days when money counted for so much, there was some meaning in the word "patriotism." Surely gentlemen who tried to enter Parliament were not thinking all the time of how much they could make, but recognised that it was the duty of representatives of the people to make some sacrifices. Those who complained were not found voluntarily relinquishing their positions. They continued to sit in Parliament, and sought re-election. If the case for an increase could be proved before the electors, few voters would wish their representatives to be underpaid; but if in this last session of an expiring Parliament we made provision for a higher rate of pay next session, we should be reproached with having thought more of our own pockets than of the country's interests, and should be told that the matter ought to be decided by the people, and not by those who would benefit by an increase.

MR. DIAMOND: The passionate appeal of the last speaker was illogical; for to act as he proposed would result in no issue being placed before the electors; whereas if a motion were carried in favour of an increase of so much, a definite issue would be raised, and members must abide by the electors' decision. If the constituencies disapproved of the increase, they could turn out those who favoured it; but if no such issue were raised, the opinions of the people would remain unknown. He was prepared to stand for re-election as an advocate of an increase to £300, and to take all risks.

MR. NANSON: If any member would propose a general motion not embodied in the Constitution Bill, to increase the remuneration with a view to an expression of the country's opinion, such motion would have his support. And if at the general election members were returned pledged to an increase, the Constitution could be easily amended without any dissolution of Parliament.

MR. MORAN: In the manifesto with which the Government would go to the country, there must surely be some suggestion that this matter should be dealt with next session, seeing that so many Government supporters and the majority of the House favoured an alteration. To alter the Constitution would be a trifling matter. The Premier would probably recommend £252; and other candidates would express their views, and would come back with a definite mandate from the people. The only members who could now vote conscientiously for an increase were the Labour party, who were elected pledged to demand an increase of payment. He (Mr. Moran) had never mentioned the matter at his last election; and the newly-elected member for North Fremantle (Mr. Ferguson), though favouring payment of members, had not mentioned an increase. Better leave this matter for the country to decide, and come back prepared to give expression in the new Parliament to the electors' wishes.

At 6·30, the CHAIRMAN left the Chair.

At 7·30, Chair resumed.

MR. PIGOTT understood it was the intention of the Premier to move, on this clause, that progress be reported.

THE PREMIER: The intention was to move that the amount of £32,200 be inserted in lieu of £31,200 struck out. The amount first put in the clause was fixed on the assumption that there would be a Lower House of 48 and an Upper House of 24; but as we had increased the Lower House by two members and the Upper House by three, it became necessary to provide another £1,000 to allow for the additional members at £200 a year. Members opposed to the present remuneration could vote against the proposal to insert the larger total; and if that were defeated, it would rest with the Government to bring down another suggestion as to what they thought the salary should be. Those who wanted an increase could also vote with the Noes, and those who wanted the salary to remain as at present could vote with the Ayes. He moved as an amendment,

That the words "thirty-two thousand two hundred pounds" be inserted in lieu of the words struck out.

MR. PIGOTT: Those members who favoured an increase should cast their memories back to those occasions during the last two sessions when the Estimates

were under consideration. Members were careful then in searching through the amounts allotted to civil servants, and on every possible occasion they stopped any amount going through in the nature of an increase. The present Government had decided that there were to be no increases in the salaries of civil servants; and he was sure the majority of the members of the House had acted up to that opinion, and on every possible occasion erased any increases proposed by the Government. In fact, members went beyond that, and reduced salaries. In face of that procedure, and in face of members having said that the State could not afford, on the plea of economy, to increase the salaries of civil servants, it would be absolutely indecent to recognise any proposal that would lead to an increase to the salaries of members of Parliament.

MR. DAGLISH: The member for West Kimberley was mistaken regarding the attitude of the House to the salaries of civil servants. Ministers had laid down the principle that increases should be stopped. The Committee had had no power to give increases, whether members believed them desirable or not. The Committee had therefore taken exception to a miserably small number of public servants being excepted from the rule laid down by the Ministry; not on the ground that public servants were fully paid, nor on the ground of economy, but on the ground that no favouritism should be shown to a handful of individuals while the great mass were made victims of the rule laid down.

THE PREMIER: That was not the case. Salaries had been increased to the majority of employees in the railway service.

MR. DAGLISH: The great majority of the civil servants outside the railway service had not received increases, while in the railway service increases had been given only as the result of arbitration. It was not a question of retrenchment that had influenced the Committee, but simply a question of fairness. The Committee had desired to wait until a thorough investigation was made of the public service. Personally he recognised that many increases of salaries should be given in the near future, but he had always objected to any few individuals being selected from personal motives, and given advantage over the great body of servants until they had shown also some official merits. It was because these official merits had not been shown by the Minister that the increases suggested had been opposed.

MR. HOLMAN: The salary should be raised to £300, so that the best men could be obtained to legislate on behalf of the State. He knew of instances of real good men who could not sacrifice their businesses in the country to assist in legislating for the State. It would also be economical to increase the present salary, so that good men could be called upon at any time to take places in the Assembly. A matter of a few thousand pounds should not deter us from allowing anyone to come into this House. It might be in the power of any man, so induced to enter the House, to save not only £7,000 but £70,000. By increasing the rate of salary to £300 a wider scope of choice would be given, and we should be eventually building up the State to what it should be. The present low rate of salary had a tendency to bring about centralisation of members to a large extent in and around Perth, and he did not think that was in the best interests of the State, because people should be able to go into the country and see what the requirements of their electors were. Under present circumstances, that was almost impossible. His electors had expressed an opinion almost unanimously in favour of members receiving at least £300 per annum and also the expenses incurred in touring the electorate. Members who had to travel by coach and steamer or other means to visit different parts of their electorate should receive consideration. We should do all we could to have every class of people represented in this House, and he did not think that was possible with the present rate of salary.

Amendment (the Premier's) put, and a division taken with the following result:—

Ayes	...	...	22
Noes	...	...	16
Majority for	...	...	6

AYES.	NOES.
Mr. Atkins	Mr. Bath
Mr. Butcher	Mr. Daglish
Mr. Ferguson	Mr. Diamond
Mr. Foulkes	Mr. Gregory
Mr. Gardiner	Mr. Hastie
Mr. Gordon	Mr. Holman
Mr. Hassell	Mr. Hopkins
Mr. Hayward	Mr. Illingworth
Mr. Hicks	Mr. Isdell
Mr. Holmes	Mr. Johnson
Mr. Jacoby	Mr. Oats
Mr. James	Mr. Reid
Mr. McDonald	Mr. Taylor
Mr. Moran	Mr. Thomas
Mr. Nanson	Mr. Wallace
Mr. Phillips	Mr. Connor (*Teller*)
Mr. Piesse	
Mr. Pigott	
Mr. Rason	
Sir J. G. Lee Steere	
Mr. Yelverton	
Mr. Higham (*Teller*).	

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

New Clause—Sinking Funds to be created for repayment of losses:

THE TREASURER moved that the following be added as Clause 50:—

Whenever by any Act of the Parliament authority is given to raise any sum of money, a sinking fund shall be thereby created as a security and provision for the repayment of the loan raised under such Act.

The contribution to every sinking fund shall be one per centum per annum upon the total nominal amount of all debentures or inscribed stock issued, or such larger percentage as the Parliament shall direct, and shall be payable half-yearly, and shall commence within one year from the date of the issue of such debentures or inscribed stock under the authority of such Act.

Every contribution to the sinking fund shall be paid as it becomes due by the Colonial Treasurer to trustees appointed by the Governor, and shall be invested by the trustees in such securities as the Parliament may direct.

It shall be the duty of the Colonial Treasurer to satisfy the Auditor General that every contribution to the sinking fund is duly paid to the trustees, and, in default, the Auditor General shall report thereon to the Governor, who shall direct an appropriation out of the revenues of the State for the purpose of such sinking fund, and the same shall be forthwith paid to the trustees of the fund by the Colonial Treasurer accordingly.

Until the Parliament otherwise provides, the sinking fund shall be invested and dealt with as provided by the General Loan and Inscribed Stock Act, 1884, and the Local Inscribed Stock Act, 1897, respectively.

