

THE COLONIAL SECRETARY: I am glad to hear it. An impression is apt to get abroad.

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

Ayes	...	...	...	12
Noes	...	...	...	4

Majority for ... 8

**AYES.**  
 Hon. G. Bellingham  
 Hon. C. E. Dempster  
 Hon. W. Kingsmill  
 Hon. R. Laurie  
 Hon. W. T. Loton  
 Hon. M. L. Moss  
 Hon. W. Oats  
 Hon. C. A. Piesse  
 Hon. G. Randell  
 Hon. R. F. Sholl  
 Hon. J. W. Wright  
 Hon. J. D. Connolly  
 (Teller).

**NOES.**  
 Hon. J. M. Drew  
 Hon. J. W. Langsford  
 Hon. J. A. Thomson  
 Hon. T. F. O. Brimage  
 (Teller).

Question thus passed.

HON. M. L. MOSS, referring to procedure, did not intend to ask the House to send this resolution on to the Legislative Assembly, because according to Section 11 of the Interpretation Act it was necessary that a resolution to disallow regulations should be passed by both Houses of Parliament. The Legislative Council having passed this resolution affirming that the particular regulations should be disallowed, then if any member of another place chose to follow that up, it would be open to him to move to that effect in the other Chamber. The resolution passed in this Chamber would, as he understood, authorise the forwarding of this Address to the Governor; and as it would be of no avail unless the other House took the same course, he would leave it to some member of another place to take the necessary action if thought desirable.

#### PAPERS PRESENTED.

The COLONIAL SECRETARY laid on the table:—1, Lunacy Rules, Fees, and Forms. 2, "Administration Act, 1903"—Additional Regulations. 3, Instructions to Agents of Curator of Intestates' Estates. 4, Gaol Regulations—Amended Scale of Rations for Asiatic Prisoners north of Geraldton.

#### ADJOURNMENT.

THE COLONIAL SECRETARY, in moving that the House do adjourn until the next Wednesday, explained that he

had expected to be in a position to bring forward a Supply Bill at this sitting, but now found that the Bill would not be ready until the next Tuesday; and as the House could deal with it at the next sitting on Wednesday, he would not ask members to meet earlier.

Question passed.

The House adjourned at 5-22 o'clock, until the next Wednesday.

### Legislative Assembly,

Thursday, 13th July, 1905.

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THE SPEAKER took the Chair at 3-30 o'clock p.m.

#### PRAYERS.

#### QUESTION—RAILWAYS DUPLICATION, COST.

MR. FOULKES asked the Minister for Railways: 1, From what fund is the cost of the duplication of the railway from Perth to Armadale and Chidlow's Well paid, and what is the estimated cost of such duplications? 2, Under what authority are such duplications made?

THE MINISTER FOR RAILWAYS replied: 1, (a.) Duplication, Burswood to Armadale, costing £29,964 18s. 7d., was charged to General Loan Fund. (b.) Duplication, Lion Mill to Chidlow's Well, costing £9,397 4s. 10d., was charged to General Loan Fund. 2, Approved by the Hon. Minister for Railways for the time being.

### QUESTION—RAILWAYS ACT, AS TO AMENDMENT.

MR. HORAN asked the Premier: 1, Is it the intention of the Government to introduce during the present session an amendment to the Railways Act? 2, If so, when? 3, If not, why not?

THE PREMIER replied: 1, I am not prepared to make any statement in regard to the intentions of the Government while the Amendment to the Address-in-Reply remains undecided. 2, Answered by No. 1. 3, Answered by No. 1.

### QUESTION—BATTERIES INSPECTOR, HOW APPOINTED.

MR. HEITMANN asked the Minister for Mines: Did the Mines Department call for applications throughout the State for the position of Inspector for Public Batteries?

THE MINISTER FOR MINES replied: No.

### QUESTION—RAILWAY TARIFF NEW RATES, EXPLANATION.

MR. FRANK WILSON asked the Minister for Railways: 1, What increased revenue, if any, does he estimate to receive from the new railway tariff? 2, What is the increase in rates, if any, on principal goods carried, based on the average distance carried?

THE MINISTER FOR RAILWAYS (Hon. W. D. Johnson) replied: In order to reply to the questions Nos. 1 and 2, it will be necessary for me to make a short statement in connection with the Rate Book, and if the House will bear with me I will do so:—

Under the new rate "Miscellaneous" the minimum was raised to 10 miles in accordance with Eastern States practice, thus slightly raising short-distance traffic. From 14 miles, the 1902 rate applies right through. Grain, etc., is a new class; formerly it was "A" class, now "A" class rates prevail up to 75 miles, after which a slight reduction on previous rates takes place. The reduction is more pronounced afterwards. For example—"A" rate, 150 miles 17s., grain rate 15s. 6d.; 200 miles, 21s. 3d., grain rate 18s. 4d.; 250 miles 25s., grain rate 21s. 3d.; 300 miles 28s. 9d., grain rate 24s. 2d.; 350 miles 31s. 11d., grain rate 26s. 3d.; 400 miles 35s., grain rate 28s.

"A" minimum is raised to 10 miles; after that, rates are as per previous book.

"B," ditto, ditto.

"C" includes all special, which formerly were charged as "B" plus 50, and the classification has been widened so as to include a number of items about which some controversy existed, which is now done away with.

RATES.—1st, minimum raised to 10 miles, thus increasing the shorter distances; after 10 miles the same rates prevail as before. 2nd, are as in previous Rate Book. 3rd, are as in previous Rate Book.

PREFERENTIAL RATES.—These have disappeared from the Rate Book. They were principally giving to Western Australian produce, such as jams, butter, sauces, etcetera, a lower rate than productions of the same sort as the other States of the Commonwealth. The Conference of Railway Commissioners in Sydney in 1904 agreed that action to carry out the entire abolition of preferential tariffs should be taken, and it is now accomplished. In the 1902 Rate Book, on pages 49 and 50, special rates for grain and similar produce grown in Western Australia were provided on the up journey, i.e. to a port or in the direction of a port. Thus produce for Fremantle would travel from Northam to Fremantle 10s. 9d. per ton; York to Fremantle, 10s. 9d.; Narrogin to Fremantle, 13s.; Wagin to Fremantle, 14s. 3d.; Katanning to Fremantle, 14s. 9d. From Fremantle to Northam, 10s. 9d.; York to Fremantle, 11s. 8d.; Fremantle to Narrogin, 19s.; Fremantle to Wagin, 21s. 8d.; Fremantle to Katanning, 24s. 3d. The new rates either way are: Fremantle and Northam, 10s. 7d.; Fremantle and York, 11s. 7d.; Fremantle and Narrogin, 16s. 10d.; Fremantle and Wagin, 18s. 8d.; Fremantle and Katanning, 20s. 7d. In the new Rate Book, the special cheap W.A. produce rates have no place, but now are taken from Northam to Kalgoorlie, new rate 24s. 2d., old rate 29s.; Beverley to Kalgoorlie, new 26s. 5d., old 30s.; Narrogin to Kalgoorlie, new 28s. 6d., old 31s.; Wagin to Kalgoorlie, new 29s., old 31s. 6d.; Katanning to Kalgoorlie, new 30s., old 32s. 6d. Western Australian coal: page 53 of 1902 book provided for first five miles, 1s. 3d. per ton; after that 4d. per ton per mile. In the new Rate Book the same rate is provided to Bunbury, Perth, and Fremantle, and stations between, but beyond that the rate has to be "M," and is the same for Collie as for Newcastle coal, both being products of the Commonwealth. Butter, dripping, lard, cheese, dairy produce, preserved fruit and vegetables, jams, marmalades, sauces, vinegar, were formerly carried in large quantities as classes 1 and 2; say, Perth to Kalgoorlie, class 1 £4 18s., class 2 £6 6s. 6d. per ton. These have now—in half-ton lots—been placed in class "C," which gives Perth to Kalgoorlie £3 7s. per ton. It is difficult to arrive at the probable difference to revenue which may result through the alterations made; but it is estimated that from £12,000 to £15,000 will be the reduction to the public, on the lines mentioned. The low rate of "B" plus 50 per cent., which formerly was limited to a certain class of mining machinery, has now been made to apply to all machinery—

mining, saw-milling, electrical, galvanised and black tubing to 4 inches diameter, etcetera, excepting for boilers, stacks, flues, etcetera, which are clearly set out in the classification. This will probably make from £5,000 to £7,000 per year difference. It is estimated that a drop of from £20,000 to £25,000 will be experienced on this account, but it is expected that the natural increase of traffic will compensate for same.

#### QUESTION—PUBLIC BATTERIES, COST AND ERECTION.

MR. H. GREGORY asked the Minister for Mines:—1, What was the purchase price of the Yarri Battery? 2, What was the total cost, including purchase, carting, and erection? 3, Is it true that a Mr. Johnston, engineer at the Glengarry Battery, offered to dismantle, cart, and erect the battery for £1,200? 4, What previous experience had the supervisor, Bettenay, in the erection of batteries? 5, When is it anticipated that the battery will be in working order?

THE MINISTER FOR MINES replied: 1, £2,500. 2, Purchase, £2,500; new material forwarded, £800; cartage of original plant under public contract, £670; cartage of new plant under public contract, £560; rail freight on material, £240; wages—dismantling under Bettenay, £220; re-erection under Bettenay till arrival of battery manager, £460; re-erection since arrival of battery manager, £1,500: total cost, including purchase, carting, and erection (not including water supply), £6,950. 3, No. 4, Bettenay was highly recommended as having considerable experience in erection of machinery and plant, and was temporarily engaged to dismantle the plant, and this being satisfactorily done, the re-erection was proceeded with under his supervision till a battery manager was sent on the plant, arriving there on 28th January last. 5, From latest information the plant was to start on the 11th inst.

#### QUESTION—PUBLIC BATTERY SLIMES, LEONORA.

MR. GREGORY asked the Minister for Mines: 1, Did the Government give an option over the accumulated slimes at the Leonora State battery? 2, If so, what were the terms of the option and to whom given? 3, If option was given, were public tenders called for the slimes

or any publicity given to the desire of the Government to dispose of them?

THE MINISTER FOR MINES replied: 1, For the purpose of experimenting with a new process for treatment of slimes, application was made by Mr. Morgan Field for permission to treat slimes at Leonora Battery. Permission was given conditionally on the treatment being started within a given time, and subject to payment of a royalty of 2s. per ton. Any receipts from this source would, as the Government would not be liable for any expense in erection of plant, have been reserved to satisfy any claims from persons claiming an interest in the slimes. The time condition was not fulfilled, so the arrangement has lapsed. No tenders were called.

#### QUESTION—MINING REGULATIONS, PUBLICATION.

MR. GREGORY asked the Minister for Mines: When is it proposed to gazette the Regulations to be framed under "The Mining Act, 1904?"

THE MINISTER FOR MINES replied that the Regulations under "The Mining Act, 1904," would be gazetted to-morrow. They come into force south of the 24th parallel of latitude on 1st August, and north of the said parallel on the 1st September.

#### QUESTION—ABORIGINES IN THE NORTH.

MR. F. CONNOR, without notice, asked the Premier: Has any communication been received by the Government from the settlers in the North, following on the report of Dr. Roth in reference to the present position of the native question in that portion of the State?

THE PREMIER: I regret I am unable to answer the hon. member's question without notice.

#### PAPERS PRESENTED.

By the PREMIER: Gaol Regulations—Amended Scale of Rations for Asiatic prisoners north of Geraldton.

By the MINISTER FOR JUSTICE: 1, Copy of Instructions to Agents of Curator of Intestates' Estates. 2, Additional Regulations under "The Administration Act, 1903." 3, Copy of Lunacy Rules, Fees, and Forms.

## ADDRESS-IN-REPLY.

## DEBATE ON AMENDMENT.

Resumed from the previous Tuesday.

**THE PREMIER** (Hon. H. Daglish) : In rising to resume the discussion on the amendment which the leader of the Opposition proposed, I wish to cordially reciprocate those remarks which he offered at the outset of his speech. I have always endeavoured to discuss political issues in this House without introducing any unpleasant personalities, and I shall follow the same course in the future, so long as I have the honour to be a member here, as I have adopted in the past. I hope that on all sides of the House it will be possible for us to discuss the large and important issues which the public entrust us to deal with, without allowing any of our political views to interfere with those personal friendships which I believe at the present moment do prevail between members on both sides of the House, and which I hope will continue to live. The hon. member then tried to modify his statement by a promise that he would undertake certain culinary operations, and that in order to do so it might be necessary for him to break certain eggs. I received that statement, I might almost call it a threat, with a large amount of vague alarm; but if hon. members of this House wait until the hon. member's cooking is completed before they enjoy a repast, they will run a great danger of suffering from starvation; because, so far, the shells of those eggs on which he was going to try his treatment have proved impervious. They have remained unaffected by his efforts to crush them. The hon. member can be congratulated, and I think fairly, on the length of his remarks. [**MR. HORAN**: Did you say the "weight" ?] I cannot offer him the same congratulation on the weight of his remarks. The hon. member may be said to have built a very imposing edifice; but unfortunately he forgot what every builder should remember, that before a structure is erected it is necessary to find a foundation; and because the hon. member forgot all about the necessity for a foundation, the first breath of criticism is liable to cause his imposing edifice to totter if not to fall. I may point out that one of the first criticisms levelled against me was that I had taken the public into my confidence on

almost every subject, but had utterly failed to do so in regard to the question of finance. Now I have stated in public and in this House that it is not customary for the Treasurer to give interim Financial Statements. Usually he brings down once a year to members of this House a statement of the financial position of the country, and then expresses his views in regard to the requirements of the State, and submits the proposals of the Government for the ensuing term of twelve months. It is not customary for the Treasurer in between his two Budget Statements to go round giving detailed statements in regard to the financial position. In order to allow the public to have an intimate knowledge of the financial position of the State there are certain publications which periodically convey all particulars of the financial transactions that take place in the interval. These are followed by the public statement made when the financial year terminates. I was very much surprised at the hon. member charging me with any secrecy in this matter, because the hon. member was Treasurer 12 months ago at a time when a general election was proceeding, and at a time when, naturally, the Government of which he was a member would wish to place before the country a full statement of their management of the finances; a most important matter when an election is to be settled, because on the management of the finances the electors must be asked to a large extent to give their votes. But what do I find? I find in the hon. member's speeches to his electors' and in his speeches to the electors of other districts, no detailed information whatever.

**MR. RASON**: What do you find in the then Premier's speeches?

**THE PREMIER**: No detailed information whatever in regard to financial affairs. Surely the hon. member would not expect the Premier, who was not Treasurer, to give to the country the information for which he (Mr. Rason) was then responsible as Treasurer? But apart from that, when the then Premier (Mr. James) delivered his policy speech in March, three months before the general election, he did not go into details of the finances; and subsequent speeches by him followed practically on the same lines as the first and principal policy speech.

Between that policy speech and the elections, which were held close on the close of the financial year, I think on the 29th June, there was no financial utterance from the hon. member for Guildford (Mr. Rason), although the hon. member had in the meantime taken over from Mr. Gardiner, who was Treasurer at the time, the management of the finances, and as the new Treasurer might have been reasonably expected to have made some announcement in regard to the course which he proposed as Treasurer to follow. The financial year has now closed with the result I indicated on Tuesday last; and I am reproached by the hon. member for the fact that there is a deficit on the work of the year, and reproached with some of my own utterances on the subject. Now those utterances were made under certain conditions. I stated what I believed to be a reasonable estimate of the revenue likely to be received during the financial year; and, so far as I was able to frame it, what was likely to be the expenditure. That estimate was not altogether realised. [MR. RASON : On both sides?] Not on either side. I led the House to believe it would not be realised on the expenditure side; but, unfortunately, the revenue likewise was not fully realised, although the estimate on both sides will bear comparison with the estimates that have been submitted to this House by other persons who have filled the Treasurer's chair before me. That estimate showed an anticipated revenue of £3,677,739, against which the actual revenue amounted to £3,615,339 15s. 6d. There were excesses of receipts amounting to £38,000 16s. 7d., and there was a deficiency on the estimates of other items amounting to £100,401 1s. 1d., leaving a net deficiency of £62,400 4s. 6d. I do not think it is necessary at the present moment for me to go into this statement at any great length. For one thing I have not had the time, since the books for the year closed on the 10th inst., to analyse these figures for myself; and on the other hand I wish to emphasise the point that the deficiency in the revenue received, as against the estimated revenue, more than accounts for the existence of a deficit; and if my predictions had been realised, the arguments I submitted to the House when introducing my Budget Statement,

that with rigid economy we could so order the affairs of the State that a deficiency would be avoided, would have been amply justified by facts.

MR. RASON: What is the difference in the expenditure?

THE PREMIER: It is due largely to economies that have been effected in different departments. [MR. GREGORY: The Public Works Department?] I shall give the hon. member the figures in regard to the Public Works Department a little later. I am quite prepared to give them, and I can say that they will bear favourable comparison with those before this Government took office. I am willing to assure the hon. member that the expenditure has been larger in proportion to the money voted than in previous years.

MR. RASON: Keep to the estimate. On the one hand you are dealing with the estimate, and on the other you are dealing with the actual expenditure.

THE PREMIER: I am prepared to deal with both, and hon. members will very much help me to deal with them in methodical order if they refrain from interjecting irrelevant matter. The interjection of the member for Menzies (Mr. Gregory) was irrelevant to the matter I was speaking of. The member for Guildford (Mr. Rason) pointed out that I could not claim that the shrinkage in the Commonwealth revenue was responsible for any portion of the deficit, or for more than a very small portion, and he pointed out that the shrinkage did not amount to more than £10,000. In quoting that amount the hon. member was giving me credit for less than was actually received.

MR. RASON: I was taking the figures of Sir George Turner.

THE PREMIER: I am telling the hon. member that he gave the Government credit for receiving less from the Commonwealth than we received, because the deficit was only £8,360 14s. 1d. [MR. HOPKINS: That makes your estimate all the worse.] Yes; but there is one consideration to be taken into account. When my Estimates were framed, I was not aware of an outstanding debt which my predecessors had left to be paid for Savings Bank work, and which amounted to something over £14,000. Therefore, to the actual deficiency of £8,360 has to

be added this old-standing debt of £14,000.

MR. RASON : Had the claim ever been presented ?

THE PREMIER : Yes ; in Mr. Gardiner's term of office.

THE MINISTER FOR MINES : Hear, hear.

THE PREMIER : If the hon. member wishes to contradict me, I am quite prepared to produce papers and to lay them on the table for the information of the hon. member.

MR. HOPKINS : Hear, hear. We will have them.

THE PREMIER : I only hope he will have them. The member for Guildford can have them without moving for them. If he chooses to see them to-morrow they are available for inspection. I am just pointing out that this represents practically £23,000 of the deficiency of £46,000. I may mention that another item on which there has been a failure to realise the revenue estimated is that of the Phillips River smelter. In this case the revenue we estimated to receive could not be received within the term of the financial year. The smelter has been doing good work and profitable work, but the returns have not been sufficiently forward to enable us to bring to the credit of this year's revenue a sum anything like equivalent to that which I estimated to receive ; and in estimating it I was relying on the advice I received from the department concerned. It has not been sufficient to enable me to credit anything like the amount anticipated, which under this head last year was £75,000, the actual amount received being £29,115 0s. 4d. The deficiency on that one item alone amounted to £45,884 19s. 8d. I do not think it is necessary for me to weary this House by going into a series of these items in detail. I am simply here to say that I have always, despite the member's words to the contrary, been anxious to take the House and the country, as far as possible, into my confidence ; but I felt it would be wrong on my part to profess to give an epitome of the year's work to the House or the country until I was in a position to give it with a certain amount of reliability. The House and the country would have just cause of complaint against me if, before the year expired, I put forward

three or four different estimates of revenue and expenditure--one estimate when I came to make the Budget Speech, one when the year was half expired, a third when the year was three-parts expired, and a fourth estimate when eleven months had gone. Each one of these would be liable to be affected by the work of the closing months of the year, and members would very justly criticise me and have complaint against me if I made a series of statements, any one of which or indeed one and all of which might, through causes over which I had no control, many of which I or any Treasurer could not anticipate, proved misleading to the country. I may add farther that a Treasurer might, in some instances, if he adopted this principle of putting forward a series of estimates in consequence of a bad month or two, do certain damage to the State by basing his opinion on a bad month or two, and not taking into account the possibility of a good month that might come. However, I do not intend to labour farther on that particular point. Another question dealt with by the member, and I intend to take his main points in the same order as he did, was the condition of the funds on the 9th August, the day on which he left office. After giving the figures, which were accurately stated by the member, he alleged that the financial condition when the Government took office was better than when any Government that preceded it took office. Just previous to the time when this Government took office, Mr. James, the then Premier, said :—

During the course of the last year or two the position has been by no means free from anxiety. We have been adding to our loan expenditure. Works have had to be carried out, and on more than one occasion we have had great difficulty in knowing how money was to be obtained.

That was the statement made by the Premier when the loan funds were in credit, just a month or two before the Government went out of office. When that Government went out of office there was a deficiency on loan account of no less than £142,000 ; therefore the condition of affairs in regard to that one fund was much worse than when Mr. James put forward not too bright a picture of affairs. But the member

quoted the figures relating to the 9th August as follows: "There were in the banks £113,303 2s. 9d. In addition to that, there was in the West Australian Bank to the credit of the Savings Bank funds £194,714 2s. 4d., making a total of £308,017"; and he challenged me to contradict the statement that when this Government took office the financial condition was better than when any of our predecessors took office. I accept the challenge and contradict the statement deliberately. I say the condition was worse than when any of our predecessors took office. [Mr. RASON: Having regard to liabilities?] Having regard to liabilities, and that is an important point too. The Leake Government took office on the 27th May, 1901. At that time, there was a credit to current account of £44,889 3s. 9d., and on the Savings Bank funds there was a credit of £498,140 4s. 1d., making a total of £543,029 7s. 10d.

MR. MORAN: What do you mean by credit to the Savings Bank?

THE PREMIER: The Savings Bank Reserve Fund, which is available to meet the claims of depositors who have money in the Savings Bank. On the 23rd December, 1901, when the Leake Government took office for the second time, the amount available on current account was £23,194 15s. 9d., and in the West Australian bank to the credit of the Savings Bank fund £477,682 14s. 4d., making a total of £500,877 10s. 1d. The James Government took office on the 1st July, 1902, and I cannot give the figures on that precise date for the reason that the Treasury books are closed on the 10th July. There is therefore no means of arriving at the exact position on any given date between 30th June and 10th July; but the figures on the 10th July were—to the credit of current account £90,122 18s. 1d., and to the credit of the Savings Bank funds £491,252 1s. 1d., or a total of £581,374 19s. 2d. These are the figures relating to the time at which each preceding Government took office.

MR. MORAN: It is very questionable to use these figures.

THE PREMIER: I am simply using these figures because of the fact that the member for Guildford used them, and if I am to reply to his statements I must take the same basis for my arguments as

he took. If the member should not have introduced his figures, then that statement should have been raised when he was speaking; and it is not fair to interfere with my reply, or for the hon. member to try now to escape from his argument and take up an entirely new position.

MR. RASON: I assure the hon. member I am not trying to escape from anything I said. I ask the House to place the true value on each case, on each statement.

MR. MORAN: The argument is no good until we know who got the use of the Savings Bank funds.

THE PREMIER: On each of the occasions when other Governments took office there was a credit to the loan fund. The leader of the Opposition has said that we are to consider, with the money available at the bank, the obligations to be met, and I cordially accept the invitation to do so. Naturally there are far greater costs on current account when remitting money to London to meet our indents and our sinking fund and interest, than when we have a credit in London on the loan fund. When the Governments which preceded mine took office, they had (I am quoting on the 30th June in each case) in each case a credit to the loan fund. In 1901 there was a credit to the loan fund of £520,077 12s. 3d. In 1902, when the James Government took office, there was a credit of £1,029,395 6s. 6d. In 1903 (that is midway in the term of the James Government) there was a credit of £103,332 17s. 11d. In 1904, the financial year ended with a debit on the loan fund of £142,558 5s. 2d.; therefore, although there was a larger amount available on current account in August last than there was when any of these other Governments took office, there were larger obligations to be met. Members will readily realise this when I give them the payments that had to be made in London on the 10th August. We took office on the 10th August, and between the 10th August and the 31st August we had to meet, on account of loan, £51,900 0s. 2d. In September also we had to provide £73,550 1s. 5d. In October there was likewise provision to be made for £281,411 12s. 8d., making a total to be provided, in less than three months, of £406,861 14s. 3d. Now, we had available

in London a balance of an overdraft of £250,000, which, the hon. member pointed out the other day, had been utilised to the extent of £60,000. We had also a possibility of receiving money in return for the issue of our 4 per cent. stock in Australia; but that stock was being taken up very slowly at that time, and giving no reliable promise of return to the Government of any particular amount, sufficient even to meet the ordinary working expenses on loan account of any one given month. We did not know on the 10th August whether we would during August receive enough to meet the payments necessary to be made on loan account. We did not know on the 1st September whether during September we should receive enough to meet the September requirements; and we had to meet in London in less than three months £468,861, and we had there available to meet it only £190,000. Surely no member of the House will tell me that a Treasurer is entitled to rely on what may come in dribs and drabs from the Eastern States. It is not a proper position that a Treasurer should have to rely on what may or may not be received. A Treasurer should be able to see his way a little in front of him, to know without any doubt that there will be sufficient funds available in order that the work of the country shall be carried on without difficulty or inconvenience. I say that on the 10th August when the Government took office we were not in that position, and it was my duty as Treasurer to get into that position as early as I possibly could. For that reason I dealt with our London bankers, with a view of getting authority to increase the overdraft, as I explained to members during last session, and for that reason therefore I ultimately made arrangements to issue £500,000 worth of Treasury bills at the risk of getting about 10s. per cent. less than I would have got by continuing to sell our local inscribed stock in Australia; because, as I pointed out to the House last year, it paid us better to take a somewhat lower price in Great Britain than it did to accept par in Australia and have the cost for payment of remittances from time to time to London, and have at the same time that degree of uncertainty which no Government should work under

if it could possibly be avoided. I think I have said enough on that point to justify me in replying to the challenge of the hon. member, which has been shown to have been made without sufficient grounds to warrant it, and I have justified the statement that the financial condition when this Government took office, instead of being better than that under which its predecessors took office, was considerably worse; also that we were materially hampered by want of funds sufficient to carry us on for even a very short time. A great deal of reference has been made to my first policy speech and to my second. My first policy speech was made when funds were in the condition I have indicated; and I then stated under the head of public works policy that I had already made it clear by my remarks in regard to the financial position that there was not much hope, until we had some further flotations of loan moneys, of any spirited public works policy; and members will, I think, uphold my position that until we had some new flotation we were not justified in entering upon any spirited public works policy. I am quite prepared under similar circumstances to give utterance to similar remarks. We are told that in that first policy speech there was no reference to the Coolgardie-Norseman Railway. I admit it. I do not know it has ever been contended by anyone that there was. I do not think I would have been justified at such a time in talking about any new public work. I thought that for the financial year the Government would have enough in hand in works to which Parliament had committed it, and I would have been entirely wrong if I had suggested any likelihood of taking on that year any other new work. We are told there was a slight reference to the Pilbarra Railway. I say there was something more than a slight reference. There was a reference in entire accord with the tone of the second policy speech, although I was not careful to correct or check the one by the other. My remarks on the Pilbarra Railway were:—

The Government surveyors are at present busily engaged surveying the route, and they have instructions to make a report and estimate of the cost of constructing that line. Last session Parliament passed a motion in favour of the construction of that line, on favourable terms, by private enterprise. The



object of the railway survey is for the purpose of ascertaining the exact cost, so as to enable the Government to deal intelligently with any offers it may receive for the construction of the line. You know that Labour parties, as a rule, and this one in particular, are not particularly favourable to private enterprise railways. We recognise, however, that Parliament has given a certain sanction to this proposal, and we are prepared, therefore, to consider any offers that may be submitted for the construction of the line, and should there be a favourable offer to the State we shall be prepared to recommend it to the consideration of Parliament. I do not think the present position would enable me to say more with regard to that particular line.

That is what the hon. member calls a slight reference, and what he implies is somewhat contradictory to the reference made in my second speech; but he will find that the second one, if he will take the trouble to read those remarks again, is practically a little enlargement of the first, justified by the fact—

MR. RASON: I read them both; a great enlargement.

THE PREMIER: No, not a great enlargement; an extension on the same lines of the first speech, justified by the fact that the work of survey and the work of preparing estimates and plans had been advanced a stage farther. The hon. member referred to the first speech as a mark-time speech. I cannot help feeling proud sometimes of the amount of attention that has been devoted to that speech. I think probably it has been more discussed than any previous policy speech in Western Australia. At the same time I think if members bear in mind the circumstances under which the first speech was delivered, and the circumstances under which the second speech was delivered, they will recognise that as subsequent flotations had taken place, and the financial horizon was much brighter than when the first speech was delivered [MR. GREGORY: Query?], naturally I was justified in dealing with public works in a somewhat more certain fashion than I was in the first instance. But the hon. member chose somewhat facetiously I have no doubt, to refer to the second speech as a "reckless gallop." [MEMBER: A hurry-scurry.] I am very glad to hear it designated thus, but I am afraid if the hon. member had read it a little more carefully he could not possibly

have given it that title. The hon. member was a member of the Government the leader of which put forth a policy in March, 1904, and in that policy there were larger works proposed than those which I submitted at Subiaco in May last. For instance, I proposed a floating dock below the bridges at Fremantle, which would cost £150,000 or £160,000. Mr. James in March, 1904, proposed a dock at Rocky Bay which involved the removal of the bridges and the deviation of the railway, which approximately would cost £250,000. [MR. BURGESS: That was before an election, though, was it not?] It was not clear as to what sort of a dock he was proposing. If it had been a graving dock it would have cost another half million, showing in one instance a very large increase on the amount I proposed. [MR. BURGESS: Who was that?] Mr. James, your late leader. Then again the Collie-Narrogin railway had already been fathered by that Government; and the Collie-Narrogin railway was estimated to cost £230,000. The Jandakot railway, £26,000. Then there was a viaduct to carry the railway through Perth: I do not know what that would cost, but that was one of the proposals put forward by Mr. James as a work which should be undertaken. I will give you the quotation:—

For instance, I think it would pay us to make a viaduct to carry our railway service through Perth. At present there is an annually increasing expenditure going on, which might be avoided if one comprehensive scheme were taken in hand. As it is, all the streets running north and south are being blocked by the railway, and that will grow worse as years go on.

Another proposal put forward was the extension of the railway from Magnet to Lawlers, to bring the Victoria district into communication with the Eastern Goldfields. I do not know whether the hon. member takes it seriously, but it is a proposal put forward in the policy speech of March, 1904, to which I presume the hon. member was a party, and which I presume had been discussed in Cabinet before it was brought forward.

MR. RASON: My friend might be as honest as he can, and show the exact terms.

**THE PREMIER:** Another proposal was:—

As agricultural production increases, we must keep pace with it by opening up new districts for settlement. We must push our railways ahead for this purpose, and there are various centres where it can be done, such for example as the country between Bridgetown and Albany, and also the country east and west from the Great Southern line, which needs to be opened up.

That is all. A very indefinite statement indeed, but it means more than any agricultural railways the present Government has proposed. The Metropolitan Water-works and Sewerage scheme, again, is to be pushed on, although now the hon. member finds it impossible for the Government to do it because there is not sufficient balance of the authorisation available. Surely it is not more impossible for the present Government to get an increase of funds authorised than it would have been for the late Government to have done it.

**MR. RASON:** You have said you cannot get it.

**THE PREMIER:** I have not said so. The hon. member has said I have made that statement, but the hon. member has spoken without his book. Bunbury Harbour Works, again, were included in the same statement. As against that I submitted in my policy speech a proposal for the Williams to Darkan Area railway, a proposal to provide money for the rabbit-proof fence, for the Swan River improvements, the metropolitan water supply and sewerage scheme, the Jandakot railway extension, the Norseman railway, the Bunbury harbour works, and the Fremantle railway station. The whole of these works if entered upon forthwith would not eat up in one financial year more than between £500,000 and £600,000. That is the extent of the progress that could be made by our Public Works Department during that term, and therefore my statement was quite in accord with my opinion with regard to the rate at which borrowed money should be expended by the Government. I am quite aware that if these works were carried out, the ultimate cost would be greater than that; but in delivering a policy speech it has never been usual, and I have not established a new precedent, to deal only with works that

would be carried out in one financial year. I hinted, in addition, a proposal later on to recommend, when circumstances fully warranted it, the construction of the Mount Magnet and Lawlers railway. I did not propose that it should be undertaken at once, but I thought, and still think, that at some not distant date it will come within the limit of those works which require the consideration and attention of Parliament. I think I have said enough on that point to show that my second policy speech does not represent anything like that reckless gallop that the hon. member has referred to. The hon. member referred to my alleged statement that this country cannot afford to borrow safely more than £500,000 or £600,000 per annum. What I said was that it cannot afford to expend of borrowed money more than £500,000 or £600,000. But this Government, or any other Government, if parliamentary authorisations be in existence, is warranted in dealing with those authorisations as circumstances seem to justify; that is, if Parliament has authorised the borrowing of money, the Government should borrow it as it is required, not piecemeal but as we think the market justifies us in doing, or as we think our advantage lies in borrowing it; and we desire to avoid going too frequently to the market, because we believe a large amount of disadvantage follows from a too frequent recurrence to the money lender. The policy I initiated of expending only about £500,000 or £600,000 per annum of borrowed money is one that has been followed up to the present time by the Government, and one which the Government has no intention whatever of abandoning.

**MR. RASON:** Is that all you spent?

**THE PREMIER:** I can give the hon. member the exact figures. The precise figures of the loan expenditure for the year ending 30th June, 1905, are £697,948 3s. 3d.