The new clause had reference more particularly to sinking fund and the dealing with it. He did not think anything had excited as much attention in regard to the State finances during the last 12 or 15 months as the question of sinking fund. Possibly the attention to this subject had become more acute, seeing that Victoria had on hand a conversion loan of something like five millions; and it had been gratifying to Western Australians to find during the discussion on this question that now the Eastern States were beginning to commend our financial management and financial provisions, especially in this direction. When he issued the prospectus of the recent local loan, he took every opportunity of placing before Australia two facts with regard to the finances of Western Australia, and he was assured by the general manager of one of the largest financial institutions in Australia that this in itself had a material influence upon the success of that loan. The two main objects were the sinking fund and the small amount which Western Australia spent from loan moneys in her public buildings and on her roads and bridges. He took care that this information was not only amplified in the Press, but the prospectuses were sent throughout the length and breadth of Australia. Whatever he might have done or left undone since he had been in the Treasury, he could safely say that he had left no stone unturned to place this fact fully and clearly before the whole of the States of Australia and the people in England who lent us money. He took no credit in any way for the establishment of a sinking fund or for the expenditure upon reproductive and other works out of revenue, but he did take a certain amount of credit for having advertised the fact. The responsibility and credit at least of the sinking fund rested with the Crown Agents when this State was under Crown Government. He found the first Loan Act was passed in 1872, and that Loan Act, which was for only £35,000, provided for a sinking fund of 2 per cent. The Colonial Secretary at that time, evidently acting under instructions from the Crown Agents, inserted a clause that there should be a sinking fund. The Colonial Secretary at that time was Sir F. P. Barlee, and the Colonial Treasurer Mr. A. O. G. Lefroy. Whilst provision for a sinking fund had been made in every Loan Act since, it did not appear in the Constitution. There was not the slightest doubt that to-day we were reaping the benefit of the foresight of those who introduced the sinking fund some 30 years ago; and seeing that it was

a wise provision, seeing that it was a provision of safety so far as the finances and public borrowing of this State were concerned, it was the desire of the Government to have it embodied in the Constitution. This being provided in the Constitution would give the Governor power—when members of the Assembly fell away from grace in this particular—to say, "The Constitution Act provides that there shall be a sinking fund, and unless you do this I will not give my assent to your Loan Act." The Committee would see that the clause proposed to be inserted provided that "the contribution to every sinking fund shall be one per centum per annum upon the total nominal amount of all debentures or inscribed stock issued, or such larger percentage as the Parliament shall direct, and shall be payable half-yearly," and so forth. The next paragraph read: "Every contribution to the sinking fund shall be paid as it becomes due by the Colonial Treasurer to trustees appointed by the Governor, and shall be invested by the trustees in such securities as the Parliament may direct." At the first glance it might seem that requiring direction from Parliament would hamper investment; but if members looked at a later portion of the clause they would see it said, "Until the Parliament otherwise provides, the sinking fund shall be invested and dealt with as provided by the General Loan and Inscribed Stock Act, 1884, and the Local Inscribed Stock Act, 1897, respectively." The General Loan Inscribed Stock Act of 1884 practically made provision for the appointment of trustees, and also provided the securities in which the sinking fund could be invested. In that Act Section 25 stated:—

> The amount so remitted for the formation of a sinking fund for the redemption of inscribed stock shall be invested in the names of trustees to be appointed by the Secretary of State for the Colonies; the trustees shall also from time to time invest the dividends, interest, or produce arising from such investment, so that the same may accumulate by way of compound interest, and be applied by the Crown Agents towards the final extinction of the debt.

That provided for the appointment of trustees, and these trustees had been appointed in London, and all sinking funds on loans raised in London were transmitted to those trustees in London for investment there; practically putting it beyond the control of any impecunious Treasurer and preventing a Treasurer following the example of the Colonial Treasurer of Victoria, who practically took all the sinking funds he could lay hands on. The Act farther stated, so far as investment was concerned:—

> All sums paid to the account of such sinking fund and the interest thereof shall be invested in Imperial or Colonial Government securities at the discretion of the trustees.

So that members could see from the clause what was the nature of the security in which the sinking fund could be invested. In the Local Inscribed Stock Act of 1897 Section 9 said:—

> The trustees appointed under this Act shall invest the sums appropriated for the formation of a sinking fund in Imperial or Colonial securities at their discretion, and shall from time to time in like manner invest the dividends and income of such investments so that the same may accumulate by way of compound interest and be applied to the redemption of the stock.

According to that the sinking fund of the last loan which he raised had been vested in trustees here. Those trustees were the hon. the Speaker, the hon. the President of the Legislative Council, and the Auditor General. They only held the position by virtue of their offices. Should anyone resign or die, the next occupant of the office would hold the position of trustee. There was also a provision with regard to the duties of Auditor General, and it would be admitted that the provision tied the funds up very much more securely than otherwise might be the case. There was not the slightest doubt the more we saw of State finances the more we became enamoured of the idea of providing a sinking fund, and consequently if we put a provision in the Constitution we were doing our level best to make it the practice for all time. We were quite satisfied that this was a wise and excellent provision for the safety of our public debt. There was no doubt the more we spoke of the conversion of State debts the more we saw of the difficulties that might surround the conversion of State debts, especially in the restricted condition of the financial market at home, the more were we satisfied that by providing a sinking fund which enabled us when the loan was matured to a very great extent to have made provision for

its conversion, the more had we every reason to be satisfied with the position that Western Australia had undoubtedly taken up in this particular. Therefore he need add nothing to what he had said to convince the Committee that if this provision were placed in the Constitution it would be an additional safeguard, and would prevent the House in future passing a Loan Act which might not make provision for a sinking fund. [Mr. MORAN: How would that prevent it?] If it were in the Constitution and a Loan Act were passed, the Governor could withhold his consent if provision were not made for a sinking fund. That was how this affected it; for being in the Constitution, it made the provision much stronger. He did not pose as a constitutional authority, but the Premier informed him that was the position. No doubt we were reaping the benefit of a sinking fund. He moved the insertion of this new clause, feeling sure it would commend itself to the good, sound, business sense of the Committee.

MR. BATH: While thinking the proposed clause was a worthy one, he believed that it might, in the hands of a Treasurer who was inclined to indulge in a wild orgie of finance, lull the electors into false security; for while it provided a sinking fund for every loan contracted, no provision was made for the limitation of borrowing in any one year or stated term. During the history of this State from 1893 to 1903, according to the figures given in the monthly Statistical Abstract, the indebtedness per head of population had gradually increased from £35 per head in 1893 to £67 in 1902. In 1903, owing to the fact that very little borrowing was done, there was a decrease to £65 per head of the population. While we might make provision for a sinking fund, the Treasurer could say we could indulge in borrowing to any extent we liked.

THE TREASURER: That was not what was said.

MR. BATH: Some Treasurer might say that. Possibly we might have a Treasurer who would say, "We are making ample provision for our finances by providing a sinking fund and placing it in the Constitution Act."

THE TREASURER: An ultimate payment.

MR. BATH: That did not limit the borrowing of new loans.

THE PREMIER: Parliament would regulate that.

MR. BATH: If we were in a position to place in the Constitution Act a provision for a sinking fund, he failed to see why we could not embody in the same Bill some provision for the limitation of the borrowing per head of the population.

MR. MORAN: And the Governor be the judge of that also?

MR. BATH: It would mean that while making provision for a sinking fund, if we borrowed a large sum of money we should gradually add to the burden of the taxpayer to such an extent that the taxation would be altogether out of proportion to the ability of the community to pay. He certainly favoured this provision, but the Treasurer would be doing good if he also introduced a provision to be embodied in the Constitution limiting the borrowing powers to some extent.

MR. MORAN: What were we coming to! It was proposed first of all to appoint His Excellency the Governor, whoever he might be, the judge of the finances of the people's Chamber. The Governor could withhold his consent if something was not done, and it was suggested that we should put in the Constitution a provision so that in time to come if the people's Chamber wished to borrow a certain sum, His Excellency should be the judge as to whether that sum should be borrowed within a certain period. This was an extraordinary position to be placed in. Where was responsible government?

MR. BATH: It was not proposed that the Governor should be the judge.

MR. MORAN: The Treasurer had some sort of logic in what he had said, but the member for Hannans had no authority. Parliament was to bind itself, and Parliament was to be the judge of itself as to whether it could break its own law.

MR. BATH: Parliament bound itself in every Act that was passed.

MR. MORAN: Whoever heard of putting in a Constitution Act the future amount of money the exigencies of a country would require, and binding Parliament as to how much we should spend in any one year!

THE MINISTER FOR LANDS: That was not embodied in the amendment.