**MR. RASON:** Some months ago you said it would be £800,000.

**THE PREMIER:** Excuse me. If the hon. member will refer to my speech at Subiaco—the “reckless gallop” speech—he will find there that the estimated loan expenditure for the year was stated at between £600,000 and £650,000. I speak

from memory, but I believe those figures were used. I was very sorry to hear the hon. member's reference to the Subiaco town hall; because I think it was an unworthy reference, a reference that certainly added no weight to his impeachment of the Government, and certainly would not be likely to affect me injuriously in the opinion of members of the House. But it might do a certain amount of harm to the Government or to myself among the people outside, should they not understand the circumstances of the case. The hon. member chose to compare that statement with the circumstances of his visit to North Fremantle when an election was pending, and when he went there for the purpose of holding out certain hopes of the early start of a work in that particular constituency. That was, at all events, the charge on which the hon. member was arraigned by members of the House; members not only of the present party on the Government benches, but members of the Opposition. The circumstances of my allusion to the Subiaco town hall were these. I went to a meeting at a hall, the largest in the district; and the hall was much too small for the purposes of the meeting. On the spur of the moment it struck me that the place ought to have a larger hall. I knew that there was a vote on the Estimates for the purpose of providing that every municipality which erected a town hall should receive one-fifth of the cost of the building. And I therefore pointed out the need for a Subiaco town hall—a need emphasised by the manner in which the hall was crowded; and I informed the audience that whenever the people of Subiaco chose to erect such a building, I should, as Colonial Treasurer, very gladly pay them one-fifth of its cost. Now surely on no previous occasion has a leader of the Opposition endeavoured to make capital out of such a remark. I hope not, at all events; and I sincerely hope that the hon. member will not think it necessary to introduce in any subsequent attacks on the Government remarks of a similar nature.

MR. A. J. WILSON: You think there will be subsequent attacks?

THE PREMIER: I hope so, for they break the monotony. Another point raised was in regard to an excess on the loan authorisation. The hon. mem-

ber said, after quoting from a speech which I delivered at Cue:—

Therefore £240,000 of loan money has been placed to the credit of the Savings Bank. This was, of course, without raising a loan. Now has the Premier redeemed certain stock? Has he refunded or placed the reserve of the Savings Bank in a better condition, not because of his anxiety about the Savings Bank, but because he realised he had borrowed more money than he had any authority to do? If the redemption is really made with that motive, the hon. member is not entitled to take that credit to himself which he seems to take.

MR. RASON: Is that quotation from your memory or from *Hansard*?

THE PREMIER: I am quoting from what I have in writing as what the honorable member said.

MR. GREGORY: From what is the Premier quoting?

THE PREMIER: Does the hon. member question the accuracy of my quotation? He implied that I had over-borrowed, and that after over-borrowing I had suddenly discovered the fact, and that when I had over-borrowed I had, as a means of getting rid of the surplus, simply replenished the Savings Bank account.

MR. RASON (explanation): I argued that the Premier had over-borrowed, but I did not argue from that inference. I gave deliberately certain figures as the hon. gentleman's own figures, showing the state of the account; and I said, taking those figures, he evidently had, according to his own figures, exhausted his authorisation. What he paid to the Savings Bank has nothing to do with the Treasury.

MR. MORAN: They are two altogether separate matters.

THE PREMIER: That is hardly correct.

MR. MORAN: What does it matter to what purpose you devote the money, if you over-borrow?

MR. RASON: You over-borrowed.

THE PREMIER: I did not over-borrow; but before borrowing, I proceeded to cancel certain local inscribed stock held by the Savings Bank; and I did it because the Savings Bank funds were, in my opinion, lower than they ought to have been. During the past two years they have, in my opinion, been lower than they ought to have been.

MR. N. J. MOORE: What is a fair reserve for the Savings Bank?

THE PREMIER: The existing reserve when I cancelled that stock was 1s. 8d. in the pound. In my opinion that is insufficient, and I thought it wise to increase the amount.

MR. RASON: It has been less in your term than it ever was before.

THE PREMIER: It was less in the hon. member's term as Treasurer than it ever was before.

MR. RASON: In your time.

THE PREMIER: I am prepared to assert that it was less in the hon. member's time than it was in any previous Treasurer's; and I am prepared to state that it has been less in my term than in any previous Treasurer's, because for the last couple of years the statutory demands made on the Savings Bank have been increasing in a greater degree than the deposits made with the Savings Bank have increased. For instance, we have through our term had greater demands from the Agricultural Bank than were made during any previous term of a similar period. When such an increase of demand takes place, either the deposits must increase to the same extent, or there must be a reduction in funds available to meet withdrawals.

MR. HOPKINS: You ought to have known that, when you increased the capital of the Agricultural Bank.

THE PREMIER: I did know it when I increased the capital of the bank. At the same time, it seemed to me better to take the action I took than to force the Agricultural Bank to issue bonds of its own, which would be another way of borrowing, and which would probably be issued at greater cost than the money obtained from the ordinary loan fund. The hon. member may differ from me in regard to the course I took. I thought it desirable to increase the reserve; and the only way of doing it was by cancelling certain inscribed stock. I do not know whether the leader of the Opposition thinks that the principle of cancelling inscribed stock is wrong. I am not clear whether that is his argument.

MR. RASON: My argument is that you have borrowed in excess of your authorisation. I want to know whether you have or not.

THE PREMIER: If the principle be right, if it be within the Treasurer's power to cancel inscribed stock held by the Savings Bank, then certainly I was within my authorisation.

MR. MORAN: What do you mean by cancelling stock?

THE PREMIER: I mean paying cash in.

MR. MORAN: Where do you get the cash from?

THE PREMIER: The cash in this instance was obtained by loan.

MR. RASON: Taking the money you borrowed?

MR. MORAN: Did you use the same authority?

THE PREMIER: No. A precisely similar event occurred during the term of the last Government; and during the term of the previous Governments, at different times, there has been difficulty in raising money, and these Governments have had recourse to the funds of the Savings Bank. That is why the Savings Bank funds were so low as they were in my time.

MR. MORAN: That recourse was had against the authority of Parliament?

THE PREMIER: It was taken under the authority of the Local Inscribed Stock Act, without consulting Parliament as to the method of using the Savings Bank funds.

MR. RASON: Subject to previous authorisation.

THE PREMIER: Subject to previous authorisation. That has been done. A former Government has also adopted the practice of cancelling local inscribed stock after issue, and treating the authorisation as never having been acted on. This was done by Mr. Gardiner during 1903.

MR. MORAN: It is never regarded as a funded loan.

THE PREMIER: I will come to that point in a moment. If members will turn to page 164 of the Auditor General's Report, they will find that £44,025 worth of stock was cancelled and withdrawn from the general loan fund by the Treasurer, on the 7th July, 1903, and credited to Savings Bank investment account. A course precisely similar to that which I took was taken by Mr. Gardiner.

MR. RASON: But he had not exceeded his loan authorisation.

**THE PREMIER:** The hon. member will realise that when that local inscribed stock was cancelled, the amount of the local inscribed stock issued was reduced by £44,000; and we then treated our stock under issue as £44,000 less, and we treated that authorisation as being again alive. We treated that amount as again available for re-issue, either as local inscribed stock or for re-issue in debenture form.

**MR. RASON:** How does the Auditor General regard that very transaction?

**THE PREMIER:** The Auditor General remarks:—

This is contrary to section 58 of the Audit Act, which states: "It shall not be lawful for the Treasurer to expend any money standing to the credit of the general loan fund except under the authority of an Act."

The authority, by the way, has never in this instance been secured. I am not prepared to argue the technical legality of the action. [**MR. HOPKINS:** Plead guilty.] I am prepared to justify the action, but I am not prepared to argue on technical legal points. What I am prepared to argue is that the Colonial Treasurer stands in this position. As trustee of the Savings Bank funds he says: "I am able, in order to help my general loan fund, to transfer from the Savings Bank fund to the general loan fund £200,000 or £300,000;" and he does that. And he issues inscribed stock, as Colonial Treasurer, to himself as trustee of the Savings Bank funds. Later on the Treasurer, as trustee of the Savings Bank, finds that the liquid assets available for the Savings Bank are not sufficient to meet possible demands that may be made on them; and for the purpose of enabling those assets to be increased, he says, "I, as trustee of the Savings Bank funds, will agree to hand back to myself as Treasurer local inscribed stock to such an extent if the Treasurer will make the necessary payment to the credit of the Savings Bank fund." A good "deal" is then done by the trustee of the Savings Bank—a good "deal" in my opinion.

**MR. RASON:** I am sorry to interrupt. The Premier will admit that in no circumstances can the Treasurer borrow more than he is authorised by Parliament to borrow.

**THE PREMIER:** I will admit this—

**MR. HOPKINS:** That he could not, but he did.

**THE PREMIER:** No; there has been no borrowing beyond authorisation. In other words, my argument is that local inscribed stock is not a permanent stock, and need not necessarily be allowed to mature; and if local inscribed stock be cancelled, then the authorisation which it destroyed revives. The Treasurer, when authorised to borrow, is authorised to borrow for certain purposes to carry out certain works. Now the issue of inscribed stock is not a "work;" and will Parliament, because it has authorised a certain work to be carried out, and authorised the Treasurer to raise funds to carry out that work, say that the authority to raise funds to carry out the work is withdrawn because local inscribed stock has been issued and has been cancelled?

**MR. RASON:** The inscribed stock itself sets out that it is subject to the existing authorisation.

**THE PREMIER:** The hon. member is now confusing an issue under the Inscribed Stock Act with an issue under the Loan Act.

**MR. RASON:** Any issue.

**THE PREMIER:** The present issue was not made under the Local Inscribed Stock Act, but under the Loan Act, under authority given by Parliament.

**MR. MORAN:** You must have diverted those moneys you borrowed to another purpose than that for which the House gave you permission.

**THE PREMIER:** The money had previously been taken out of the Savings Bank, and the money in both instances was got from the Savings Bank or from loan, and was being used for the work for which Parliament had voted it. This was done to enable the will of Parliament to be fulfilled. Members may argue that there has been a technical breach of the Act committed. I do not admit that to be so, but at the same time I do not pose as an interpreter of the law. I am quite prepared to rely on the House to justify my action. If I have committed a technical breach of the law, I am quite prepared to take the responsibility if the House is not prepared to justify me. Under this head I wish to refer to the circumstances under which the borrowing of £1,400,000 was entered on. I was

advised by the Agent General to this effect:—

Our Loan Act of 1901 had £1,400,000 unabsorbed, although as part of the moneys authorised by the Act had been previously raised, the sinking fund on the whole was coming into operation. Moreover, this sum of £1,400,000, whenever raised, would come under the class of 1935 stock, as it would fall due in that year. This class of stock represents all our 3½ per cent. stock, with a 1 per cent. sinking fund, and some of the loans have been raised so far back as 1895. It is clear that this class must be soon closed, as the currency of the sinking fund period is too short, and new loans would need to come out under a new class, payable at a much more advanced date, so as to allow the sinking fund a currency sufficiently long to produce £100 per cent. of the Stock to be redeemed. The banker and broker advised that, as we were now going on the market, we should exhaust this class instead of taking £1,000,000 now and leaving £400,000 to be subsequently raised as a separate and distinct loan. I accordingly cabled you on this point, and on receipt of reply completed the transactions. My main reason, however, for urging you to endeavour to obtain the full £1,400,000 was my strong conviction that we should keep as long off the market as possible and avoid the risk of too frequent applications.

These are the circumstances under which it was proposed by the Agent General that this particular loan should be £1,400,000 instead of the amount of £1,000,000. I may, in reference to the demands made on the Savings Bank, quote the fact that the total demands made on the Savings Bank during the financial year just ended amounted to £188,897. These demands do not represent any lending of money to any private persons. Since I have been Treasurer, I have refused to entertain any application by private individuals for loans on mortgage. I think there were two loans on mortgage to private persons that I agreed to. These were old mortgages, and the security offered was very good, and we were in this position, that if we did not lend the money to the persons they would be forced to give a second mortgage to some other institution or some other individual. I think in each case the amount was about £100, and I made special terms in regard to repayment and reduction of the loan made to them. On the general principle of lending I have insisted since I have been in control of the funds that they shall be used as far as possible for public purposes only, and

for that reason I have refrained from lending them to any private individuals at all. I may point out that on one occasion in the history of the State the loan authorisation was exceeded, and that was in 1896 when Sir John Forrest exceeded his authorisation by £12,180.

MR. RASON: How much have you exceeded it by?

The PREMIER: Nothing. I thought I had given that figure to the member before. The hon. member in his speech has pointed out that the loan fund was insufficient to carry on until the 31st of December, and has quoted the available authorisations for sundry works. I am not going into the detail the hon. member introduced in this particular phase. The position is as in every previous financial year. Loan Bills have to be passed before new works can be entered on, and Loan Estimates are given of course in the first instance only for the financial year. They are authorisations to expend for the financial year, and Loan Bills are introduced to carry on for six months after the financial year expires. I am not prepared to argue that the available balances on particular works are sufficient to carry the particular works to completion. We can deal with that when the next Loan Bill is brought forward, or on the next Loan Estimates; but the funds available at present on loan account are amply sufficient to carry us up to the end of the financial year. If we have to have recourse to the Savings Bank, I hope we shall not deplete the Savings Bank to the same extent to which it has been depleted in the past. I do not think it is right to take up the Savings Bank funds to such an extent. How can we say that the Savings Bank fund will be available for 20 years? How can the Savings Bank trustee give 12 months' notice before he requires to liquify any stock he may possess. Therefore, I say I hope it will never be necessary to resort to the Savings Bank fund to the same extent as the money has been utilised in the past to strengthen the loan account.

MR. MORAN: You say you have sufficient money for this financial year?

The PREMIER: Yes; to carry us somewhat farther than this financial year.

MR. RASON: That is 1906?

**THE PREMIER:** Yes; 1905-6 I am speaking of. The hon. member referred to the transfer of the rabbit-proof fencing from a charge against revenue to a charge against the loan account, and he quoted certain apparent discrepancies in the Treasury statement due entirely to that transfer. That transfer was not made without the sanction of Parliament and the knowledge of hon. members. The question was fully dealt with by me when I was moving the second reading of the Loan Bill last December. I then stated:—

Another item to which I wish to draw attention is the provision of funds for the purpose of continuing the rabbit-proof fence, and I am quite aware it is a new departure to charge a work like this to loan funds.

The member for North Coolgardie said, "It is reproductive, anyhow;" and I replied, "The rabbits are." I went on to say:—

I quite recognise the force of any argument that might be raised in that direction; but I recognise the fact that it is only possible to provide out of any given sum for works that will amount to that particular sum; and when the Government entered into office we found that the requirements of the various public services that were going on absorbed all the revenue we could anticipate—absorbed in fact something more than our estimated revenue; and we found that there was only one alternative, either to stop the work or transfer it from being a charge on consolidated revenue to being a charge on loan funds.

**MR. RASON:** That is on the 20th of December?

**THE PREMIER:** That is on the 21st of December. I went on to say:—

I would point out that while it may be alleged that there are other works which could be dispensed with or transferred to loan funds, none of these have yet been pointed out during a detailed discussion on the Revenue Estimates.

In this connection the member raises a point in regard to the date the speech was delivered. That is altogether beside the question. My remarks specifically related to the expenditure for the financial year. The words are very clear. I have already read them, and the hon. member himself, as well as other members of the House, were well seized of the circumstances of the case and were thoroughly aware that the work from the 1st of July would be charged against the loan fund. [**MR. RASON:** I did not know.] The hon. member received

the usual copy of the Estimates. The hon. member in the Budget debate referred to this very question, and pointed out that no provision had been made on the Revenue Estimates to meet the cost of erecting this rabbit-proof fence. [**MR. RASON:** I wanted to, but I was not allowed.] The hon. member was not allowed to, but he did. Therefore, it is utterly absurd to complain of what I have done, as I had the full sanction of the House, and the House at the time knew what I intended to do. [**MR. BURGESS:** You ought to have given the revenue credit for that.] That is not the point the hon. member for Guildford in his speech raised. It is a point that the member for York can raise later on. The member for Guildford in his speech dealt at very great length with the advances made to departments, that were recoverable.

**MR. RASON:** Are you going to leave the rabbit-proof fence at that?

**THE PREMIER:** I am going to leave the rabbit-proof fence at that; yes. The member dealt at very great length with the question of advances, and pointed out that in the Treasury returns for the quarter ending September the advances provided amounted to £60,840. That is the amount given in the Treasury return as having been advanced to a department that was to be recovered, and then the hon. member referred to the fact that in the December quarter only £100 was shown, and he made very great capital indeed of the fact that £60,840 in September had come down to £100 in December.

**MR. GREGORY:** And £90 in the next quarter.

**THE PREMIER:** And £90 in the next quarter; and he made a jocular reference to the fact that this £100 advance was being paid off at the rate of £10 a quarter.

**MR. RASON:** And you showed it in December as still being outstanding £60,000 odd.

**THE PREMIER:** So it was. The hon. member apparently forgot that he himself issued these very advances, which all bear the signature of the leader of the Opposition. But the hon. member apparently imagines that the Treasury books close each quarter. They close only once a year; and therefore when advances are made at the beginning of a

financial year, those advances are not accounted for until the end of the financial year. The advances are used for the purposes of departments paying charges that are made against them. For instance, the Department of Agriculture receives a certain advance and pays accounts; and immediately it pays these accounts it sends them to the Treasury with an imprest, and receives in return a cheque for the amount, so as to keep the department's advance standing at the same amount until the financial year closes.