MR. MORAN: No. He was dealing with the suggestion of the member for Hannans. How would it be possible to do that? Another Kalgoorlie or another Boulder might break out, or great development might take place in another part of the State. Who would say that we should not build railways in the future? We might want a railway at any moment in the North-West. The suggestion was practically impossible, and it would not safeguard the finances one iota. The Government seemed to have an idea of putting fancy clauses into Bills binding themselves as responsible Ministers, and all the time there was no punishment! They seemed to have the idea that they should bind themselves in some way by putting something in a Bill which would appear as part of the Constitution of the country. Last session a Public Works Bill was introduced which provided that a certain schedule should be brought down; but if it was not brought down, where was the punishment? The provision was simply there to catch the eye of any Minister. This provision was so much waste paper. Take the Constitution Bill with all its safeguards, and supposing the clause was put in, the Treasurer knew well that if a strong Ministry, backed up by the people of the country, came into office in a bad time, and wished to alter the method of our finances, and wished to borrow a loan without a sinking fund, the Governor would be powerless to interfere. One could not conceive any Governor in the world interfering with the finances of the country. And how would the Governor resist? It was a matter of little moment to the popular House, for, with a strong following in the country, Parliament would delete the clause from the Constitution.

THE MINISTER FOR LANDS: That might not be so easy.

MR. MORAN: It was possible. If the Ministry had a majority in the House, and was backed up by the country, the will of the people must prevail. The Minister for Lands must admit that. What was the object? Was it to block the popular will in cases of this kind? Was it desired to bind for all time the people of this country in raising their loans? If so, the attempt would fail; and even could it be successful, would it be wise to decide how all future Parliaments should finance the country?

MR. BATH: Let us set a good example.

MR. MORAN: The Government were to be commended for endeavouring to maintain sinking funds, if possible; but to go farther was seeking after the unattainable. The clause usually inserted in a Loan Bill was somewhat stronger than the proposed new clause, for it gave a pledge to the lender when raising the money; and whatever virtue there was in the sinking fund as an obligation lay in the promise to the lender that we would establish and maintain a sinking fund. That was much better than this novel proposal, which was altogether foreign to a Constitution Bill.

MR. BATH: A similar provision was embodied in nearly all the State Constitutions of the United States.

MR. MORAN: But the relations between the States of the Union and the United States Government were entirely different from our relations with the Federal Government [MR. BATH: No.] Our only financial connection with the Federation was that the Federal Government took a certain proportion of the revenue. The new clause would not afford any extra future safeguard, for the will of the people must prevail; and if financial trouble arose, this State might follow the example of those in the East, where the sinking funds had been abolished.

THE MINISTER FOR LANDS: And the people were sorry for it to-day.

MR. MORAN: No doubt. Most of our people were sorry for entering the Federation.

THE MINISTER FOR LANDS: No.

MR. MORAN: And so were most people in Queensland and Victoria, and probably in New South Wales. As to a sinking fund, the will of the people must prevail. He hoped that we should always be so prosperous, until our obligations had been practically liquidated, that Parliament would be able to maintain a sinking fund. Farther than that we could not go. This matter should be discussed, so that the country might know the exact position. The clause would be no great safeguard; but if it would strengthen the hands of any party

wishing to resist the abolition of the sinking fund, it might do some good, though it was in vain to say that the Governor could block the misuse of a sinking fund, for the attempt would need much courage, and could not be permanently successful.

MR. ILLINGWORTH: The Treasurer's remark as to the Governor interfering in a financial question was somewhat unfortunate. Probably the Minister did not intend to convey the idea that the Governor would actively interfere, but merely proposed that the new clause should make less easy any hasty abolition of the sinking fund. He (Mr. Illingworth) had always urged and frequently emphasised in and out of the House his strong belief in a sinking fund, and his admiration for those who, when initiating a loan policy in this State, provided a sinking fund for defraying the loans. The chief danger arising from a sinking fund was beginning to dawn on us now. There was some £850,000 to the credit of the fund. The power of the sinking fund was not understood by the mass of the population. When people saw one or two millions of money to the credit of the State in a time of financial stress, there was a temptation to take possession of that money, for it was available or could be made available to the Treasurer. Most people failed to realise that the value of a sinking fund lay in its cumulative force. The increase of the fund was slight at the beginning, but very rapid in its later stages; reminding one of the old schoolboy problem of the blacksmith who received one penny for the first nail in a horse's shoe, twopence for the second, fourpence for the third, and multiplying onward, so that the ultimate total became astonishing to boys who worked the problem for the first time. This was the principle of a sinking fund. If we could be sure of maintaining a sinking fund, the State would be quite justified in going on the loan market for as much money as was desired, provided the State could always pay the interest as it fell due; for while that provision was made, the State was practically not in debt. When borrowing three millions for the Coolgardie Water Scheme, a three per cent. sinking fund was provided; and so long as interest and sinking fund were forthcoming, that was not a debt hanging over the State, because provision was being continuously made for paying it off when due. In considering this, two questions must be answered: first, whether we could find interest and sinking fund; second, whether we could so control our financial arrangements that the loan fund and the sinking fund should be kept intact. The best guarantee of our so doing was to give a pledge to those from whom we borrowed each loan, by a clause in the Loan Bill itself to provide a sinking fund, thus absolutely binding ourselves to the lenders by a contract which no Parliament in its senses would upset. If this new clause would interfere with the existing provision, it would add to our statutes an element of weakness rather than of strength; because there would be a tendency in constructing a Loan Bill to trust to the Constitution Act, going on the market with the Constitution Act section behind us, and no clause in the Loan Bill itself. It would then be open for Parliament to say: "We did not pledge ourselves to the lenders, and the Constitution Act can be altered." To alter the Constitution needed only an absolute majority of the whole House; consequently, it appeared that the existing safeguard would be weakened by the new clause. If, however, the Government thought their proposal would strengthen our powers and maintain the sinking fund, he would give them his hearty support; but they should consider whether in placing this in the Constitution Act there would not be a danger of having it omitted from Loan Bills. If it were retained in the latter, the new clause might strengthen the safeguard; but he inclined to the opinion of the member for West Perth (Mr. Moran), that we should not gain much. A future Parliament desiring to borrow a million and not believing in a sinking fund, had simply to amend the Constitution Act, and the thing was done.

THE PREMIER: That was not easily done.

MR. ILLINGWORTH: True, all delays were on the side of safety; and the future Government, if reckless, would have to carry not only its Loan Bill, but an amendment of the Constitution also; and as that amendment must go to England for sanction, the delay would

give fuller opportunity for public discussion on the question, and would afford a modicum of safety. He gave his strongest adherence to the principle of the sinking fund, which he had supported on every occasion he had spoken of it. As to the investment of the sinking fund in Imperial and Colonial stocks, he took this opportunity of saying that when our own stock was below par, it was undoubtedly the best investment our trustees could get.

THE TREASURER: And it was being availed of.

MR. ILLINGWORTH: Some people did not believe in the principle; but if we could buy our own stock at less than par, not only should we gain for the sinking fund the interest on that stock, but the difference between the par value and the purchase price; and therefore the cumulative force of compound interest became an immense power in defraying the debt. Invest our sinking fund thus on occasions when our stock was considerably below par, and we should get our own stock into our possession; and instead of taking 43 years, as was calculated on a one per cent. basis, we could probably repay the debt in about 37 years, to the immense advantage of the State. Anything we could do to increase the strength and safety of the sinking fund, and to encourage this and all future Parliaments to adhere to the principle, we were perfectly justified in doing. The new clause would, he feared, not do much in that direction, but it would do a little; and for that reason, and because of his strong belief in the necessity for maintaining the principle of the sinking fund, he hoped that all would support the new clause. It would be a novelty in the Constitution Act which might have some use; but he did not wish the Committee and the Government to go away with the idea that there might be a penalty to it. We had a perfect Government at present, but future Governments were liable to be less perfect, so that the present Government had to make a provision which might prevent future Governments being led astray; therefore it was just as well to make the principle as safe as possible. His main object was to give adherence to the principle of the sinking fund.

MR. BATH: The hon. member for West Perth had said that there was no precedent for placing matters of this kind in the Constitution. Some American States had a similar provision in their Constitutions. It was a modern development in the history of American States, because there were few provisions for finance in their earlier Constitutions. In eleven States the Constitutions provided for the limitation of incurring debts.

MR. MORAN: What relation was the Federal Parliament to the State Parliaments in the United States?

MR. BATH: In regard to such financial matters the States had sovereign power.

MR. MORAN: What was the enforcing authority in those States?

MR. BATH: In many cases it was a referendum to the people. The Constitutions of the American States provided limitations for the incurring of debts, and also contained provisions preventing the consolidating of deficits, and providing for the payment of interest and for the establishment of sinking funds. Those States were as important as Western Australia, so that there was no reason why we should not follow their good example.

MR. MORAN: There could be no breach of a sinking fund.