**MR. RASON:** While they are outstanding they appear as "advances to be recovered."

**THE PREMIER:** The hon. member is altogether wrong. They are not outstandings at all. They are advances to departments, and they are all recoverable. What is charged up each quarter is the amount actually expended, and that amount is brought to book in the Treasury. These advances are all intact at the end of each month, because immediately a department makes any payments from its advance it sends the voucher along with an imprest, and collects the amount necessary to recoup the advance account. But on the 30th June each year, a cheque for any differences between the imprest and the advance is sent along to the Treasury, so as to repay the full amount of the advance that was issued on the 1st July. And these additional advances in the intervening quarters of the year, of £100 in one case and £90 in another, are entirely distinct from the original advances—are advances given because of the fact that existing advances were found to be insufficient. The hon. member was particularly anxious to know what department received £100; and in order to satisfy his curiosity I have brought with me the particulars showing that an additional advance of £100 was received by the Department of Agriculture, another advance of £100 by the Department of Labour, and a farther advance of £40 by the Gaols Department; whereas a previously existing advance of £50 was repaid, and that repayment deducted from £140, the total of the two increased advances, brought down the difference to the £90 on which the hon. member dwelt. But I

am surprised that a member who believes so thoroughly in close administration, close attention to duty, should be so utterly unaware of the method of working and of book-keeping adopted in the Treasury while he was at the head of it.

**MR. RASON:** I was better aware of it than you are at this moment. We shall see how your explanation stands.

**THE PREMIER:** The hon. member dwelt at some length on the question of old age pensions, and raised the point that this was a subject which should be dealt with by Commonwealth legislation; in fact, he had the good sense to quote me as an authority for that statement. I am quite willing to admit that in my opinion it would be far better if the Commonwealth would undertake to deal with the matter at once, rather than that we should have a new State system established in Western Australia. My proposal is that, failing the Commonwealth doing anything, the State should undertake the work; and I am afraid there is not much hope of the Commonwealth Parliament doing anything this session. The hon. member assured us that it was the intention of the Commonwealth Government to do something; but I notice that on the list of subjects which the present Federal Government have promised to take up, this question occupies a very low position indeed. However, if we find that the Commonwealth Government are prepared to go on with it early, the State Government will very gladly allow the Commonwealth to take precedence. We recognise the advantage of having an Australian system in preference to a series of State systems; but we believe also that it is the duty of the State, pending provision being made by the Commonwealth, to take up the question; and I believe the hon. member himself has formerly posed as an advocate of the very measure that we are advocating.

**MR. RASON:** Of the Commonwealth system, yes.

**THE PREMIER:** Of the State system.

**MR. RASON:** No; never.

**THE PREMIER:** The hon. member has dealt with the Conciliation and Arbitration Act, and has expressed the hope that we are not proposing preference to unionists in some other guise. Now the reference in the Governor's Speech is plain and clear. The present Act pro-



vides that preference of service can be ordered by the Court to be given to a unionist employer. The Arbitration Bill as originally introduced by Mr. James provided a counterbalancing subclause to the effect that preference of employment to unionists could likewise be ordered by the Court. Another place, when the Bill was brought before them, struck out the second subclause and allowed the first to stand. Many of us who were in this House at the time strongly urged that if this principle were adopted at all, it should apply to both sides.

MR. FRANK WILSON: It has never once been acted on.

THE PREMIER: Whether it has been acted on is not to the point. The Government propose, in the terms of the Governor's Speech, to give the same power to the Court in regard to a union of workers as is at present conferred on the Court in regard to a union of employers. The principle is precisely the same, and surely no fair-minded man can object to it. The hon. member objected to it if it meant preference to unionists. It means empowering the Court to give preference to unionists; and I as an individual and the Government as a whole are quite prepared to trust the Court to exercise that power.

MR. RASON: I asked that you should state plainly your intentions.

THE PREMIER: If the hon. member refers again to the Speech, he will find they are there plainly stated; but if I have not made that clear now, if there are still any doubts to be dispelled, I shall be anxious indeed to give him farther information. In regard to the Coolgardie-Norseman Railway, the question was asked why this railway was treated differently from any other. The railway is not treated differently from any other that the Government have submitted. This is the first new railway the Government have proposed to submit to Parliament; and we have adopted a course of action in regard to that proposal that we are fully prepared to adopt in regard to any other schemes we may submit to Parliament. We believe in the fullest inquiry. We are quite prepared to insist on it in regard to any railway proposal we may bring forward.

MR. HOPKINS: You have inquired, have you not?

THE PREMIER: Into the Norseman Railway. I am replying to a complaint that we treated that proposal differently from other proposals. We propose to get the same amount of information in regard to every other project that we have an opportunity of bringing before Parliament. The leader of the Opposition dwelt at great length on the fact that the last Government inserted a challenge in the Address-in-Reply to the Governor's Speech, and he complained that we did not do the same. Now I urged last year, and I still hold, that it was quite unconstitutional to adopt that procedure. It is always within the power of the leader of the Opposition or the leader of any other party in the House to move a hostile vote. It is not the duty of any Government to ask for either an expression of confidence or an expression of want of confidence in itself. The Government has a right to assume, until a hostile motion is submitted, that it does possess the confidence of hon. members; and the members are capable of defining their position and of forcing the Government out of office if it does not possess the confidence of a majority. And as I objected last year on constitutional grounds to the method that the James Government adopted, it is hardly likely that I should myself do the very thing that I complained of when done by that Government. We are quite prepared to accept the challenge thrown down. We asked for it last year; we asked for it in recess. We are very glad indeed that the hon. member has challenged us; and should the vote be adverse, members on the Treasury bench will not be at all inclined to delay their abandonment of office.

MR. RASON: That is very kind.

MR. HOPKINS: You will go out on receiving notice to quit.

THE PREMIER: If we were sure of getting notice to quit, we should not wait for the term to expire. But the leader of the Opposition complained that many members on the Government side have no confidence in the present Government; and later on he narrowed that down still farther, and said that many members on the Government side have no confidence in their present leader; and for that reason the hon.

member made a sort of appeal to those members to support the no-confidence motion.

MR. RASON: No; to be true to their conscience.

THE PREMIER: I understood the hon. member's appeal really to mean that they should be true to his conscience, that they should vote as his conscience dictated. I am quite prepared, and should have been prepared even had the hon. member not done so, to appeal to any members on this side of the House who have not confidence in the Government to vote against the Government; and I am prepared also to ask any members on this side of the House who have not confidence in me as their leader to vote against the Government. I believe my colleagues are quite prepared to endorse that attitude. I am not prepared to hold office if I do not possess the confidence of my party. I am not prepared to hold office on sufferance, to hold it by the votes of those who attack me by their words. If I find myself hampered, if I find myself repeatedly attacked by those who vote with me, then I shall have but one alternative, to submit my resignation to His Excellency, and that I am prepared to do. I am therefore prepared to join in the appeal of the leader of the Opposition to any who have not confidence in this Government or in the leader of this Government to vote against the Government and assist him to put it out. There need to be no doubt whatever in regard to my attitude on this question. The hon. member accuses Ministers of having created new departments in all directions, and of having staffs growing up around them. There has been only one new department created by the Government without the consent of Parliament; that is, since last session. One new department was created last session—the Labour Department—which has a staff infinitesimal in size, a staff which is not being allowed to grow. [MR. GREGORY: It is growing.] But there were certain statutory appointments authorised by measures passed before our term of office; and these have had to be filled—such appointments as those of inspectors of factories. There were statutory appointments which had already been made under the Arbitration Act; and the officers in

question were placed under the new department.

MR. GREGORY: The other day we had a factory inspector in Menzies.

THE PREMIER: I have no doubt he was needed there. The assertion is somewhat sweeping that because one new department, the Department of Agriculture, has been created, new departments have been "created in all directions"; and I am quite prepared to justify the creation of that Department of Agriculture as a separate Ministerial department, to justify it on account of the importance of the work that it is undertaking, and at the same time, to show the hon. member that there has been no increase of staff in consequence. There has been a utilisation as Acting Under Secretary of one officer who has for many years been in the service, Mr. Crawford; and there has been no farther increase owing to the fact that the department has been made a Ministerial department.

MR. RASON: He was Acting Director before.

THE PREMIER: Yes; until the new Director was appointed.

MR. HOPKINS: That made new expenditure.

THE PREMIER: The new Director made new expenditure. The creation of the Under Secretary's position made new expenditure; but at the same time, members will recognise, I think, that it is far preferable, when we have work that we can give Mr. Crawford, that we should give it to him, rather than send him out of the service on a pension and employ someone else to do it.

MR. HOPKINS: That is to get the Government out of a difficulty.

THE PREMIER: I am showing that if we have the work for Mr. Crawford to do and work that requires doing, he should be employed on it.

MR. HOPKINS: We all agree to that.

THE PREMIER: This work can be proved to exist. In fact, the creation of this department will reduce a lot of red-tape. It will prevent the correspondence of the Agricultural Department going through the hands of the officers of the Lands Department. It will mean a certain amount of decentralisation of administration, which will make for cheapness.

MR. HOPKINS: The correspondence never went through the hands of the officers of the Lands Department.

THE PREMIER: A great deal did.

MR. HOPKINS: Not in the previous Administration.

MR. N. J. MOORE: You want to appoint an accountant to that department. According to the Auditor General's report, the accounts of that department are in a state of chaos.

THE PREMIER: We did that, and chaos has now given place to order in the accounts. Reference has been made to the cost of the administration of the Public Works Department having increased in comparison to the work done by the department. I reply to that that the cost of the administration in any department must increase as compared with the expenditure of that department, if there be a fixed staff, a permanent staff employed, and if there be a variable amount of work done by the department.

MR. RASON: That does not apply to the Public Works Department.

THE PREMIER: There has been a fixed staff employed and a variable amount of work. The cost of administration in that department during the present year will compare very favourably indeed with the cost of administration in previous years, although this fact remains that we have had, in dispensing with certain officers in that department, to pay compensation which is equivalent, and in some cases more than equivalent, to the amount that would have been drawn for the financial year as salaries had the officers remained in the service of the department. [MR. RASON: That occurs in every year]. Therefore the expenditure this year will not represent the amount of saving in the Works Department effected by my colleague who is now Minister for Mines (Hon. W. D. Johnson). The cost of administering the Public Works Department can be gathered pretty well from a return which I hold. In 1903-4 the revenue expenditure authorised was £577,978. The amount actually expended was £488,314, or 84·41 per cent., the underdraft being £89,664. The salaries voted amounted to £25,000, and the salaries paid to £29,797, an overdraft of £4,797 on salaries. Under loan the same year

(1904-5) the amount voted for works was £633,219, and the amount expended £517,591, equalling 81·58 per cent., the underdraft being £115,628. The salaries voted amounted to £36,715 and the salaries paid to £30,884, showing an underdraft of £5,831 on salaries. The total amount voted for both loan and revenue was £1,211,197 and expended £1,005,905, or 83·05 per cent. of the amount voted, the underdraft being £205,292. The total salaries voted amounted to £61,715, and the salaries paid to £60,681, or an underdraft of £1,034. The salaries in proportion to expenditure were 6·03 per cent. In the year 1904-5 the amount of revenue expenditure authorised was £357,497 and the amount actually expended £309,852, or 86·67 per cent., as against 84·41 per cent. the previous year. The underdraft was £47,645. The salaries voted amounted to £30,000 and the salaries paid to £28,101, an underdraft of £1,899 as against £4,797 the previous year. The amount of loan money authorised in 1904-5 was £465,214, and the amount expended £424,279, equalling 91·12 per cent., as against 81·58 in the previous year. The underdraft was £40,935. The salaries voted amounted to £30,482, and the salaries paid to £28,121, showing an underdraft of £2,361, as against £5,831 in the previous year. The total amount voted last year was £822,711, and the total amount expended £734,131, a percentage of 89·23 as against 83·05 the previous year. There was a total underdraft of £88,580. Total salaries voted amounted to £60,482, and total salaries paid to £56,222, or an underdraft of £4,260, as against £1,034 in the previous year. The proportion of salaries to expenditure was 7·65 per cent. last year, as against 6·03 per cent. in the year before. [MR. RASON: That is all we wanted.] I have a little more information on the subject. The salaries paid for June, 1904, for 258 officers amounted to £5,207. The salaries paid in June, 1905, for 248 officers amounted to £4,616, the difference being 10 officers and £591 less, equalling £7,200 per annum.

MR. RASON: What has that got to do with it?

THE PREMIER: It has a great deal to do with it, showing the way the year went after certain economies were effected.

MR. RASON: But for that the percentage would have been much worse.

THE PREMIER: Although real economies have been effected during 1904-5, the immediate monetary saving has not been great for the following reasons. Certain officers retrenched during December, January, February, and March were still drawing salaries for practically the whole year, owing to allowances by way of leave of absence and compensation for retrenchment. It is known that the services of other officers can be dispensed with, so far as this department is concerned, and the Public Service Commissioner has been so informed; but it is not proposed to retrench the officers until all efforts have been exhausted to place them in other departments, as provided for in the Public Service Act. Two officers drawing £260 and £250 per annum respectively, whose services could have been dispensed with, were appointed to fill the positions of auditors under the Roads Act. The amount saved by retrenchment and re-organisation in this department has been £8,170, and farther prospective savings amount to £1,805, totalling £9,975; less new appointments involving an expenditure of £2,588, which are temporary appointments mostly in connection with the sewerage survey, leaving £7,387 net saving on that department. Another point raised by the hon. member was the amount of £96 10s. per £100 bonds obtained from the recent loan at 3½ per cent. It was pointed out that the financial conditions in London were better and the amount available for investment greater at the time of the latest flotation. I do not know of any other index to the state of the money market than the price of stock.

MR. RASON: Australian stock, you talk of?

THE PREMIER: Yes.

MR. RASON: That is no indication.

THE PREMIER: The hon. member to that extent justifies my statement that he is not fair in argument; because in dealing with the amount of money available, we are dealing with what is available for Australian stock, seeing it is Australian stock which we have to offer. It is not right to take into consideration the amount available for investment in limited-liability or joint-stock companies,

or banks, or private and commercial institutions. The hon. member can only deal with the amount, if he is fair, available for Australian stock.

MR. RASON (in explanation): I am sure my friend does not wish to misrepresent me. My argument was that he, owing to the nature of his Government, could not, as he said, borrow money favourably in the English market.

THE PREMIER: I am glad the hon. member has made that statement; because it brings me to another statement, that the credit of Australia is not injured by the Labour party, but by those who misrepresent it, who misrepresent it one day and are willing to take office, if they can secure its support, the next day. We have had in Western Australia instances of this sort of thing; of men travelling up and down the country attacking the Labour party, its legislation, and its methods, wherever they get a chance; and immediately afterwards we have these men taking office only by the grace of the Labour party, which they can only retain so long as they go in the path the Labour party directs them to tread. The hon. member himself is just as responsible for the legislation he is speaking of, which is alleged to bring Australia into disrepute, as any other member in this House. The hon. member himself has been on his knees before the Labour party in the past. [MR. RASON: When?] In 1901, when the hon. member was contesting Guildford, when he wrote to the Labour party and swallowed the whole platform.

MR. RASON: The statement that the hon. gentlemen has just made is entirely without foundation, and I ask him either to prove it or withdraw it.

THE PREMIER: As the statement is contradicted, I shall withdraw it until a later date, and then I shall prove it. I shall withdraw it in the meantime.

MR. GORDON: The Labour party have swallowed you, and they cannot disgorge you.

THE PREMIER: Mr. Senator Mathieson recently dealt in a very trenchant manner with the class of people injuring Australian credit, and he pointed out that it was not the Labour party who were doing so, but the men who went around crying out in Great Britain and in Australia about the doings of the

Labour party. I contend that the hon. member has no right to insinuate that the credit of Australia has been lowered because of the power of the Labour party in Australia, and he is only justified in making that assertion if he can point out some act on the part of the Labour party which has besmirched the credit of Australia. I challenge him to point to any act on the part of the Labour party in Western Australia that would have a tendency to lower the credit of Western Australia, and to bring it forward. He has not done it up to the present time, and I am prepared to assert that the attacks made on the credit of Australia by Australians in our own land and outside Australia is doing the damage to Australian securities. I understand the member's statement to be that the amounts available for investment were greater at the time the loans were floated, and to imply that a bad deal was made by the Government. I am prepared to justify the deal that has been made, and to assert that it is a better deal than borrowing money piecemeal in Australia at 4 per cent. at par, to accept £96 10s. in Great Britain, which paid us better in its results. If the hon. member wants the details I am not prepared to give them to him to-night, because I have not yet, as the hon. member will understand and the House knows, been able to get the full details of the charges of the loan from London.

MR. RASON: You did not accept £96 10s., you know.

THE PREMIER: We agreed to £96 10s. as gross.

MR. RASON: Underwritten.