MR. BATH: A clause could be placed in the Constitution so that, before the sinking fund could be broken, those who proposed to do so should have to run the censure of the people of the State. Members seemed to imagine that the State could go on accumulating debts. He believed the debt should be in proportion to the population. Would hon. members say the State could go on increasing debts that might amount to £100 or perhaps £500 per head of the population? A time must arrive when the paying of interest and sinking fund would become too heavy a burden on the community, and would practically kill industry. Even if we made provision for paying sinking fund by placing this provision in the Constitution Bill, we were not making all the provision we could for the sound financing of the State. He suggested there had not been justification for incurring debts in the past, because the indebtedness per head of the population was too high.

MR. MORAN: From the hon. member's point of view, the State would not have had the goldfields water scheme.

MR. BATH: Perhaps if he had had his way, the State would not have had the water scheme.

MR. MORAN: Nor the goldfields railways.

MR. BATH: Many works could be done out of revenue, and by this means the State would be better off.

THE MINISTER FOR LANDS: There was reason in the remarks of the member for West Perth. No doubt there could be no direct penalty, but there had not been cases in Australia of any violation of the Constitution.

MR. MORAN: Constitutions were being altered every session.

THE MINISTER FOR LANDS: Such had been done with the authority of Parliament. No loan should be raised unless the persons responsible for raising it felt they were in a position to say they could pay interest and sinking fund. Victoria had now five millions of loan money falling due for repayment; and one could not help feeling that the position of Victoria would have been stronger if a sinking fund had been provided in the days when the revenue was better than at present. Australia was mostly in pawn, and a provision such as that proposed for the sinking fund should meet with hearty indorsement from the people of the Commonwealth.

THE TREASURER: The country would appreciate the expressions that had fallen from the lips of members with regard to the retention of the sinking fund. The object of placing it in the Constitution Bill was to give additional safeguard. He would be a bold man who would dare to bring down a Loan Bill to the House with no provision for a sinking fund. When we saw the positions of the other States, we recognised what a great advantage it was to make provision for sinking fund for all loans. Some little time ago the Commonwealth Treasurer sent a circular to the State Treasurers, asking them to express their opinions on a conversion scheme. He (the Minister) had seen the Commonwealth Treasurer, and told him that Western Australia did not want any conversion scheme, adding that "We have a sinking fund." The Commonwealth Treasurer said: "I know all about sinking funds. You create them, and make them, and along comes the Treasurer who takes them." He (the Minister) then said that we were not following the bad example of the State of which the Commonwealth Treasurer had been Treasurer for many years, that provision for sinking fund had been placed in the first Loan Bill and followed ever since, and that our sinking fund was placed in the hands of trustees in London, beyond the reach of an impecunious Treasurer. Victoria had now to face a bad London market with a five million conversion scheme. It was possible that she would have to pay from £500,000 to £750,000 to get the necessary money. When these facts came home to us, he felt sure it was the wish of the House, so far as the provision for sinking fund was concerned, that if any additional security could be obtained by putting it in the Constitution Act, we should do so. There was a good deal of force in what the member for West Perth had said with regard to the will of the people; but there were times when the will of the people was sudden.

MR. MORAN: Hear, hear. Federation was an instance.

THE TREASURER: That question had been fought out, and it might have to be fought out again; but there were times when maturer thought would say that some step taken was not the wisest. An alteration of the Constitution could not be made in five minutes in any circumstances. If we asked the constitutional authorities to assent to a Loan Bill with no provision for a sinking fund, the constitutional head would point out that the Constitution provided for the establishment of a sinking fund. We might reply "Yes; but the will of the people, as represented by Parliament, says that a sinking fund is not required, and consequently we will amend the Constitution." Should the Constitution be so amended, it was necessary to obtain certain assent, which took time.

MR. MORAN: It could not be suggested that there would be any refusal of assent to an amendment of the Constitution.

THE TREASURER: In the meantime the maturer feeling of the people would be brought to play, and then it would be

said that no alteration was required. When we had an acknowledged good principle, was it not right, as far as possible, to try and preserve it, even if to do so we practically only put very small restrictions on it? The proposal did not leave it to the Governor for one moment to say whether we should or should not spend loan money. It only allowed him to say that, if we wanted to borrow, we would have to provide a sinking fund. He could say that, as our Constitution said we were to provide a sinking fund, if we had no such provision in the Loan Bill he would withhold his consent. If we did not borrow another penny and kept up the sinking fund, in about 36 or 37 years all our indebtedness would be discharged, and the assets represented by our loan moneys would belong to the people. Consequently there would be a reduction of taxation at once. Many people were receiving the benefits of the sacrifices made by people years ago, so that, if we in our turn made sacrifices to-day in order that another generation might have benefits, we were only doing what other people had done for us. If the Committee were satisfied—and he thought generally they were satisfied—that this would be even only a very weak additional safeguard to the principle by which Western Australia was setting an example to the whole of the States of Australia, this could, in his opinion, be embodied in the Constitution, doing a fair amount of good. It was the desire of the House and the country at present that we should have such additional safeguard. If a time came when the country said we could not afford to do those works for which it was necessary to provide not only interest but sinking fund, the possibilities were that they would follow the course suggested by the member for West Perth and regret it for the rest of their natural lives; but he hoped the Committee would permit this clause to go through.

MR. MORAN: To show that the Treasurer himself did not think too much about sinking funds, he would say he remembered that last session when the hon. gentleman gave his Budget to the State, showing the total indebtedness of Western Australia, he took credit to himself for the sinking fund. [THE TREASURER: Oh, no.] He stated that we did not owe that. The hon. gentleman would admit that from the total indebtedness of the State he deducted the sinking fund. He turned round and said, "Although we have borrowed so many millions of money, we do not owe it all; we have paid off eight hundred odd thousand pounds for sinking fund; therefore I want authority to borrow that again. Our authorisations are so much upon the face of them, but you must take off the sinking fund from that; therefore you must not take that into consideration when you are discussing the limit to which the State can borrow."

THE TREASURER: I never made such a statement.

MR. MORAN: That had appeared in every Budget statement he had heard, including the Budget statement by the present Treasurer.

THE TREASURER: If the hon. gentleman would show it to him, he would apologise.

MR. MORAN: One did not wish to humiliate the hon. gentleman by showing it. Supposing we had a sinking fund large enough to reduce our indebtedness to a certain extent, would not the argument be used immediately, "This country can afford so much money; we want it for public works?" He believed that as long as States existed, one of the conditions of their existence would be that of having a national debt. The world was run to-day on debt. How could the debts of the world be paid off to-day? How much coin was there in England behind every pound of indebtedness?

MR. ILLINGWORTH: Would the hon. gentleman not say "credit"?

MR. MORAN: If there was a credit, there must be a debit. What was the amount of coin behind the debts to-day? According to Mulhall there was not quite 3s. in the pound. If there was to be no obligation in 30 years, it meant that the taxpayer of Western Australia to-day was going to pay for the whole of the public works of Western Australia, and give them over in 30 years absolutely free. That would not be fair, and it was never thought of and never proposed seriously at all. We hoped when we passed away to hand over the State as a good going concern, thoroughly sound and able to pay its way, pay interest or sinking fund, or whatever one liked; but

he did not think it was our object to liquidate the whole of the indebtedness. He had no objection to sinking funds. The State was now flourishing, and we had a tremendous revenue, but we should not always have it, and when dire necessity came this fragile structure which the Treasurer was erecting in the Constitution Act would be of very little value, and hardly worth the trouble of its insertion. However, he admired the Government for doing what they could to keep the financial position safe, and if they put up a finger-post he was not going to object; but it was somewhat unusual, and it was really only a finger-post.

MR. GORDON: A great deal of what was said by the member for West Perth (Mr. Moran) he agreed with. A sinking fund was not altogether so good as it might appear or as the Treasurer had painted it. It would have a tendency to cause future Parliaments to use our sinking fund as a leverage to borrow more money. They would say, "Look at the position we are in. Look at our sinking fund. We can afford to borrow money. We are safe enough." That was right enough as long as times were good. In the next ten years we might borrow more money; then we might have a bad time, and the sinking fund would be really locked up, because held in the hands of trustees in London. We should not be able to touch it, and if there was a bad time we should be greatly handicapped with a heavy taxation to pay off these loans.

Question passed, and the new clause added to the Bill.

New Clause—As to past loans:

THE TREASURER moved that the following be added as Clause 51:

> The contributions to the sinking funds of all loans heretofore authorised shall continue to be paid, without reduction, as directed by the Acts now in force relating thereto.

Much of the objection to the clause just passed might be raised here. Of course the object of the clause was to maintain the continuance of the sinking fund without reduction. We were satisfied that the provision of a sinking fund was a good one. Arguments were advanced by the member for West Perth (Mr. Moran) and the member for South Perth (Mr. Gordon) which he foresaw. Those members said, "Will it stand the stress of financial tightness?" The asset was practically a credit. The asset we were leaving behind was not, to all intents and purposes, a realisable asset. This provision insured nothing being done to stop the contribution to the sinking fund without altering the Constitution. The clause would have a balancing effect, and that was one of the reasons why he was strongly supporting it. The contributions to the sinking fund of the present loans had been founded in a haphazard kind of way. Evidently the intention was not to provide a sufficient sinking fund to redeem the whole of the loan when it matured, but to go towards providing for it. Consequently those loans which only carried a sinking fund of 1 per cent. did not provide sufficient to pay off the debt at the termination of the time. [MR. MORAN: How long?] A 1 per cent. sinking fund invested at 3 per cent. would take 46½ years to mature; and a 3 per cent. sinking fund invested at 3 per cent. would take 23½ years to mature. The total amount of loans actually raised so far as this State was concerned was £15,807,698. We had already redeemed £180,400 of those, and we had in London at the end of the financial year to the credit of our sinking fund £655,069, or a total of £835,469. That left an actual indebtedness so far as the State was concerned of £14,972,229. He intended to give the exact position, as far as he could, of the sinking funds, how they were invested, and all the information he was able to put forward. The hon. member wanted to know how the loans sinking funds were invested and what was the nature of the security. [MR. CONNOR: What was the result?] The result would be given too. We had at 4 per cent. £108,577, at 3½ per cent. £118,701, at 3 per cent. £415,452, at 2¾ per cent. £4,171, and at 2½ per cent. £1,929. The total amount invested at interest was £648,833 10s. 11d. Of that amount £436,408 was represented by an investment in Western Australian stock, £77,466 at 4 per cent., £60,330 at 3½ per cent. and £298,611 at 3 per cent. The only cash that was not invested at the close of the financial year was £6,235 3s. 11d. All the other money had been invested. What was done was this: so far as the trustees in London were concerned, and this was how we

recovered some of the discounts, when we sent home interest for the sinking fund, they followed the system provided for by the Crown Agents of the Transvaal Government loan, that whenever stock for which a sinking fund was provided went below par the sinking funds were invested in that stock. There was a £2,500,000 loan, which was absolutely the biggest loan maturing, and we contributed £75,000 per annum interest on that. That stock could be purchased at any time now from 89 to 91; so that in addition to securing the interest—we paid that interest at 3 per cent.—the difference between 89 and par was gained. Looking as far as we professed to be able to see forward, there was no likelihood of that stock going up to par at the present price of money for some years to come. The Transvaal Loan prospectus said:—

> The stock shall be repayable on the 1st May, 1953, by means of a sinking fund of one per cent. per annum to be applied to the purchase of the stock when below par, or to be otherwise invested under the management of trustees appointed by the Imperial Treasury with the concurrence of the Secretary of State for the Colonies. The Government of the Transvaal reserves to itself the right to pay off the stock at any date after the 1st May, 1923, subject to six months' notice published in the *Times* and the *London Gazette*.

Practically that was the same provision that applied to the first loan we raised here. The object of the clause was to continue the present payments so that when there was a surplus, as there would be, it would be retained in the sinking fund to meet the deficit on the next one. Practically the first loan we had maturing was one of £1,573,000 in 1910, of which £950,000 was held by this State in Savings Bank funds. Whilst the sinking fund provided for that, we should have to provide actually the difference between the sinking fund and the £573,000 required. The next loans of any consequence maturing were in 1927, and these were loans at par, there being two of them—£1,000,000 and £1,500,000—these had a sinking fund of three per cent.: and three per cent. invested at three per cent., that was presuming it was invested in its own stock, would give us on that, he thought, £236,000 of a surplus, seeing that it would mature if invested at three per cent. in 23½ years instead of 26 years as provided. In addition to that it was a fair thing to say the discounts would amount to probably £170,000 or £180,000: that would practically mean we would have a surplus on the first sinking fund of £400,000. We had a loan maturing in 1905 of £17,600, and there had been an accumulation of the sinking fund; now to meet the £17,600 we had actually got £50,000.

MR. MORAN: It was to be hoped the Treasurer would be able to do it.

THE TREASURER: That just showed, to the credit of the State, that we could pay £3 or £4 for each pound owing. It was suggested to us by our agents at home that the money should be taken back to the revenue; but we sent instructions home that the money should go into the general sinking fund, that it was to remain there and not be utilised for any other purpose.

MR. MORAN: Was that £50,000 raised under statute?

THE TREASURER: Yes; it had been an accumulation of dribs and drabs of the old loans taken up. Hon. members could easily see that if we provided for a sinking fund which at 3 per cent. would mature in say 20 years, and then we found instead of investing at 3 per cent. we could invest at 4 per cent., there was bound to be a big profit on the investment during the time it ran. We would have £300,000 on the £2,500,000; and the next loan which matured, totalling about £3,000,000, if we only got 1 per cent. sinking fund—and so far as he could ascertain, we would have a deficiency on the sinking fund on that particular group of loans, there were two of them, amounting to £600,000, but then they matured about four years after, in 1931—we would have a surplus of £33,000 on the present loan. We would receive interest on the £400,000, which would practically, so far as the loans maturing up to 1931 were concerned, leave us about £100,000 in debt when they matured. That was the position. Members could see, so far as the rest of the loans were concerned—there were some invested at 3½ per cent. and some at 3 per cent.—£7,350,000 of the balance, although at 3 per cent., would only bear one per cent. sinking fund with the exception of one of them. Granting that we could take that stock up at any time considerably under par, which would

make a good deal of difference so far as he could see, if we did not borrow more money, then in 36 years from now, provided we kept up the sinking fund, the State would be absolutely out of debt. [MR. MORAN interjected.] The hon. member for West Perth, than whom none was a greater believer in the future of the State, did not think we should not borrow in the interim, and he (the Treasurer) hoped there would be just as much necessity for incurring debts as in the past. He had tried to show the Committee exactly the reason for keeping as far as possible the contributions to these loans as they had been provided for in the Acts that brought them into existence. The object of the proposed new Clause 51 was to give power to do that. He was sure the Committee, since recognising that the last clause was designed to protect as far as possible the sinking fund, when the sinking funds were paid would like them used for the purpose of paying off the debt. He moved that the new clause be inserted.

MR. MORAN: Without repeating the whole of his previous argument, he wished to say that if there was money for a sinking fund and it was not used for the purpose for which it was intended, it was not a sinking fund at all.

Question passed, and the new clause added to the Bill.

New Clause—Referendum when Houses disagree:

MR. T. H. BATH: In Committee previously he had opposed the provision referring to deadlocks, and desired to insert a provision for a referendum. If he had followed his own inclination at the time, he would have left in a portion of the provision, so that in the event of the proposal for the establishment of a referendum being defeated, there would have been some provision in the Bill for deadlocks. He had expressly stated that he was desirous of altering the provision to provide for a referendum; and in consultation with the Premier as to whether he could do that by moving an amendment, the Premier informed him that if he moved the amendment and it were defeated, the provision in regard to deadlocks would be open for discussion.

THE PREMIER: The hon. member had not moved his amendment in reference to deadlocks. He had moved that the clause be struck out.