THE PREMIER: Underwritten, yes. I do not think it was a misstatement. For my part, I do not want to mislead the House in any way, but to justify that amount. I cannot go into the precise details of the transactions until I have the statement of the cost, which has not yet reached me, and which, as the hon. member knows, may affect in a minor degree the result of the loan. But taking it at 93 at  $3\frac{1}{2}$  per cent. payable in London, I am still prepared to justify that as against money borrowed at 4 per cent. at par, obtainable in Australia. The hon. member has been good enough to question my sincerity. While I have no objection to his doing so, I hope, whether

I am in office or out of office, during this session and during the rest of this Parliament, to prove my sincerity not by words but by deeds. I am not going to argue about the matter, because it is not a matter that can be settled by argument, but I welcome the hon. member's challenge to the House that those only will support the Government that support the policy of the Governor's Speech. I hope members will understand when they vote for the Government, if they vote for the Government they are voting for the Government policy. The Government are quite prepared to stand or fall by any one of the main issues it is proposed to submit to the House. I only hope members on the Opposition side will likewise vote according to the policy that has been laid down in the Governor's Speech, either for or against it in accordance with their political convictions. [MEMBER: What about the Pilbarra Railway?] I have already dealt with that. The member for Guildford pointed out that voting confidence in the Government meant that members agree to the Government policy. I may point out that by voting no-confidence, the House will be adopting Mr. Rason's policy which has not yet been submitted.

MR. RASON: By no means.

MR. NEEDHAM: He has not a policy to submit.

THE PREMIER: We know what the member advocated last election, and we know immediately after the last election a number of members of the Opposition decided that they would not follow the late Premier (Mr. James) unless he modified the policy as submitted to the electors, and I believe that they were not prepared to follow Mr. Rason unless he modified his policy.

MR. FRANK WILSON: It is modified; it's all right.

THE PREMIER: This House is asked to vote for the modified policy without knowing the extent of the modification.

MR. RASON: What was your case?

THE PREMIER: My case is embodied in the Governor's Speech.

MR. RASON: But last year?

THE PREMIER: My case last year?

MR. RASON: Was anything known of your policy?

THE PREMIER: Undoubtedly. There are about 36 Acts of Parliament that

Parliament passed last session. One would like to know whether land taxation, liquor law reform, State insurance, reform of the Legislative Council, is a policy which the leader of the Opposition is still prepared to support. We heard the other day that the Opposition were a united party. I am certainly glad to hear it. There has been a remarkable change on the part of the Opposition, and I am glad to hear that they are now united, but what are they united about? [MR. FRANK WILSON: Against you.] If I may, without disrespect to the Opposition, liken them to a troop of savages endeavoring to take a city, they are thoroughly united until the city is taken; but when the division of spoil comes, how long will their union last?

MR. HOPKINS: Is that the trouble you had?

MR. N. J. MOORE: You speak feelingly.

THE PREMIER: When the booty is divided, I reckon that the union will entirely vanish.

MR. N. J. MOORE: Is that what you found?

THE PREMIER: I want, in conclusion, and I apologise for taking up so much time of the House, to refer to that closeness of administration that the leader of the Opposition argued so strongly about. The hon. member complained that I had not attended closely to the administration of my department. [MR. RASON: The Treasury.] The Treasury. The hon. member has supplied three brilliant examples of what he means by close administration. He provided one in the secret purchase at Fremantle. I am referring to the Phillimore-road land purchase.

MR. RASON: When I was not Treasurer.

MEMBER: What was the Phillimore-road purchase?

THE PREMIER: This purchase was never before Parliament until the last session, after the last Government left office. The purchase was made through the Minister for Works, and not through the Treasurer. It was made by instructions from the Premier, who requested the Minister for Works in August, 1903, to ask Mr. Learmonth by telephone to call and see him, and he asked him to get an option over the property at a fixed price.

The first trouble is indicated by a letter written by Learmonth & Co. as to this land. This letter pointed out that Burns, Philp & Co. were the owners of lots 149 and 1309, and they say: "We recently sold these, together with lots 136, 137, and 138 abutting, for a large warehouse, and they are now having plans prepared for the same. Through the loquaciousness of one of your supporters in the House they know of the move." That points out the difficulties of the buyer, which were increased by the fact that the Cabinet secret was known, and talked of by supporters of the then Government in the House.

MR. GORDON: Then it was no secret.

THE PREMIER: It was not a secret purchase, I admit.

MR. RASON: Whom do you blame for it?

THE PREMIER: I blame the loquaciousness of a Government supporter.

MR. RASON: Who was that?

THE PREMIER: He is not named in the correspondence.

MR. GORDON: It may have been you; you were a Government supporter at the time.

THE PREMIER: In August, 1903, two lots of land in this particular locality, lots 143 and 144, were offered through Learmonth & Co. to the Government at £6,000 net for the two, commission to be added—£112 10s. That land was bought just six months later, the same land, at the price of £8,800. That was one example of close administration.

MR. RASON: It was through the loquaciousness of that supporter that the deal was not made.

THE PREMIER: The land was placed under offer at £6,000 plus commission. After the Government had decided to buy it the matter was allowed to lapse until the land had fallen into other hands, and ultimately the Government bought it at £8,800.

MR. RASON: How was it bought? By arbitration, was it not?

THE PREMIER: I don't know. It cost £2,500 more than it ought to have done.

MR. RASON: Tell all or nothing.

THE PREMIER: Another instance of close administration is provided in regard to the railway buildings which were supposed to be erected close to the

railway station in Perth. The hon. member for Guildford approved of the erection of buildings to cost between £30,000 and £40,000, and after that approval was given the hon. member said, when it was proposed to go on with the building, that he did not know the locality in which it was to be erected, and stated farther that he had not seen the plans. If the hon. member wants to have his remarks accurately given I will quote from the speech which I made at Subiaco, in which I said :—

Mr. Rason stated that the Commissioner informed him that he was in very urgent need of additional office accommodation, and that he desired to expend in that direction a sum of about £30,000 partly from revenue and partly from loan. The Government, in reply to his representations, said that the money would be made available. But they had no idea whatever that Mr. George was going to rush the matter on in the manner that he had done, nor did they know that it was proposed to erect the block of offices on the vacant ground between the existing premises and Wellington street. Mr. Rason added that he was not even aware that plans had been prepared. Now, there are three points in that statement to which I wish to draw your particular attention. First, that the Minister did not know that plans were prepared, second that the late Government did not know where it was proposed to erect the buildings, and third that Mr. Rason had no idea that Mr. George was going to rush the matter on. I have in my hand a letter on the subject, dated July 15th, 1904, from the Commissioner for Railways (Mr. George) to the then Minister for Railways (Mr. Rason).

Then I quoted certain official correspondence, which I will not trouble the House with unless the hon. member wishes it.

MR. RASON : I don't.

THE PREMIER : After quoting that I went on to add :—

It is clearly shown that the plans were in Mr. Rason's office for some months. It may be urged that Mr. George came up with this paper in his pocket, handed it to Mr. Rason, got formal approval, and took it away with him. But I find that Mr. Rason approved of it on July 30th, 1904, fifteen days after he was written to by Mr. George. This disposes of the statement that Mr. Rason did not know where the work was to be carried out, that he did not know the plans were prepared, and that he did not know it was intended to rush the work.

MR. RASON : You did not trace where it was in the meantime, did you ?

THE PREMIER : I had the assurance, which was corroborated from the Treas-

urer, that the plans were in the Treasurer's office for some time, and I received this letter.

MR. H. BROWN : I am prepared to say the buildings were started on pencil sketches.

MR. RASON : What does it matter ?

MR. GORDON : It does not matter. It is only another statement from them.

THE PREMIER : Here is an official letter from the Commissioner for Railways dated July 15th, 1904, to the then Minister for Railways :—

Perth Central Station, proposed additions—Referring to our conversation of last week re Perth Central Station and the plan which I left with you some months ago, for providing additional accommodation and convenience to the public ; also the necessary office accommodation for the railway staff, you were good enough to agree to the suggestion that I made, viz., that I should see what funds, if any, there were at my disposal from loans already floated, and that I would supplement the same out of my working expenses. This is in order that an early start could be made. The estimated amount required for the additions to the Central Station buildings is between £30,000 and £40,000.

And then it goes on to describe work that is to be done. It says :—

with this money I shall be enabled to give to the public a very much more up-to-date convenient station, and I also propose to give them a glass roof under which they can drive and be sheltered from any weather that we may have. The cab-stands as you know from the plans, will be apart from the front of the building, and the cabs will be called up by a porter as they are required, thus keeping the front of the station free from a lot of cabs and also from a lot of loafers.

MR. CONNOR : These eggs are very stale.

MR. MORAN : Very stale indeed.

THE PREMIER : This is one of the last administrative acts of the hon. member opposite, and it is not my fault if the hon. member has had no opportunity during the last few months to do other administrative acts. It is the fault of the member for Forrest (Mr. A. J. Wilson) and others.

MR. CONNOR : It is the fault of the caucus.

THE PREMIER : The third example of this close administration is to be found in that attack made the other night on the question of the advances to departments, a matter of which the hon. member should have had as much knowledge as myself.

MR. RASON : What about your public works expenditure ? You have not explained that.

THE PREMIER : I have already dealt fully with the public works expenditure.

MR. RASON : What about the false return ?

THE PREMIER : The hon. member says, "What about the false return ?" There has been no falsity whatever in any return published. There was an adjustment made, and I explained that to the House earlier.

MR. RASON : When ?

THE PREMIER : When the charge for the rabbit-proof fence was transferred from revenue to loan account. That meant a deduction from the gross amount expended on public works. The hon. member himself knew at the time, and if he had not known at the time, my explanation made it very clear to him.

MR. RASON : No.

THE PREMIER : Well, every other member understood the position fully.

MR. RASON : I do not think so.

THE PREMIER : I am pointing out, as this adjustment has been called into question, that this is not the first instance in which adjustments have been made. They have been made in fact by the Government of which the hon. member was a member. They have been made, too, by the Government which was headed by Sir John Forrest. An adjustment was made from the consolidated expenditure to loan fund in 1898-9 on account of works charged to public works and mines consolidated revenue vote; and in 1899-1900 a similar transfer was made on account of harbour works, Albany and Busselton; while in 1903-4 an adjustment was made in regard to the erection of batteries, in which an amount of £4,300 was transferred from the mines vote to the loans vote.

MR. RASON : None of these Governments ever showed that the expenditure of a department had been £38,000 less than it really was.

THE PREMIER : The hon. member must realise that if an adjustment be made which covers a previous quarter, the expenditure made is shown, and one quarter's return taken in conjunction with the other must be so shown as to make the total at the end correct. If the hon. member's argument is that

there should be a line showing the book-keeping process, showing the form of the adjustment and its amount, that is all a question of method in the preparation of the return; but the figures are correct and cannot be successfully questioned. I am really surprised the hon. member should have made any reference to the subject. I hope I have effectually disposed of the house of cards the hon. member had erected. I will leave this question to be determined by the House. I hope it will be determined in the manner the leader of the Opposition desires. I hope those members who have no confidence in the Government will do their duty by voting against it, and I have no desire, either privately or publicly, to put forward any special pleading on behalf of the Government. The Government asks only to be judged on its merits or demerits whatever they may be, and is quite prepared to abide by the issue.

MR. GREGORY : It took a long time to tell a little.

MR. J. E. HARDWICK (East Perth) : I rise to speak to the amendment, and I may say I am somewhat disappointed at the fact that the third party in this Parliament has not risen up in its turn to express its opinion upon the present political situation. Perhaps members will allow me to offer my genuine congratulations to the leader of the Opposition for the clear exposition he has given the House on the present political situation. I think we all, or a number of us anyway, recognise that the time has arrived for a change in the administration of the affairs of the State. My effort on this occasion will be to paint the true picture of the present political position. I would also like to tell hon. gentlemen opposite that in expressing my views I am not in the slightest degree actuated by any vindictive motive or malicious intention towards them, but I will endeavour to speak out, and I can do so with every freedom and with every license. [MEMBER : License ?] I may first of all state that I am rather inclined to make this humble confession from the floor of the House, that I am no office-seeker. [MR. HEITMANN : I am glad you tell us.] I wish the hon. member would not interject. I simply do this to clear the political atmosphere of



any misapprehension that might occur as to my future politics. I would also like to say to the hon. members opposite, I have every respect for their talents, and I would not stand idly by and see them disparaged as not being possessed of a fair amount of ability; because during the recess I was forced to that conclusion, and I say now that I believe that amongst the gentlemen occupying the opposite side of the House we have some of the best, some of the most skilful, and some of the ablest billiard players Parliament can produce. I would also like to say that when passing through the Parliamentary Library a few days ago I accidentally came across I think it was a Webster's dictionary—[MEMBER: Yes; it would be accidentally]—and in that dictionary I discovered that the definition of a politician was "a cunning man." I have listened with every pleasure to the defence which has been placed before the House by the Premier, the member for Subiaco. I am forced to this one conclusion, that he is a politician in the truest sense of the definition contained in Webster's. I must also congratulate him on occupying his present position on the pedestal of political fame in this State; but I would also like to impress upon him if he were here—I notice he is absent—that pedestal or that position of fame which he occupies at the present time is built upon a very rickety foundation. I would also say that we should be thankful to the Omnipotent that we live under the freedom of an Australian sun where we have manhood suffrage—[MR. CONNOR: What about the ladies?—] where all men and women in the State, British subjects, are entitled to vote and to have a say in the welfare and destinies of the State. But I also regret that the freedom which we have enjoyed up to some few months ago has been invaded by the introduction of the caucus and the pledge. I also recognise that one of the fundamental principles in caucus is majority rule, which I think is a very good principle, too. All I would wish to say is that the majority should rule in sending members back to this House, which I can assure members is not so, because we recognise that the unions at the present time almost dominate the affairs of the State; and I know that in my own electorate many voters

cannot vote according to the dictates of the conscience which God gave them. They have to swim in with the unions, which, in other words, cannot be more than a clique. It is a party; therefore it must be a clique. The party in power have been elected on certain pledges; and if they fail to keep those pledges, it is only natural to suppose that they hold office by misrepresentation and false pretences. They often remind me of the old fable of the spider and the fly. As a rule, the Labour candidate is the spider, the voter is the fly, and the Labour platform is the cobweb. While admiring unions and union voters when in their proper places, I do not think it was ever the desire of the unionist party that their parliamentary representatives should go into power and neglect to carry out their pledges. I am rather inclined to think that the one desire of unionists was that their party should not accept office; that they should fight in this House for the Labour platform, instead of entirely ignoring that platform. I may say also, from my knowledge of the workers and of unionists, that intimidation has often swollen the ranks of that particular party. I say "intimidation," because if certain men work for the Opposition candidate, if they care to use at election time the conscience which God has given them—

MR. SPEAKER: I think the hon. member's remarks are hardly relevant.

MR. MORAN: In my opinion, if the question of unionism and the Labour party is not in order, the debate cannot continue.

MR. SPEAKER: I have ruled only that the remarks of the hon. member are hardly relevant; and I should like him to stick a little more closely to the amendment before the House.

MR. HARDWICK: I was endeavouring to point out that I have a strong objection to preference to unionists, and also to caucus. In my opinion, the gentlemen opposite should come out from the hollow-log of caucus into the open daylight of public opinion. If they did that and cast their votes accordingly, I should not find fault with their party.

THE MINISTER FOR LANDS: Did not you (Opposition) hold a caucus?

MR. HARDWICK: So far as I know, we did not. We met in the parlour and

discussed the question. I have no secrets. The only thing we discussed at that particular meeting—[LABOUR MEMBER: Do not give the show away]—I will; the only thing discussed was, what effort shall be made to lift the State off the craggy rocks of financial depression? [MR. HOPKINS: The Opposition is not a secret society.] No. Everything is above-board. There is no hollow-log about this party. I well know that we liberals, we democrats in the Opposition, incur the odium and opprobrium of some of the socialistic members who support the Government. That we might endure with patience, were it not for the fact that owing to our political creed we are debarred, cut off, and politically disfranchised from all the embraces and affections of the socialistic maiden. There is nothing that I know breaks up a politician sooner. I feel I am speaking the truth when I say that since the advent of the Labour party to power they have not only lowered the banner of political freedom, but they are dragging the flag of political liberty through the mire of unionist domination. [MR. SCADDAN: Do you know what you are talking about?] I know well. When a man gets a little classical, you cannot understand him. I, speaking in Opposition, have actually been charged by some Government supporters with being a capitalist. I wish I could only make them prove it. I shall, with the permission of the House, pass on to consider the Independents. I have every respect and admiration for that famous quartette. All I regret is that the member for Beverley (Mr. Harper) is not present; for if he were sitting behind them we might call them the parliamentary five fingers, and we know that the five-finger is always a very useful card in politics. It will take a sure trick every time. It has always been difficult for me since I entered Parliament to understand how the policies of the Independents and the Labour party can possibly blend. From what I can learn of the two policies their incompatibility has upset the whole of the premeditated calculations of the political analyst. He has been quite unable to discover what is the joint policy. First among the Independents I notice the member for Kimberley (Mr. Connor), who is, I believe,

alleged to possess great wealth, including flocks and herds; and if we search the pages of *Hansard* we shall find nothing to justify the attitude which the hon. member has taken up during the last 12 months. [MR. CONNOR: That is not so.] Probably the same remark applies to the member for Gascoyne (Mr. Butcher). I regret to see the vacant chair of the member for the Norseman railway, or for Dundas (Mr. Thomas). But from my knowledge of the member for Dundas it is impossible for his political policy to blend with that of the Labour party. I remember him some eight or ten years ago on the goldfields, when he was in open political hostility to that great democrat, that now extinct but one-time brilliant luminary in the political firmament, the late Mr. Vosper, whose name is venerated and cherished with tenderness by all true democrats; I remember when he and the member for Dundas were in open political hostility. How then would it be possible for the member for Dundas, in existing conditions, to support the Labour platform—a member who is alleged to be a nominee of British capital? I must now refer to my friend the alleged leader of the Independents, the member for West Perth (Mr. Moran). If we are to take any notice of the public utterances of men on public platforms, there is no doubt the hon. member should be with us in Opposition. We know what he said a few days ago at Victoria Park, when he openly denounced the present party in power. In fact, he almost pronounced Ministerial life extinct; and I know for a fact that the next day he was making arrangements for the political funeral, and I was engaged as one of the pall bearers. I have always understood that the hon. member, as he has told us in public and on the floor of the House, was a disciple of Sir John Forrest. We know the special affection that Sir John Forrest has for the Labour party; yet the hon. member takes a pleasure in keeping the present Government in power. Where is the consistency? I have every respect for the Independents, because I recognise them as four of the oldest politicians in the House. I have always respected them as men of intellect, who have been in Parliament for a number of years; but for the last 12 months they have been the tail, the parliamentary tail

that has been wagging the political dog. In fact, I am inclined to look on them as four stalwart sons of the British Empire, standing shoulder to shoulder on the political battlefield. We see among them the rose and the shamrock standing together, in one great trend of political thought, united and having one destiny. I am sorry also to observe that the great glory they have won by manœuvring on the political battlefield fades almost into insignificance when we recognise that they have only blank cartridge to shoot with.