MR. BATH: The new clause of which he had given notice, provided that in the case of the Assembly and the Council disagreeing on a provision, and in case of the Assembly being dissolved and again passing the provision and sending it to the Council, and the Council returning it with amendment to which the Assembly did not agree, then the issue should be submitted to a referendum. This provision would no doubt meet with objection from those members who held that a referendum would be derogatory to the dignity of members of Parliament who were elected to represent the people. But at least in Australia it was a fundamental principle that the people were the sovereign power, and practically the last court of appeal on such a question. Personally he favoured the referendum in other circumstances also; but in deference to the objection of some members as to powers being taken away from them, he asked only that the referendum should be availed of in a very extraordinary condition of affairs. Some members held that the Assembly should not be penalised in the event of a disagreement with the Council, and of course they would favour the proposal for a referendum when that happened; but he contended that on important public questions the Assembly should appeal to the country and come back strengthened with the practical verdict of the electors, who would thus express their desire to pass into law the proposal of the Assembly. Then, in the event of a farther disagreement, the proposal at issue would be submitted to the electors of the Assembly per medium of a referendum. The principle of a referendum was certainly not new, for the method was found in Switzerland, and in at least three or four of the United States. It was provided for in Section 123 of our Federal Constitution, which enacted that any proposal for an alteration of the boundaries of any State should be submitted to the electors of that State; while Section 128 provided that any amendment of the Constitution should be submitted to the electors of all the States. In South Australia, when the continuance of secular education was a burning question, no finality was reached until the

question was submitted to the electors at a general election, when the principle was affirmed by an overwhelming majority. Again, in this State the referendum was frequently used in municipalities, to take the opinion of ratepayers as to the municipalisation of public conveniences, and as to loans. The referendum was often called a revolutionary proposal; but in Switzerland it had proved to be the contrary, for in some cases the proposals submitted to the electors had been rejected. And such rejections were found even in the case of proposed reforms initiated by a section of the people, as provided in the Swiss Constitution, a notable case being that known as the "Spoils Campaign," when certain electors wished that the federal revenue should be divided among the cantons; and the President of the Confederation said that he feared the referendum would result in the adoption of revolutionary methods in Switzerland. But the proposal, when submitted to the whole of the electors by referendum, was rejected; and the President then said that the Swiss people had proved that they were ripe for the establishment of direct legislation. That being a burning question in Switzerland, many of the leading European newspapers sent special representatives to that country to see how the proposal worked; and after the result there was a general chorus of approval from those newspapers. These were not mere socialistic or revolutionary organs, but what would be called reputable newspapers; and they placed the seal of their approval on the referendum. In some European countries the referendum was opposed by sections of the people as being too conservative and reactionary; for it was often found that the public were not prepared to adopt provisions proposed to them by legislators, or initiated by a section of the people themselves. On the whole, the referendum, wherever tried, had proved advantageous. In the event of a disagreement between our two Houses, and when the Assembly had been dissolved, and appealed to the country, had returned to power and again submitted the proposal to the Council and it had been again disagreed with, there was no better provision for overcoming the deadlock than that the proposal should be submitted to a vote of the people to decide whether it should become law. Australia was practically committed to the proposition that the people were the sovereign power; and as a last resort the people should be consulted on any point of disagreement between the Assembly and the Council. He moved that the following be inserted as Clause 51:—

If the Assembly passes any Bill, and the Council rejects or fails to pass it, or passes it with amendments to which the Assembly will not agree, and if thereafter the Assembly is dissolved by the Governor by a proclamation declaring such dissolution to be granted in consequence of the disagreement between the two Houses as to such Bill, and the Assembly again passes the Bill with or without any amendments which have been made, suggested, or agreed to by the Council, and the Council rejects or fails to pass it, or passes it with amendments to which the Assembly will not agree, the Bill shall be submitted to the electors of the Assembly, and if approved and ratified by a majority of the qualified voters voting thereon, it shall be taken to have passed both Houses, and shall be presented to the Governor for the King's assent.

MR. HASTIE: If the Premier did not see his way to support the new clause, would he give an opportunity of again considering how to settle deadlocks? On the recent discussion of the Premier's proposal for their settlement, certain members had voted to strike out the whole of the original clause in the Bill, under the impression that there would be an opportunity of discussing other methods. The Premier should explain the exact position.

THE PREMIER: One suggestion he had placed before the Committee, but it had not been approved of; yet that suggestion he thought the most satisfactory, and he was certain the majority of members were wrong in their decision. Dealing with the suggestion of the member for Hannans, surely the hon. member, however much he might be attached to the principle of the referendum, could not seriously expect that the new clause would be approved by the majority of members. It sought to provide a system of settling deadlocks by enacting that when the two Houses disagreed the electors of the Lower House should settle the question. That could hardly be satisfactory; and a much simpler way of stating the proposal would be to say that whenever the Houses disagreed the

majority of the Lower House should settle the question; for that was all the new clause amounted to, although it suggested a rather more expensive and cumbersome process, providing that when the Lower House, after a general election, again presented the disputed Bill to the Council and the Council rejected it, then the matter should be referred to and determined by the electors of the Lower House.

MR. BATH: The electors of the Council were included in those of the Assembly, and could vote in the referendum.

THE PREMIER: In one sense they were included, in another they were not; for in respect of the Lower House they were in a minority. If, therefore, it were desired to take their opinions as electors of the Council, a double referendum would be needed; whereas the hon. member's contention was to have regard only to the opinion of the country as expressed by the electors of the Lower House.

MR. HASTIE: Would the Premier agree to a double referendum?

THE PREMIER: The suggestion in the new clause was unfair; but if the mover would admit its unfairness, the suggestion of the member interjecting could be discussed. The new clause practically meant that when the two Houses disagreed the vote of the Lower House should prevail.

MR. HASTIE: But now the Upper House prevailed.

THE PREMIER: No; or if it did, did not the hon. member strongly object to that?

MR. HASTIE: Yes.

THE PREMIER: Yet the hon. member wished to remove the objection by enacting that the Assembly should prevail. Surely it would be unfair in case of a mutual difficulty, to place the power to settle it in the hands of one of the disputants.

MR. BATH: The Assembly electors would not be unanimous; and if the Council electors voted *en bloc*, they could practically decide the question.

THE PREMIER: If we took a vote of the Upper House electors as such, what would happen if the dispute continued, and each set of electors supported its own House? There would still be a deadlock, but a worse deadlock than the first; for instead of a deadlock between the two Houses it would be between two sets of electors.

MR. BATH: Then have a joint sitting.

THE PREMIER: Then why had not the hon. member supported the proposal for a joint sitting submitted a few nights ago? This proposal was not the most suitable, nor was it likely to meet with approval or even with serious consideration. His (the Premier's) suggestion was, he thought, wise; and he was sorry that other members had not seen eye to eye with him in regard to it.

MR. DAGLISH supported the new clause, though its provisions were not sufficiently drastic. The proposal that a referendum should be taken only after a dissolution of the Assembly seemed largely to neutralise the value of the amendment. Better have any difference between the Houses settled immediately by the electors of the State. The Premier objected to that, and objected to the electors of the Assembly settling any question in dispute between the Chambers.

MR. BATH: The Premier did not believe in responsible government.

THE PREMIER: All authorities admitted that such an innovation would be absolutely destructive of responsible government.

MR. DAGLISH: The Premier seemed to forget that the electors of this House were the people of the State, and were therefore competent to settle any question in which the whole of the people were interested. The Premier maintained that a section should have the right to override a majority of the whole: in other words, he reversed the axiom of Euclid that the whole was greater than a part, apparently holding as a political doctrine that a part should be greater, in power at least, than the whole. What was the object of Parliamentary Government if Parliament were not to express the will of the electors?

THE PREMIER: The hon. member's proposal would be representation on a purely population basis.

MR. DAGLISH: In respect of one Chamber, he was quite prepared to pin his faith to that.

THE PREMIER: Why make that profession when stating that a minority should not override the majority?

MR. DAGLISH: There might be a necessity for a representation of interests in one House, if there were but one. He admitted the right of every class in the community to give full expression of its views in Parliament. For that reason he would be willing to depart from the direct population basis if there was but one House of Parliament, so that the minority might at all events be heard. In his opinion we could always trust the majority to do a fair thing to the smaller section of the community, so long as the views of that section were placed before the public. He liked the principle of referendum in municipal bodies. The House had embodied it in the Municipal Act. Possibly some members of the Upper House did not like it there, and did not like the power taken out of the hands of municipal councils and conferred on the ratepapers; just as the Premier was opposed to taking the power out of the hands of the members of the other House and putting it in the hands of the electors. It was only when one trenched on the political sphere that the Premier could not see the justice of allowing the people to decide any matter. Having given expression to the principle, we should provide machinery to see that the electors got it. The will of the people could be arrived at more directly, in the case of a dispute, by the principle of the referendum. It could not be obtained even by a double dissolution, because all sorts of outside questions cropped up at elections, which were very often settled on the *personnel* of the candidates. Where they had great questions before the electors, a straightforward decision, about which there could be no doubt, could be arrived at by means of a referendum. The Premier had urged the House to provide some machinery to settle deadlocks. Here we had the machinery. Surely it was reasonable to ask the Premier to adopt the alternative proposal which would meet his wishes. The clause proposed a direct way of settling questions.

THE PREMIER: It was not direct enough.

MR. DAGLISH: It was a far more direct method than the Premier's cumbrous clause provided. It would prevent much of the turmoil and delay that would follow the Premier's proposal. If it was not direct enough, the Premier could move to prevent the dissolution of the House taking place before a referendum, so that the delay of re-election would be saved. He sincerely hoped the clause would be adopted.

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

Ayes	...	...	11
Noes	...	...	19
Majority against	...		8

AYES.	NOES.
Mr. Bath	Mr. Atkins
Mr. Daglish	Mr. Butcher
Mr. Dimmond	Mr. Ferguson
Mr. Ewing	Mr. Foulkes
Mr. Hastie	Mr. Gardiner
Mr. Holman	Mr. Gordon
Mr. Isdell	Mr. Gregory
Mr. Johnson	Mr. Hassell
Mr. Oats	Mr. Hayward
Mr. Taylor	Mr. Hopkins
Mr. Reid (*Teller*).	Mr. Jacoby
	Mr. James
	Mr. McDonald
	Mr. Phillips
	Mr. Piesse
	Mr. Pigott
	Mr. Rason
	Mr. Yelverton
	Mr. Higham (*Teller*).

New clause thus negatived.

First Schedule:

THE PREMIER moved that the words "and sixty" be struck out, and that the words "sixty and sixty-eight" be inserted in lieu.

Amendment passed, and the schedule as amended agreed to.

Second Schedule:

THE PREMIER moved that the last line be struck out, and the words "seventy-one members of Parliament, £14,200," be inserted in lieu.

Amendment passed, and the schedule as amended agreed to.

Bill reported with farther amendments.

ELECTORAL ACT AMENDMENT BILL.

RECOMMITTAL.

On motion by the PREMIER, Bill recommitted for amendment of Clauses 3, 15, 32, 55, 59, 61, 75, 147, and 180; also to insert new Clauses 16 and 109, and new Subclauses 4 and 5 of Clause 144.

MR. ILLINGWORTH in the Chair: the PREMIER in charge of the Bill.

Clause 3—Interpretation:

THE PREMIER moved that the words "or other person" be inserted in line 7 after "justices of the peace." This was

to fall in with the suggestion made in Committee by the member for Subiaco.

Amendment passed.

Clause 15—Qualifications of electors, Assembly:

THE PREMIER moved that the word "lived" be struck out, and "resided" be inserted in lieu.

Amendment passed.

THE PREMIER moved that the words "any district" be struck out of line 33, and "the district in which such person resides" be inserted in lieu.

Amendment passed.

Clause 32—How made up:

THE PREMIER moved that the word "shall," in line 1, be struck out and "may" inserted in lieu; also that the word "rolls," after "road board," in line 2, be struck out, and "rate books" inserted in lieu.

MR. DAGLISH: What would be the existing rolls under this measure, seeing that the old rolls would be *ultra vires* immediately the Bill was passed.

THE PREMIER: No; until the new rolls were created the old rolls remained in force.

Amendments passed.

Clause 55—Summons:

THE PREMIER moved that words added in Committee be struck out and the following inserted in lieu: "and shall be served at least ten days before the holding of the Revision Court." He thought ten days would be ample.

Amendment passed.

Clause 59—Mode of revision:

THE PREMIER moved that the word "live," in line 9, be struck out, and "reside" inserted in lieu.

Amendment passed.

Clause 61—Appearance:

THE PREMIER moved that after the word "writing," in line 1, "or by telegraph" be inserted.

Amendment passed.

Clause 75—Deposit to be forfeited in certain cases:

THE PREMIER moved that the following words be added: "On the death of a candidate before the election, the deposit made by or on behalf of such candidate shall be paid to his legal representative."

Amendment passed.

Clause 144—Undue influence:

THE PREMIER moved that subclauses be added as follow:—

(4.) Or, being a candidate, personally solicits the vote of any elector on polling day;

(5.) Or, being a candidate, attends at any meeting of electors held for electoral purposes on polling day.

We should make it an act of undue influence for a candidate to solicit an elector on polling day, or to attend a meeting held for electoral purposes on polling day.

MR. PIGOTT moved as an amendment—

That the words "within forty-eight hours of noon" be inserted.

This had been the law so long in the State, and he thought it had been found to work very satisfactorily.

The MINISTER FOR LANDS: It had never worked well on the goldfields.

MR. PIGOTT hoped members would give their opinion on it.

THE MINISTER FOR LANDS: Perhaps what had been the experience on the Eastern Goldfields would not apply to Perth or the North-West, or the far North. It was his lot on one occasion to contest an electorate. The editor of a newspaper waited until such time as he (Mr. Hopkins) had his mouth closed by Act of Parliament, and then promulgated literature to suit that editor's ends. There was another peculiarity about the goldfields Press: it was an institution prolific of candidates for Parliament. Such a proposal as this worked manifestly in cases of that kind in the interests of the newspaper, and to the detriment of other candidates. If the Press was to be allowed to not only comment but to take sides on a question of this kind, we should allow the candidate attacked to have opportunity of reply. Sometimes the attacks were venomous. If this amendment were passed, a candidate would be prevented from replying to such criticisms.

MR. FOULKES: The amendment should be supported. The Minister for Lands had referred to venomous attacks made by the Press on candidates, and to the inability of a candidate to defend himself against such attacks. He (Mr. Foulkes) was of opinion that the attacks made by individuals at election time were quite as serious and venomous, or

rather more venomous than those made by the Press.

MR. TAYLOR: This clause stopped the candidate only.

MR. FOULKES: Some candidates were not guiltless on that point. If attacks were made and they were venomous and untrue, the candidate had a remedy; for if there was any libel in the paper, he could bring an action and obtain damages, whereas in some cases it was hopeless to expect to get any damages from a person guilty of making unjust charges against a candidate. At election time candidates and their friends were prepared to make most reckless statements with regard to opponents; therefore we should have greater protection in shutting up the mouths of candidates for 48 hours before noon on polling day. He strongly supported the clause. It had been the law in this State for very many years, and it was only about two years ago that it was suddenly altered. He thought it was altered with very little consideration, because it was not until about 12 months after the law passed that this House realised the change had taken place. The alteration was owing to a clause put in the new Penal Code, and was not effected by means of a new Electoral Bill. Very few members knew at the time the Penal Code passed that this change was contemplated by that clause. In shutting the mouths of candidates, no one suffered injustice: it was the same for every candidate. No distinction could be drawn between one party and another. The amendment would provide a wise stipulation, as it gave the electors time to consider fully the speeches that had been delivered. What happened at the present time? There was a rush to secure a hall on the last night before the poll. Some people thought that the greatest importance was attached to securing a hall on the last evening, to prevent opposition candidates from speaking, and in some cases candidates were driven out into the streets to speak. He did not care about street-speaking, but some members were never happy unless they were haranguing a crowd in the street.

MR. WALLACE: Candidates should have the right to speak up to the night preceding the day of election, for in country places where constituents were scattered there were different camps, and it was hard to get the electors to take an interest in an election until a day or two before the polling. Therefore candidates should be allowed—or their representatives—to speak up to the night preceding the election. If a line was to be drawn, then it was only fair to consider the argument of the Minister for Lands. Supposing there were two or three candidates for one seat and one of the candidates happened to be the editor of a newspaper, there was nothing to stop that candidate from having the last and most emphatic say through his newspaper. If candidates were to be stopped from addressing meetings, then there should be a prohibition applying to such a candidate as he had described. The power of a newspaper was very great and had a great deal of influence during the time of an election. It was perhaps as well for the electors to pay attention to what a newspaper said; but if there was to be a prohibition against candidates speaking, then there should be the same prohibition against addresses through the newspapers. He had no desire to gag the Press, but if a candidate had the power of giving his views through the medium of the Press he should be controlled in the same way as candidates who were prevented from speaking.

MR. DAGLISH: It was for the member who advocated the curtailment of liberty to speak, to give a reason to justify the curtailment. The member for Claremont (Mr. Foulkes) was always ready to quote precedents from glorious British institutions, but on this occasion those precedents were in favour of his holding his peace. The Acts of all the Eastern States, with possibly one exception, were in favour of the right of speech being retained up to the polling day. The Victorian Act embodied the same principle. At the present time, for two days before an election a candidate went about in fear and trembling, afraid of saying "How do you do?" to an elector for fear of being charged with soliciting votes. The unfortunate position was not that the Press would be bridled, but that those supporting a candidate should be allowed to speak. With regard to importing personalities into an election, there was more likelihood of that from the

friends and supporters of a candidate than from the candidate himself. More harm was likely to follow from allowing a free canvass by paid agents or friends than allowing the candidate to speak. The proposal of the member for West Kimberley meant that it did not matter to the man who could afford to pay someone to speak for him, as his election agent could go about and canvass, doing his work and possibly preparing his speeches. That agent was just as competent to deliver speeches as to prepare them, and he could do the other side more harm, because he could use innuendos which a candidate was not likely to be responsible for on a platform. There was no justification for the amendment.