At 6:30, the **SPEAKER** left the Chair.

At 7:30, Chair resumed.

**MR. HARDWICK** (continuing): I think I have endeavoured to demonstrate that the Independents are unnatural allies of the Labour party. I have not much farther to say on that point, only that I think that the country has suggested that the Independents should not continue to juggle with the destinies of the State any longer; and as I told members in the early part of my address that I was going to make an effort to paint the political picture in its true colours, I do say now that, since my step into the arena of political turmoil, I have discovered there is an undercurrent of disaffection, a trend of political rancour, I may call it, permeating the minds of the older politicians of this House. Two Ministers of the Crown have been dismissed. If we trace back through the annals of the history of Parliament in this State, we shall find where a patriot, a son of the soil and a Premier, dismissed a Minister of the Crown under the most favourable circumstances. [**DR. ELLIS**: In his night-shirt.] Inasmuch as I have good information on the point, it was owing to disloyalty that this particular Minister was dismissed; and the dismissal was conducted in a form quite different from the last two dismissals that took place in regard to Ministers of the Crown. I believe the dismissal of the Minister I refer to was conveyed in the silent hours of darkness, when it was not likely to disturb the peace of that Minister; and I believe it was couched in the most favourable language. However, as a member of Parliament I believe I have the right to express my disapproval of the

kind of treatment meted out to two Ministers of the Crown a few weeks ago. I have known these two gentlemen a long time as hon. members, and I met one of them ten years ago out in the back-blocks of the goldfields. He is the class of man that should be tolerated, and paid respect to even by Parliament. I should like to know from the Premier, who is not present I notice, whether this is likely to continue, and whether we are going to have frequent changes of Ministers in the Labour ranks. [**MR. GILL**: Would that bring you over here?] Undoubtedly it might. Come from beneath the hollow-log of caucus and drop the pledge, and I will come over and be your leader. I recognise it as a great insult to the man and an insult to his electors for the Premier, not as Sir John Forrest dismissed a Minister by giving him due notice, to wire "Hand in your resignation at once." I believe the Premier has a fairly large-sized boot. But, however, out the Ministers went. [**MR. HEITMANN**: He should have paid for the wire, should he not?] Since it has been my pleasure to be here, I have also recognised that we have a number of political patriots—men who, if they were put to the test, I believe would die for their country; but in the midst of their patriotism they sometimes have moments of forgetfulness. It has been attributed outside that they are after political crumbs that fall from the parliamentary table. It is also said by a number of electors of the State that many of them through Parliament have been adding to their pecuniary advancement. I intend at no distant date to have that matter investigated. [**MR. SCADDAN**: How are you going to do it?] I feel sure that I will have the support of a number of gentlemen present, and I can almost claim the support of the member for Beverley (**Mr. Harper**). My particular complaint some time ago to this House was that the Government was principally a goldfields Ministry; and I have had no occasion to alter my opinion. I am still of the opinion that the wants of the metropolitan area are somewhat disregarded for those of other portions of the State. For a number of years now the importance of sewerage works for Perth has been recognised. The matter has been too long delayed; and I hope if the present

Government do not carry out this scheme in the course of a few weeks we shall have a Government that will. As the Premier is not present, I should like to say that it is just about 12 months since he went into power, and it was just about that time that he was instrumental in dismissing one of the ablest men the State ever produced in the shape of the present Agent General. Twelve months have gone by and the country is crying out against the administration of the present party in power; and I think now the Premier can see it, and also his Ministers. If I may use a vulgarism that might perhaps shock the Leederville Council, the poultry farm is now asserting itself, and the chickens are now coming home to roost. In conclusion, I may say that I think it would be a most graceful act on the part of the Premier if, recognising his present political infirmities and his inability and incapacity to conduct the affairs of the State, he would hand over the reins of administration from his present juvenile political dreamers, whose policy is undoubtedly one of political retrogression and political imprisonment.

MR. J. M. HOPKINS (Boulder): At the outset, I would like to offer to the newly elected Ministers my congratulations on their elevation to the Treasury bench, and also express my utter astonishment at their safe return from their electorates. At the same time I would like to offer to the Premier my congratulations upon having emerged unscathed from the wrathful turmoil of what is believed to have been a very rebellious caucus. I believe that the present Government have a boast that they have done a deal of work of which they claim to be rightly proud; at the same time the party on the Opposition side are firmly convinced that the Government have done a deal of work of which they have every right to be ashamed. In making that statement, we feel we are fortified not only by the opinions expressed by caucus, but by the opinions of the great majority of the public in the State. The Government, I am willing to concede, have some administrative acts that should be rightly placed to their credit. However that may be, the fact remains that the party on the Government side, after their period in office, find themselves to-day most

violently opposed even by the members of their own party. If in the course of my remarks I shall have occasion to speak strongly, or utter any healthy criticism against the legislative and administrative acts of the Government, I should like it to be understood, although I am in the habit of speaking strongly, that I am not speaking so unkindly or so ungenerously as have been many of the utterances which have fallen from the adherents of their own cause. Whilst the Government may boast of much for which they think they deserve congratulation, I for one believe there is a good deal of reason for lamentation. I believe in the old biblical expression—they have done many things that they ought not to have done, and there is no health in them. While I am perfectly willing to concede unto Cæsar the things that are Cæsar's, at the same time, while I am not partial to the undertaking business, I think it is the duty of the Opposition to-night to bury Cæsar, and not to praise him. Governors' Speeches are fast becoming in Australian politics a kind of obituary notice to departing Ministers, and I am inclined to think the present Speech is no exception to the rule. It has been suggested to me that if the present Government remain in power, or another Government replace them, it may be advisable to consider the appointment of a compiler of Ministerial obituaries, attached to the Premier's office; and the position might rightly be conferred on the member for Hannans, in recognition of his distinguished services in the graveyards of West Australian journalism. At the last election I urged on many platforms, when addressing audiences in many constituencies, that the people should send in a party strong enough to carry on a stable Government. I am sure members will not deny to me the independence of the views I expressed, the same independence in which I express my views now; and I said that no party coming into the House could carry on the work with credit to themselves or the country unless they had a majority behind them. At that time the country had its choice, and at a later period this House had its choice between the present Government and a party which at that time appealed on the broadest principles of democracy, free

from party prejudices. The policy of the present Government has been framed by an outside organisation, irresponsible to Parliament or anyone else. That organisation was afraid to trust its nominees, so that the party had their platform printed. On that printed platform the members of the Government and their supporters appealed to the country, and applauding that platform in this House they rose into power. The result to-day is that the party, after twelve months in office, stand indicted by their own followers, and charged by the Opposition—supported by the public and strengthened as it were by the opinions of members—with having absconded from their policy and platform, and surrendered not only their political decency but all obligations to the State.

**THE PREMIER:** There were two elections the other day. Do you remember the result?

**MR. HOPKINS:** I remember. It is not so long since there was an election in East Perth, and the vacancy was created no doubt with the hope that the Government of the day were going to fill it. At the general election there was one of the most brilliant men of this Parliament opposed by a member belonging to the Labour party, and there were only 190 votes between the two candidates. The Government were not long in office when another vote was taken in the same constituency, and with all due respect to my good friend Mr. Hardwick, who does not aspire to place himself on the same level as the present Agent General, there was a very fair indication given then of the opinion held of the policy brought forward by the present Government. Our attention has been directed to the recent elections. Take the case of the member for Brown Hill: he was elected in the first instance not on any public service rendered to the country, but because he had been secretary to a local union. Mr. Bath is a gentleman I esteem, and to my mind he is one of the best in the Cabinet—I do not hesitate to express that opinion. I was astonished when the first Cabinet was formed that he was not given a place in it; and recently when Mr. Bath was given a portfolio, I was one of the first to offer him my congratulations. The Brown Hill constituency is controlled by the Labour vote; and of course up to the pre-

sent period it has only been necessary to brand any candidate in a Labour constituency with the bald phrase "Labour." It is not "vote for Bath," as it has to be "vote for Hopkins," or anyone else; but simply "vote for Labour," and then the machinery of the political party is brought into operation, and opposition there is useless.

**MR. BOLTON:** I am glad you admit it.

**MR. HOPKINS:** I do; but there will be an awakening, and when that time comes the member for North Fremantle will be looking for another constituency.

**MR. BOLTON:** Another job, not another constituency.

**MR. HOPKINS:** Lord Salisbury, speaking of the Reform Bill in 1867, made use of the few following words, which to my mind go a long way towards summing up the history of the present Government, and for that reason I ask members of the House to bear with me while I read this interesting extract. Lord Salisbury said:—

Our theory of Government is that on each side of the House there should be men supporting definite opinions, and that what they have supported in Opposition they should adhere to in office; and that every one should know, from the fact of their being in office, that those particular opinions will be supported. If you reverse that, and declare that, no matter what a man has supported in Opposition, the moment he gets into office it shall be open to him to reverse and repudiate it all, you practically destroy the whole basis on which our form of Government rests, and you make the House of Commons a mere scrambling-place for office. You practically banish all honourable men from the political arena, and you will find, in the long run, that the time will come when your statesmen will become nothing but political adventurers, and that professions of opinion will be looked upon as so many political manoeuvres for the purpose of attaining office. I should deeply regret to find that the House of Commons has applauded a policy of legerdemain. And I should, above all things, regret that this great gift to the people, if gift you think it, should have been purchased at the cost of a political betrayal which has no parallel in our parliamentary annals, which strikes at the root of all that mutual confidence which is the very soul of our party government, and on which only the strength and freedom of our representative institutions can be sustained.

I am very pleased to quote that extract; it is an interesting one; it is one that goes to show that even amidst the conservative tendencies of the Imperial Parliament, as far back as 1867 we find

a reliable forecast of what has taken place in Australian politics to-day. I believe that one of the members of the present Government has said on the public platform that it is wise to surrender a great deal to expediency. There is no doubt about it; but there is not much left to surrender at the present time. The Government only recently made an intimation that, whilst they wished to abolish the Legislative Council and various other institutions, they would put an end to unregistered racing. I have had some experience in the racing world, and the worst I have ever heard said of unregistered racecourses was that one often saw a reversal of form, that a horse which was able to win an event one day failed to secure first place the next. If that is justification for the abolition of unregistered races, the party in Opposition are justified in abolishing the present Government. The Government are composed of young men who, when they came into office, had an opportunity which they should have seized, and should have instilled into the politics of the country their political views. Yet to-day we find them with irresolute methods, weak administration, and their vacuous policy surrendering everything on which they were elected, even to the respect of their own friends. I can assure the Premier, as to his remarks to-night, that we are very greatly indebted, first for his apologies, secondly for his explanations, and thirdly for his assurances and promises that these things will not occur again. I have not the slightest doubt that if the Government remain in office, they will take the Governor's Speech back and reconsider it. That is the proper thing to do. The Government having pleaded guilty, it is sufficient: it only remains now for the after ceremonies to be carried out. I may say, almost in the words of one of the justices of our Supreme Court, "May the caucus have mercy on their souls." The Premier floated a loan in London without the authority of this House. His justification offered to the House to-night is that he paid it back. That is not the point. Assuming that he borrowed five millions without authority and never paid it back, what would be the position? There is no justification for such actions, and the Premier knows it.

THE PREMIER: I do not admit any such thing.

MR. HOPKINS: The hon. member can do nothing else than admit the statements of the Auditor General appointed by himself.

THE MINISTER FOR MINES: It was your Administration.

MR. HOPKINS: The Premier announced to-night that the reserve fund of the Savings Bank is 1s. 8d. in the pound—[THE PREMIER: Was]—until the loan was raised, until £250,000 was added to the reserve fund. I think it is a very regrettable announcement to have to make. It is one of those announcements which do more to destroy confidence in popular institutions than anything else I know of. Can other institutions with a charter hold a reserve of only 1s. 8d. in the pound?

THE PREMIER: Why not tell the truth?

MR. HOPKINS: I believe the statement is correct.

THE PREMIER: Why should not the truth be told?

MR. HOPKINS: The hon. member had an opportunity of telling the truth.

MR. GORDON: He wants education, that is all.

MR. HOPKINS: Talk has been made of a public works policy, and indeed there are many people at the present time looking anxiously for a public works policy, looking for something to be done at an early period. Already £1,400,000 has been raised, and there will be one and a-half millions for the Midland Railway, three millions of money already pledged, and no money in hand to carry out public works. Is not that truly the position? If it is not, it is not very far from it. It is well for the Government to make those promises to the country, to give those forecasts; but surely there are some thinking people in the community who will look at those figures and use them. They will say, "How is it possible to go to the loan market, having already borrowed three millions, and ask for another three millions to carry out works forecasted?" Is that a practical policy or idea? Is it a possible one? For my part, I do not think it is. After one year we find the finances of the State disjointed. The Government started with a surplus of £84,000, and wound up with a deficit of

£46,000. The Premier in his forecast said there would probably be a deficit of £50,000, that "it is on paper, but by economy we hope to rectify it." He says there is a deficit of £46,000; but "it is all right, pass it on." The expenditure has exceeded the revenue by £130,000 sterling. The hon. member was only £62,000 out in his estimates of revenue.

MR. F. F. WILSON: The previous Government spent £168,000 more than they estimated, did they not?

MR. HOPKINS: They handed over a surplus of £84,000. Probably the present Government have apprehended a defeat, and thought it would be more advisable to leave a deficit than a surplus. I suppose half a million pounds will be required for the rabbit-proof fence.

[MINISTER FOR MINES: No.] When the hon. gentleman applies these figures, we shall find that the expenditure required to complete the work I am talking of, from the beginning to the finish, will be little less than half a million sterling.

[THE PREMIER: Less than £300,000.] A large portion was paid out of loan, and later on the Government very kindly announced they would recoup it from revenue. There are certain stations in the North-West and certain stations in Kimberley—the Premier knows this statement to be true—that are to-day obtaining richer dividends than have ever been paid by any gold mines in the State; and yet the suffering humanity in this country, already taxed heavier than any other country in the world, is to be taxed again twice over to find the money for the rabbit-proof fence, taxed to keep the rabbits off the property of millionaire squatters and absentees. I have frequently heard members of the Labour party talking about "greasing the fat pig": I ask members what kind of interpretation they can put upon a thing of this kind?

THE MINISTER FOR WORKS (Hon. P. J. Lynch): Would you pull down the fence again?

MR. GORDON: No. He is pulling down your reputation.

THE MINISTER FOR MINES (Hon. W. D. Johnson): We had to rebuild your fence.

MR. HOPKINS: It will be interesting to hear from the newly elevated Minister a disquisition on the rabbit-proof fence which he has never seen, and which he

knows precious little about. A statement was made before the adjournment to-night by the Premier, and repeated by the Minister for Works, that the correspondence from the Agricultural Department went through the routine of the Lands Department. I want to take the opportunity of saying that when I controlled the Lands Department, the correspondence and all the jackets dealing either with the Agricultural Department, or the Agricultural Bank, or the Stock Department, were brought direct to the Minister's office, were dealt with by him, and returned to the office whence they came. Therefore the assertion made to-night deliberately by two Ministers, that these documents went through the routine of the Lands Department, is incorrect. The Director of Agriculture previously was Mr. Paterson, who held office at a salary of £200 a year. Mr. Crawford, an expert from Victoria, was attached I believe to the department of this State at £450 a year. Having no farther use for him, they sent him to Geraldton as Land Agent at £450 per annum. When Mr. Paterson retired from the office, I brought Mr. Crawford to Perth and placed him in charge as Acting Director of Agriculture. The present Minister invited applications for a Director at a salary of £700 per annum. A large number of applications were received, and a board of three independent gentlemen was appointed, all of them I believe very expert, to consider the question, and that board cut the list down to three—Mr. Chaplin, Mr. Crosbie, and Mr. Crawford. There was an opportunity for a Government which wanted economy to say, "We will retain the man we have at £450." They did not do it. They said, "We will bring in an outsider and pay him £700 a year."

THE PREMIER: You proposed to pay an outsider £1,000.

MR. HOPKINS: A choice was made of an outsider when there was another man within the State who knew the department, knew the State, and knew the soils and the conditions. Why was he passed over to bring in an outsider, more particularly when the Government contemplated a deficit, and knew the urgent need of money? The Norseman railway has been promised to the goldfields residents, and if the announcement made to-

night or in the Governor's Speech were sincere, the goldfields would have some reason to congratulate themselves. For the reason that I doubt the sincerity of the Government in this question, I am going to briefly explain those reasons, which I venture to say are conclusive and permit of no reply from members of the Treasury bench. I received a wire from Boulder saying:—

The Government are about to grant or have granted the right to build a railway to carry timber to the mines from the south of Lakeside. Please inquire.

I did so. I rang up the Minister and I got the clerk, who said, "You cannot see the Minister." As a matter of fact, I believe the Minister was in conference studying the consolidating Land Bill which the James Government left over 12 months ago. I could not see him, I could not speak to him; but his staff furnished the following information concerning the question:—

The concession has been approved of by the Minister for Mines; the Department of Railways are approving of it, and it is so far forward that it will probably be approved of by this department to-day.

I then wrote to the Minister, and concluded my letter in these words:—

I hope that no undue haste will be observed, and that meanwhile the nature of the opposition will be inquired into.

I was anxious to get the matter held over for the time being. The next message came by telephone, and was recorded in pencil by my accountant as he received it:—

The clerk of the Minister for Lands, under instructions, rang up to say: "The matter of the tramway at Lakeside was in such a forward condition in his department that it was being granted; but before passing the same he desired to see you this afternoon to hear your objections."

As a matter of fact, I was at Fremantle and knew nothing about this message until next day.

He also pointed out that a notice was inserted in the *Kalgoorlie Miner* of the 14th and 15th, stating that if no objections were lodged the application would be granted.

I immediately wrote to the Premier, and I received an assurance from him that the permission would not be granted without due inquiry. I then received this letter from Kalgoorlie:—

I notice in yesterday's *West Australian* that you have given notice of your intention to ask

the Minister for Lands certain questions in connection with an application for permission to construct a wood tramline from Lakeside in a southerly direction. This application, I understand, has been granted, and a start has already been made for the construction of the tramway. It will, no doubt, be within your recollection that when you were holding office I made a similar application to the Government, and it was then decided that unless we were prepared to pay a rental of £20 per mile per annum for the whole length of the line, the right to build the line was to be put up to public competition.

THE PREMIER: Do you think that fair?

MR. HOPKINS: The communication continues:—

On seeing in the *Kalgoorlie Miner* of the 14th June an advertisement of the Kalgoorlie and Boulder Firewood Company's, applying for permission to construct a line, I addressed a letter to the Under Secretary for Lands, calling his attention to my previous application and the conditions that had then been imposed, and I maintain that in the event of any deviation from the original conditions imposed upon me, I should have an opportunity of renewing my application.

And he encloses a copy of the letter sent to the department, which I will not weary the House by reading. It is here, and anyone can see it. I received the following letter the next day:—

I sent you a wire yesterday with reference to the application for a wood line from Lakeside, and intended writing and explaining the matter from local carters' points of view, but circumstances occurred which forced me to leave for Goongahrie by the first train. As far as I can learn, this is the situation. Between the Kurrawang line, the Kanowand and Bulong State Forests, also I believe a reserve for the Golden Ridge people, there is only a small piece of country out from Lakeside that the local carters are depending on. It will be very hard on those who have been here for years, and have a moral if not a legal right, if they have to stand aside and see strangers come in from all directions. If it could not be prevented, is there any means by which those people could be prevented from cutting timber for, say, 20 miles? Local people are already going out 15 miles; and the forest that would keep them employed for years will be cut out in a few months by a timber company. I was always under the impression that these lines were only to bring in, from long distances, the wood that was out of reach of a man carting with a horse and dray.

That means an opposition railway to the Norseman line; it means a railway cheaply constructed and cheaply run, to bring in the fuel which is located closest to the Boulder mines. It means that for



the next ten years this firewood company will be carrying the fuel that ought to be carried along the Norseman railway route.

MR. MORAN: How far is the other line from the Norseman railway?

MR. HOPKINS: I will deal directly with that question. The project for the firewood railway immediately destroys the strongest argument for the construction of the Norseman railway.

THE PREMIER: You said you would have granted permission for the firewood railway at a rental. Would that have been fair?

MR. HOPKINS: I should undoubtedly have granted it at £20 per annum per mile; but, unfortunately, it was not the policy of the James Government to build the Norseman railway. Had it been, they certainly would not have granted a permit for another line to run in opposition to it. I dare say the concession asked for and granted at a peppercorn rental, if put on the open market to-morrow for competition, would have realised nothing under £2,000 per annum for 50 miles of it. Now these documents I have read prove some weakness of the present Government.

THE MINISTER FOR MINES: They prove that you did not know the details.

MR. HOPKINS: I will prove my knowledge of them before I finish. It may be smart politics to do these things, and I know that among the present Government are some people who plume themselves on such feats. But on what evidence has the Government determined to build the Norseman railway from Coolgardie, what evidence has been collected as to the routes, and what were the inquiries made?

MR. BURGESS: There has not been a Royal Commission on the subject.

MR. HOPKINS: I do not think there has, though I have here several bulky reports of Royal Commissions, for all of which the country has had to pay. Now, it is manifest to people who know the map that the existing railway runs from Kalgoorlie through the Boulder mines south to Lakeside; and if continued in a direct line south it would go close beside Redhill, would serve Mt. Monger, and would run due south to Widgemooltha, and thence through to Norseman. That would be a direct southerly railway line.

MEMBER: What about Hampton Plains?

MR. HOPKINS: To take it through Hampton Plains would make no difference.

MR. MORAN: You have power to take land for a railway there.

MR. HOPKINS: If that is a big estate, it can be dealt with by taxation; and the Government are in a position to impose taxation, and could have imposed it last session. There is only one parallel in the history of this State, and probably in Australian politics, to a Government which has chosen to build a railway and then granted to another party permission to run an electric tramway in opposition.

THE PREMIER: When was that permission granted?

MR. HOPKINS: I have given sufficient evidence to prove that it would have been granted a week ago had it not been for my intercession. [THE PREMIER: No.] Is it not true also that work was started? I should not attach much importance to that; but the information from the Lands Department cannot be denied. There is an extract from the file, telephoned to my office by the officers of the department.

THE PREMIER: No Minister is responsible for what is on the file.

MR. HOPKINS: I reiterate that the information telephoned to me in the first instance was that the Minister for Mines had approved of the project.

THE PREMIER: That is not correct.

THE MINISTER FOR MINES (Hon. W. D. Johnson): The Minister for Mines has never seen it.

MR. HOPKINS: The Minister for Mines assured me in the corridor that he had.

THE MINISTER FOR MINES: The Minister did not so assure the hon. member.

MR. HOPKINS: Pardon me; I am speaking of the ex-Minister for Mines (Hon. R. Hastie).

THE MINISTER FOR JUSTICE (Hon. R. Hastie), in explanation: Will the House allow me to explain? I told the hon. member that when I was Minister for Mines I was spoken to about this line—I think some two years ago; and I said I had no personal objections to it whatever, but that the project had been before previous Governments,

and that I understood, as a matter of policy, it was not thought desirable to encourage the construction of such lines.

MR. HOPKINS: In the corridor, the Minister (Hon. R. Hastie) was kind enough to tell me that he had dealt with the matter, and was astonished to think that any Minister would be so foolish as to contemplate granting this particular line of railway.

THE MINISTER FOR JUSTICE: Mr. Speaker, I did not.

MR. SPEAKER: The hon. member (Mr. Hopkins) must accept the denial.

MR. HOPKINS: I have pleasure in accepting the denial. At the same time, members must be aware that the Norseman railway, if continued from Lakeside south, would I suppose for the next 15 or 20 years carry the whole of the fuel supplies required by the mines on the Golden Mile. In the circumstances, what would happen if permission were granted to construct a firewood line? We have no assurance yet that it will not be granted, and I am sure it would have been had it not been for my intercession. [THE PREMIER: Nonsense.] Quite so. My friends opposite (Government) have had time to review the position. The Midland Railway question has, I understand, by the urgent representations of the present Premier, been eliminated from this debate, on the ground that it had better not be discussed on the Address-in-Reply. If that be so, the obvious answer is, to my mind, "Why did Ministers include the question in the Governor's Speech?"

THE PREMIER (in explanation): I should like to make a statement on this point. Before the Address-in-Reply was prepared at all, I saw the leader of the Opposition in regard to the Midland Railway. At the time when this debate was likely to begin, I asked him if he desired to make the railway purchase a party question. If he had chosen to make it a party question I could not have prevented his doing so, and would have fallen in with him. But the hon. member assured me he had no desire whatever to include it in the debate on the Address, and that he thought it was better to deal with it on non-party lines.

MR. RASON: I am sure the Premier would not wilfully misrepresent what occurred; but his memory is not quite

accurate. What actually happened was this, and he will doubtless remember that my version must be correct. He asked me to see him, and brought up the subject of the Midland Railway. He said, "You will not make that a party question? I was perfectly sure without asking you that you would not; but I should like your assurance on that subject." Now, is not that correct?

THE PREMIER: I cannot say as to the words.

MR. RASON: That is absolutely correct; and I assured the Premier that if the negotiations, so far, were subject to the approval of Parliament, I would not, and did not desire to, make a party matter of it.

THE PREMIER: And that you thought everything ought to be done to keep the option open.

MR. RASON: Undoubtedly.

MR. HOPKINS: Those members who have participated in the pastime of pigeon-shooting know the benefit of having a second barrel. The leader of the Opposition is a good tactician. He said, "If the Government do not come down on this shot I will get them on the next. I will keep it out of the debate to please you." We all know that it does not take a very heavy charge to kill a wounded bird; and in all probability the leader of the Opposition knew his game when he made those arrangements. Many months have elapsed since the Government had the Midland Railway and its lands offered to them for purchase. All grazing leases within the State had then been withdrawn from selection. Upwards of 20 conditional purchase inspectors were available at the call of the Government. These men — most of them qualified surveyors — with their conveyances, if placed at the disposal of the manager of the Agricultural Bank, would have completed inside 30 days the whole classification of the Midland estate. They would have saved the State an expenditure of several hundred pounds, and, in addition, whether for taxation or for purchase, and ultimately for re-selection and re-sale, the work they would have done must have been of permanent value to the State, and worth thousands of pounds. Instead of that course being adopted, we find the manager of the Agricultural Bank

taken from his business, given charge of the inspection, and asked to value over three million acres of country. Had the work been taken in hand with some vim at the outset, matters would not have been so bad; but what do we find? I know what work these conditional purchase inspectors are engaged in, and will speak of its utility when I come to the consolidating Land Bill. But they are alleged to be busy. The Premier is going for a picnic in the Eastern States with Tommy Bent. The then Minister for Works (Hon. W. D. Johnson) is lecturing Chinamen at Osborne Park; the rest of the Government are marking time. And so, while all these episodes are in progress, this momentous question is neglected; until at the last moment the valuation is completed, and the Government have no time to consider the proposal on its merits. They are rushed on every hand by the representatives of the company. And after all, what is the position of the company? They put £200,000 of their own money into the enterprise, the bulk of which money probably went to the promoters and to the first robbers; and the company have lived on State charity ever since. And then, by rushing forward with a proposal at the last moment, they have led the Government, who were in a hysterical condition, to say, "All right; it is worth one and a-half millions." But when the Government realise the enormity of the crime they have committed, when they see what a palpable blunder has been made, what do they do? Instead of living up to the traditions of responsible government—shouldering the burden they themselves had created, closing the deal, and paying for the property—they come to Parliament crying for mercy, and craving consideration under the shelter of the votes of interested politicians, many of whom they know are pledged to buy that railway at any price. A casualty ward was a very urgent necessity on the Golden Mile. The matter was brought under the notice of the Government, brought prominently under the notice of successive Governments; but, unfortunately, it never received the attention it merited. I brought it under the notice of the present and preceding Governments. Doctors, drawing fine salaries from the

country, are sitting in state at the Kalgoorlie hospital. There are many indigent out-door patients of the Kalgoorlie hospital who live at Boulder, and who have either to find the money for tram fares or walk the distance to get out-door treatment at the hands of the Kalgoorlie doctors. The building of that ward probably represented £250. Doctors, or at least one of them, could have filled in their spare time by going to Boulder to the Golden Mile to treat these patients. What has been done in that matter? Not only was it shelved, but it was repudiated at one time. It is an indication, after all, that in a question of this kind the Labour Government do not concede to the people that bring them into power at least that thought and that consideration to which they are entitled.

THE MINISTER FOR MINES: Why did you not get it built?

MR. HOPKINS: I did my best; but I was not Minister for Works. I had quite enough to do to control my own department. I had hopes that the members representing those constituencies might have helped me. In fact, I relied on the member for Hannans. I knew his heart was in the right place, but unfortunately at that time he was busily engaged in a hen-laying competition, preference being given to unionists, I believe, every time. I come to the Railway Department with its big revenue earned of £1,600,000 sterling a year. In 1901 we had the members of the Labour party calling for independent commissioners. Then, of course, they were in a minority. To-day we find the same party with a majority in Parliament, and they want no independent commissioners but Ministerial control.

LABOUR MEMBER: Why?

MR. HOPKINS: They have it now.

LABOUR MEMBER: Hear, hear.

MR. HOPKINS: The hon. member was not a member of the party at that period. The question of railway rates was the subject of a statement made by the Minister for Railways this afternoon. The statement was very callous, and was by no means interesting. Railway rates do not appeal to the people of the city of Perth. Why? Because they do not pay railway rates; but the people of the interior, where every tool of trade, all their clothes and the goods consumed,

pay the railway rates, are those from whom the railway revenue is drawn. Only recently the late Minister for Labour (Mr. Holman) said, "We have 500 unnecessary men at work," probably sand-shifting or work that could have stood over for another year, and that was representing £60,000 a year.

MR. HOLMAN: I deny I ever made the remarks the hon. member is imputing, and I shall prove it to the House before the debate is over.

MR. HOPKINS: Is it not a fact that the late Minister for Labour made a statement that they had 500 men at work whom Mr. George intimated could have been dispensed with?

MR. HOLMAN: It is not a fact.

[Several members began searching newspaper cuttings for a passage.]

MR. HOPKINS: Well, I have read in the papers that 500 men could have been dispensed with, in the opinion of the Commissioner of Railways. It only represents a small item of £60,000 for the year; and with a Government that boasts of economy it is a matter we might think worthy of some consideration.

MR. HOLMAN: The work should have been done the year before; and a good deal of it was stopped by your Government.

MR. HOPKINS: It is quite sufficient to say that hon. members of this House know that a statement was made that would only lend itself to the interpretation that 500 men could have been dispensed with.

MR. HOLMAN: We could have dispensed with every man in the railway service.

MR. HOPKINS: If the hon. member turns it round that way, I say we could not have dispensed with every man without throwing the working of the railways out of gear; but in this instance I understand the work could have been done without, and without throwing the service out of gear. [MR. HOLMAN: You understand wrongly.] I do not hesitate to express the opinion that the Government have forfeited the confidence, not only of Parliament, but of the country. The dismal shadows it generated at the time it came to office, that destroyed the confidence so essential to the public welfare—the waste of public funds—

the extravagance of departments—all were ushered in for one ostensible reason—to cover up the weakness of their own energies. They started with a surplus and ended with a deficit. I should now like to read from a report in the *Morning Herald* headed "Railway Department: Statement of Mr. Holman's initial difficulties, Administration of the Railways:—

He told me that he could dispense with the services of 500 men if it were necessary. I considered that this would be inadvisable, as the work had to be carried out, not only in the interests of reducing the maintenance work in the future, but to secure the economical and safe working of the railways. My instructions to the Commissioner at the time were to keep every man employed.

MR. HOLMAN: That is so.

MR. HOPKINS: Although the Commissioner, on whom the responsibility rested—

MR. HOLMAN: The responsibility would have rested on me if I had ordered the dismissal of the men; and I was not prepared to take it.

MR. HOPKINS: I am still quoting:—

Wherever necessary work had to be done, not a single man's services were dispensed with until loan moneys became available, when we transferred about 250 men on to loan work.

There is a good deal more; but I will not weary the House with it. It is sufficient for me to know that the present Government started with a surplus and ended with a deficit. [MR. TROY: So did yours.] The James Government did nothing of the kind. They started with a surplus and ended with one. We lost nothing. But the difference between the administration of the James Government and the present Government is that we controlled our finances and regulated our expenditure according to our income; whereas, on the other hand, the finances now regulate the Government. Consequently, instead of the finances being regulated, it is the Government that are being regulated.

MR. HOLMAN: You regulated a lot by transferring revenue work to loan funds.