MR. PIGOTT: The only objection to the proposal was that it placed the candidates in an unfair position, as it did not give them the right to reply to unfair criticisms which might be made through the Press. But such criticisms within the specified time of 48 hours would have very little effect. He did not think any honest or honourable man would consider these criticisms worth acknowledging. The electors would know that a candidate was not allowed to speak on his own behalf during that time, and therefore any criticism that might be levelled against a candidate during those 48 hours by the Press or any opponent would not have much effect. If we prevented the solicitation of votes by candidates for 48 hours before the poll, we would do something tending towards keeping elections purer than they might otherwise be. By clause 66 the limit of time between the nomination and the polling day had been cut down. If a candidate could not address the electors for 48 hours before the poll, then the electors would be in a better position to consider the whole position and make up their minds without prejudice as to the qualifications of candidates. The argument raised in favour of allowing a canvass to be carried on right up to the polling day was not good. The worst case he knew of was where a pamphlet was issued, but he did not believe the electors took notice of that pamphlet. It occurred some years ago in Victoria. Once a candidate's mouth was shut, one did not believe any criticism levelled against a candidate would have much effect. If we prevented candidates from scraping votes together right up to the last moment we would have purer elections.

MR. DAGLISH: It depended upon how the candidate scraped them up.

MR. PIGOTT: The hon. member knew that the last day of an election was always an exciting time for a candidate, who generally tried to find out from his agents how many votes he was likely to get, and if he knew there was to be a tight contest he would use his endeavours right up to the last moment to obtain voters. The system was bad. If a candidate could not put his views before the electors in five days, then he ought not to stand.

MR. JACOBY: What about large electorates?

MR. PIGOTT: In large electorates he did not think the Government would make the writ returnable in five or six days. If they did so, the retiring member would have a big chance of getting back again.

MR. TAYLOR: We did not want that; we wanted a fair deal and no favour.

MR. PIGOTT: By retaining the old arrangement, purity of election would be better insured.

MR. J. M. FERGUSON: Candidates should be allowed to speak with every freedom until 12 hours before noon on polling day. He disagreed with the statement that newspaper reports published after candidates' mouths were closed would not have any effect. They would have great effect; and the speeches of the candidate's friends after he had delivered his last address would also be effective. Moreover, the candidate, although forbidden to speak within 48 hours of noon on polling day, could not be prevented from indirectly influencing the electors during the 48 hours; and temptation should not thus be placed in any man's way.

Amendment negatived.

Clause 180—Printing of amendments:

THE PREMIER moved that the clause be struck out. It was a mere machinery clause, and was not needed here.

Motion passed, and the clause struck out.

New Clause: Seamen voters:

THE PREMIER moved that the following be inserted as Clause 16:—

(1.) For the purpose of acquiring a qualification as an elector, a seaman shall be deemed to reside in Western Australia during the time he is employed in any ship engaged in the coastal trade of the State.

(2.) Every seaman who is entitled to be registered as an elector, and has no settled residence in any district, may be registered in the district in which the principal port at which the ship in which he is employed usually calls is situated.

(3.) The word "seaman" includes every person who is engaged in any capacity on board any ship not propelled by oars.

MR. HASTIE: Would the clause give a vote to a seaman employed in Interstate shipping?

THE PREMIER: No; unless the seaman had a residence in this State.

MR. FOULKES: There was nothing to prevent a man's having his home in Adelaide and yet voting in Fremantle when his ship reached that port.

THE PREMIER: Yes; for he would not be "in the coastal trade of the State," nor would he be "entitled to be registered as an elector."

MR. PIGOTT: Would "seamen in the coastal trade" include European pearlfishers?

THE PREMIER: No; but there would be no objection to their inclusion.

MR. PIGOTT moved as an amendment, that the words "or pearling" be inserted.

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

New Clause—Electors to vote in district in which they reside:

THE PREMIER moved that the following be inserted as Clause 109:—

An elector shall only be entitled to vote in elections for the Assembly for the district in which he resides, and for which he is registered:

Provided that an elector who has changed his place of residence to another district may, until his name is transferred to another roll, vote for the district in which his name continues registered for three months after he has ceased to reside in the district.

The effect would be that when a man left one district for another he had a period of three months in which to transfer his name to the new roll; and if an election occurred during the three months, and he had not transferred his name, he would be entitled to vote in the original district; but after the three months he would not have a vote unless he had his name entered on the roll of his new district.

MR. DAGLISH: Did the occupation of an office or a shop imply residence?

THE PREMIER: Not the mere occupation for business purposes. Residence meant personal residence.

MR. DAGLISH: Then a man was limited to voting in the constituency where he resided?

THE PREMIER: Yes.

MR. DAGLISH: Would that prevent his voting on another qualification elsewhere?

THE PREMIER: There was no property qualification for the Lower House, and the clause applied to the Lower House only.

Motion passed, and the new clause inserted.

Bill reported with farther amendments.

REDISTRIBUTION OF SEATS BILL.

SECOND READING—SELECT COMMITTEE.

THE PREMIER (Hon. Walter James), in moving the second reading, said: I propose to ask the House to pass the second reading, and then to refer the Bill to a select committee, the committee to report how they propose to redistribute the seats, when the House can adopt the report or can modify it and send it back to the committee to be farther dealt with. The Bill itself is of little importance, its whole value depending on the provisions to be subsequently made. I therefore propose to ask the House to pass the Bill as it stands, with the consequential amendments due to those amendments which have been made in the Constitution Bill; and then to refer this Bill to a select committee.

MR. S. C. PIGOTT (West Kimberley): In sending this Bill to a select committee, I should like the House to instruct the committee to inquire into and report on the advisableness of grouping constituents in the metropolitan district as already suggested.

THE PREMIER: One way would be for the committee to define the 50 electorates; and the House would, on receiving the committee's report, be perfectly free to group these as might be desired.

MR. F. CONNOR: Will the Government feel themselves bound to support the adoption of the committee's report?

THE PREMIER: No. It will not be a party committee.

MR. T. H. BATH (Hannans): Will it be in the power of the House to instruct the committee to allocate the seats on a scientific basis?

THE PREMIER: No; I do not think we can give instructions to a select committee.

MR. R. HASTIE (Kanowna): It may be as well to leave the whole matter to the select committee at first, with the understanding that the House shall have full power to decide which districts are to get increased representation. I have in my mind the proposal to give the South-West District an extra member, against which I and others will take an opportunity of seriously protesting. On the understanding that these and other questions will come before the House with the report of the select committee, I think we may pass the second reading and refer the Bill to a committee as proposed.

Question put and passed.

Bill read a second time.

THE PREMIER moved that the Bill be referred to a select committee.

Question passed.

Ballot taken, and a Committee appointed comprising Mr. Pigott, Mr. Higham, Mr. Hastie, Hon. F. H. Piesse, also Mr. Walter James as mover; with power to call for persons and papers, and to sit on days on which the House stands adjourned: to report on the 1st September.

ADJOURNMENT.

The House adjourned at 10·42 o'clock, until the next Tuesday.

Legislative Assembly,

Tuesday, 1st September, 1903.

THE SPEAKER took the Chair at 4·30 o'clock, p.m.

PRAYERS.

PAPERS PRESENTED.

By the MINISTER FOR MINES: 1, Statement of expenditure under "The Mining Development Act, 1902." 2, Camels and horses loaned to prospecting parties—return to order of the House dated 26th August.

By the MINISTER FOR WORKS AND RAILWAYS: 1, Exemptions from rating granted to various roads boards—return. 2, Erection of stock jetty at Point Sampson, papers *re*—return to order of the House dated 5th August.

By the PREMIER: 1, Report by Public Health Department on factories and workrooms in Perth and Fremantle. 2, Width of Tires Act, enforcement of—return to order of the House dated 19th August. 3, Remission of duty on cattle imported by Connor and Doherty and by Forrest, Emanuel, & Co., papers *re*—return to order of the House dated 5th August.

Ordered, to lie on the table.

CONSTITUTION ACT AMENDMENT BILL.

AS TO RECOMMITTAL.

Amendments made in Committee read.

MR. MORAN: Could the Bill be recommitted at this stage?

THE SPEAKER: No; it could be recommitted when a motion was made for the third reading.

MR. MORAN: Could the report be now discussed?

THE SPEAKER: Members could discuss the question whether Committee amendments should be now agreed to, but such amendments had better be referred to specifically.

MR. MORAN: Probably it would be well to wait for the third reading, and move then for recommittal.