MR. HOPKINS: The present Government started out with the avowed intention of curtailing departments, and ended up by creating three new ones. If they remain in office, they will probably create a few more; that is when pressure is brought to bear from the right quarter. It is a party that was conceived and

created by an irresponsible body. It will go to-day, I believe, from office as the discredited representatives of a lost and ruined cause. When these young men came into office we had reason to hope there should have been some confidence on their part in the country and some good work done. But what is the result? We find them to-day indicted by their own party with absconding from their platform. On the other hand, our party are strengthened by the confidence that the country is behind us, and are imbued by sympathy for the State's welfare and for its advancement. I for one unreservedly inform the House that I shall cast one vote at least in the interests of terminating what appears to have been an unfortunate and deplorable administration.

MR. WALLACE NELSON (Hannans) : I think I need not say that I have listened with close attention, and not altogether without some degree of pleasure, to the exceedingly incisive, but at the same time, in my opinion, essentially pointless, speech of the member for Boulder (Mr. Hopkins). The hon. member is one of those men who possess undoubtedly great force and considerable power; but he is not remarkable for either intellectual ingenuity or for that care and impartiality which should always characterise an important public utterance. Indeed, he appears to be one of those men who imagine he is making a case, when he is only making a noise. I remember on a former occasion the hon. member twitted my insignificant self—[MR. HOPKINS: Hear, hear]—with the fact that I was guilty of making a kind of speech generally made in the Sydney Domain. [MR. HOPKINS: Hear, hear.] I have never personally had the privilege of delivering a speech in that locality; and, so far as I know, the only two classes of persons who go there are the orators who appeal to the multitude and a large number of loafers who slouch around listening to the oratory. As I feel sure that the member for Boulder did not appear in the character of an orator, I leave it to the House to decide in what capacity the hon. member appeared there. He has twitted me with killing a certain number of newspapers; and I plead guilty. I believe I have killed more newspapers than any man in this country,

but I may add I have not confined myself exclusively to killing papers. One thing I can congratulate myself upon, and that is, that I helped as an insignificant unit to kill the Ministry with which the member for Boulder had the misfortune to be connected—a Ministry, I may add, which only a few months before he had denounced as utterly incompetent and guilty of violating all the principles of responsible and decent government. I have not been a Domain orator, but I would rather be a Domain orator speaking the truth as I felt it and knew it, than a political renegade selling my conscience for a portfolio.

MR. HOPKINS: You never had a conscience.

MR. SPEAKER: I do not think the member for Hannans should make that statement. He should withdraw.

MR. NELSON: I am quite willing to withdraw. I desire, before dealing with the hon. member for Boulder, to deal briefly with some of the observations made by the leader of the Opposition. In his speech, as the House is aware, he did me the honour of quoting very largely from my former speeches and some of my writings. Indeed, I am vain enough to say that, but for the large quotations of those speeches and writings, the speech of the hon. member would have been largely barren of any literary grace. I find that in his speech he has made the following declaration:—"The present position in this House was an outrage on responsible government." He asked this question: "Did responsible government come to this, that the Government were kept in power by the votes of an Independent party who were responsible to no section of the House?" This appeared indeed to be the substance of his indictment against the Government, namely that it was supported by the Independent party, and if members remember, the hon. member went on to quote from myself to the effect that if the Premier had 30 men behind him instead of 22, he would doubtless be able to act with more independence, more power and more courage than he is able to do at the present time.

MR. RASON: You admit you described the party as your "enemies"?

MR. NELSON: I am not dealing with that. I deal with one thing at a time. He quoted myself to the effect that the

Government would be more powerful to do good and more courageous if they had 30 supporters instead of 22. Is not that an obvious proposition to anybody? I remind members that if I were seven feet high, instead of about five feet, if my muscular development were greater than it is, I would be a great deal more powerful, more independent, and more courageous than even I am at the present moment. What I desire to point out is this—the position of the Government, whether a desirable position or an undesirable position, is a position for which the Government in no sense of the word are responsible. If for example, in answer to the pleadings of the gentleman on the other side, the Independents should go over to them, if as a result of this vote of no-confidence the Independents go over to the other side, cannot the leader of the Opposition see he would be in precisely the same position that we are in now. Indeed the unfortunate difficulty would not be solved in any way? The Independents are not responsible, the Opposition are not responsible, and the Ministerial party are not responsible. The unfortunate condition of affairs is something over which we have no control as parties. It is a situation which has been created by the verdict of the people, and as wise men we have to try to do the best under the circumstances until the situation is altered by the popular voice. [MR. GORDON: Let the people have a chance.] I have no desire for an immediate dissolution, because I have contracted many friendships in the House, and I would not like in the near future, when speaking from this side, to be talking to empty benches on the other side. I desire to deal with another objection urged by the leader of the Opposition. He quoted me to the effect that the Labour party could not help the Independents supporting us. That is quite true. I said it, and I may briefly explain why I said it. One very foolish fellow at the end of an address which I delivered got up and said, "What about the Labour party, they actually depend on the support of the Independents?" I replied by saying, "Can we help that? We did not put them there, we cannot throw them out, and if they will help us, that is their business." It is extremely unfortunate

that while we have some very able men on the other side of the House, with the exception possibly of Mr. Hardwick we have no one there with the slightest vestige of humour, or capable of differentiating between a joke and a serious statement. Again, the leader of the Opposition expressed himself as follows:—"He had yet to learn that the Parliament of Western Australia should be ruled by the decision of any caucus." Now I cannot help saying, right here, that it appears to me the word "caucus" seems to completely paralyse the intelligence of the gentlemen on the Opposition side of the House. What, after all, is a caucus? It is nothing more nor less than a meeting of the party holding that caucus. It is simply another name for a meeting. As a matter of fact, each party in the House has a caucus. The Ministerial party hold their meetings and decide, to the best of their ability, what they ought to do when they come to the House. The Opposition party hold their meetings in precisely the same way. They come to a decision by exactly the same process.

MR. GORDON: You are pledged, leg-roped.

MR. NELSON: The very motion which has been submitted to the House, the very no-confidence motion just now being debated, was decided in a caucus meeting; and if it be wrong for the Labour people to hold a meeting and decide before coming into the House what we are to do in the House, it is equally wrong for members on the other side of the House to do precisely the same thing.

MR. FOULKES: Will you say if your members are free to vote against the Government, if they wish?

MR. NELSON: The leader of the Opposition evidently thinks the caucus not so serious an affair, for he raises his eyebrows and says, "What about the pledge?" I have proved that the caucus is merely an ordinary meeting. It is quite true they hold their meetings in secret, but does not the leader of the Opposition hold his meetings in secret? Did he invite me to them? Did he consult me? The hon. member holds up his hands in holy horror, and I assure him I reciprocate the sentiment. Even

the Independents hold meetings and they have not invited us to their meetings.

MR. GORDON: You invited them, and they would not go.

MR. NELSON: Not only did they hold a meeting, but I believe some time ago there was something like a split in the party, although I think it is being healed up now. It is now said, "What about the pledge?" So far as I know there is no honourable politician in the House who is an unpledged man. The member for Kimberley is a pledged man.

MR. CONNOR: That is not so.

MR. NELSON: When he went before his electors he outlined, to the best of his ability, things he pledged himself to advocate if he were returned to the House. He is therefore as much pledged as I am. The leader of the Opposition is also a pledged member, pledged not only I believe to his electors, but pledged actually, as evidence will be forthcoming in the House, to show the fundamental principles of the Labour party.

MR. FOULKES: Will you reply to my question. I asked you just now whether any member of your party was free and at liberty to vote against the Government?

MR. NELSON: I will reply. I say we are just as much free in every rational sense of the word as any other member of the House. First of all, we are all pledged.

MR. FOULKES: Say "yes" or "no."

MR. NELSON: I cannot answer the question in a foolish way like that. I take it for granted that my friend is a fairly rational human being, and knows a question of that kind has to be answered in such a way as intelligent people can understand it. I may fail in inducing my friend to understand my meaning, but I will try. I say that every member is pledged, every member of the Labour party is pledged to his electors to stand by a certain policy, and is also pledged as an honourable man to abide by the decision of the majority of his party with regard to that political policy. I submit, the members on the other side are similarly pledged. If members are not pledged they are not honourable men. The electors have sent them to Parliament to do something, [MR. GORDON: To bump you out.] The electors sent members to Parliament to

carry out certain principles which they advocated on the platform, and on the strength of which they were returned. If those members hold a meeting and a majority decide that in the furtherance of those principles a certain course of action should be taken, that for example a vote of no-confidence against the Labour Government should be moved, if, after deciding that by a majority, three or four members decide not to abide by the majority, the recalcitrant minority would be denounced from one end of the country to the other, and the party would be asked, "How can we fight the Labour party unless we are united and fight as one man?"

MR. GORDON: How do you deal with Congress?

MR. NELSON: I have wiped out the foolish objection against the caucus and the pledge, and now members opposite hold up their hands and say "Congress!"

MR. FOULKES: You have not answered my question, whether the members of your party are free to vote against the Government if they like.

MR. NELSON: I will quote another statement given by the member for Guildford. He said members of the Labour party were bound to a Premier in whom they had absolutely no faith. As a matter of fact, they never said that. Three members out of 22 refused to vote confidence in the Premier; but I would remind members that even if that be so, it is nothing. [Interjections.] If Oppositionists have superior principles, they might manifest those superior principles by superior conduct, and let me speak without undue interruptions. I say that if, for example, the Oppositionists desire to elect a leader and that out of 23 Oppositionists 20 members vote in favour of the member for Guildford and three vote against him, would it not under those circumstances be a fair thing, and would not the three members consider it a fair thing, to support a leader who had been selected and who had been appointed to that position by so great a majority of the party? It is impossible to have absolute unanimity amongst intelligent men. Where you have intellect you have differences of opinion. No doubt you find considerable differences of opinion in the Labour party, and considerable unanimity, rela-

tively speaking, on the other side. There is more intelligence here than there, and that may account for the difference. At any rate I have shown that there is nothing in this foolish charge about caucus, nothing in this foolish charge about the pledge, and nothing in this foolish charge that we are not free to do our duty to the people who have sent us here. Let me give a still farther example of that. So far are our principles from being regarded as unwise measures that even the other side are adopting them. Even my friend the member for East Perth (Mr. Hardwick), whom I am sorry to say I failed in defeating at the recent election, whose exceedingly humorous speech makes him a bright spot in a somewhat dismal Opposition, was elected by the very process he is now denouncing. What is the difference between selection by plebescite and selection by the old bar-parlour principle that used to prevail? In the old days a few influential persons would meet together and put someone forward for Parliament. That kind of thing has gone by. It is considered that if a party exists with certain definite principles and wants to run a candidate to represent those principles in Parliament, the wiser and the fairer method is not to allow the selection to be decided by cliqueism, but to have such a method of selection that the candidate selected should be in unison with the views of those selecting him. The result is that while you despise us, while you condemn us, you have actually adopted, in the case of East Perth, the very system you condemn.

MR. HARDWICK: I rise to explanation. What the hon. member says is not correct. When I was selected for East Perth it was by public meeting open to all-comers.

MR. NELSON: And also by a ballot.

MR. HARDWICK: It was open to all people.

MR. NELSON: The persons selecting the hon. member were a party or association called the National—[MEMBER: "Ass"]—the National League, I will call it, though I admit that the other name would be much more accurate. But let me ask here, where is the difference between an organisation calling itself the National League, and an organisation calling itself the Political Labour

Party, except a difference of political principle? One party consists of men bound together to act to advance the principles of Labour, and the other party consists of a number of men bound to act to oppose the principles of Labour. And surely if the one party is legitimate and right, if the one party does not conflict with freedom and with liberty, neither does the other.

MR. HARDWICK: I ask to be permitted to put the hon. member right again. I was not selected by the National Political League. I was selected by a league, the East Perth League, which was at that time quite apart from any other league.

MR. RASON: Had nothing to do with it.

MR. NELSON: I am delighted to find that in the act of repudiating what I state, the hon. member, possibly without knowing it, admits it. He was selected by a league. So was I. He was selected by a non-labour league. I was selected by another league. That is all the difference. I have observed a very remarkable feature in connection with the speech of the leader of the Opposition. The remarkable feature is this, that while we have an attack on the details of that administration, an attack which I venture to say has been most effectively replied to by the Premier this evening, and which has succeeded in revealing the fact that in spite of the undoubted admirable qualities which the leader of the Opposition possesses, he seems profoundly ignorant of the elements of a junior Treasurer—I say that a remarkable feature of that speech was that there was no attack made, because I presume he was afraid to make such an attack, on the leading principles which this Government has brought down to the House and on which it stakes its existence. There has been no attack made on the land tax. There has been no attack made on the income tax. There has been only a side-issue kind of attack made on the old age pensions, and there has been no attempt made to dispute preference to unionists. [MR. GREGORY: Oh, you will get plenty of that.] We are told that this is coming afterwards. What does that mean? It means this, if it means anything at all, that while side issues are going to be



dealt with by the leader of the Opposition, they are unwilling to attack those great principles which characterise our party. This country will recognise, at any rate, the courage of His Majesty's Government in bringing down a policy which, whatever else it may be, is a bold and courageous policy. I am one of those, I plead guilty, who believe in moving forward, and last year I was a little hurt that the Government did not go fast enough, that the Government did not bring down a sufficient instalment of those great principles which inspire the hearts of the democracy of Australia and create in every State a growing Labour party. But now that the Government has had the courage to do this, what do we find? Do we find a similar courage on the other side? Do we find them daring to attack those principles? Not a bit of it. I say the time has come when a land tax must be instituted in this country. The time has come when the enormous unearned increment which results from the growth of population, from the development of the resources of this country, from the labour and energy of the people of this country, shall be shared in by the people who produce it. [MR. BURGESS: What stops them from doing it?] Up to the present nothing has stopped them, and I believe that in the immediate future nothing is going to stop them. I have faith enough—[MR. BURGESS: Then what are you talking about?—I admit that I sympathise with the position of the member for York when he fails to understand what I am talking about. To understand a public speaker requires certain qualities which it is unnecessary for me here to mention. I desire to say, therefore, I am pleased that the Government has introduced this land tax.

MR. GORDON: What sort of a land tax?

MR. NELSON: The right kind of land tax.

MR. GORDON: With exemptions?

MR. NELSON: I repeat that the Government has had the courage to bring down a land tax and will have the courage to bring down an income tax. I am glad that something is to be done in connection with old age pensions, and above all I am glad that the Government is going to place upon the statute-book a measure which will confer upon the Arbi-

tration Court the power to give preference to unionists. [Interjection]. In connection with the statement that we were to introduce preference to unionists the member for Sussex (Mr. Frank Wilson) cried "Never." That indicates the position of those members on the other side of the House. They complain that they do not like us because the Government has not introduced the Labour party platform. I say, on the contrary, that whenever we do this and we have an opportunity of doing it, those men will be revealed in their true colours as the enemies of the real progress and true democracy of their country.

MR. GORDON: Last year you did not try it.

MR. RASON: Trade unionists every time.

MR. NELSON: The leader of the Opposition insinuated over and over again that the existence of the Labour Government here, the ascendancy of Labour principles here, had been the cause of the difficulty to float loans in the London market on as good terms as they hitherto could be floated. I desire to say that so far there is not the slightest justification for that allegation. My friend laughs. I will give him one example which ought to be sufficient to convince him. There is no community under the Southern Cross which has embodied on its statute-book more Labour legislation, more democratic legislation, than the colony of New Zealand. [MR. GREGORY: Where is the Labour party there?] Labour parties are absolutely nothing. Labour principles are everything. I have always said so. In the first speech I made in this House I declared that I came here not for this party or that party, but for Labour principles; and I said that if I could get more Labour legislation from the James Government than from any other, I would support the James Government. In New Zealand, where there is more Labour legislation than is found elsewhere, where there is an Arbitration Act in full swing, where the accursed preference to unionists is in full operation, where that sort of thing has existed not for a year or two but for a whole decade—in spite of that, we find that New Zealand is more prosperous, that the people are happier and more contented than we, that the country has

a larger surplus, and that its credit in the money market of the world is better than that of any State in the Commonwealth of Australia. That one fact is a complete refutation of the allegation of the leader of the Opposition. [Mr. GORDON: We have only your word for it.] I am pleased to find the hon. member interjecting is so interested in my speech; but if he would refrain from his somewhat unmannerly interjections, and string them together in a speech of his own, although I am afraid it would be an exceedingly disjointed and incoherent speech, it would be entirely worthy of the hon. member's calibre. I come now to deal with the member for Boulder (Mr. Hopkins), who said that this Government, because of its manifold sins, had lost the confidence of the people of this country. [Mr. HOPKINS: And of this House.] And he cited first of all the case of the member for East Perth. It is quite true that the Labour party did not succeed in capturing that seat; but surely the member for Boulder cannot claim that because we did not capture a seat which for many years had been held by the other party, a seat which has never been held by a Labour representative, surely he must be hard up for consolation if he regards that as any evidence of the instability of the Labour Government, or of the confidence that the people have in the Opposition. All that took place at the election in question was that representation remained precisely as it was previously. Had we won that seat it would have been a victory to Labour; but not having won it, the victory was not with the other side which merely continued to hold what it held before. I need not remind the hon. member that since then there have been other elections, that this wicked Government has gone on committing its manifold sins for nearly a year, and at the end of that year, after all the sinning, all the mistakes in administration, all the manifold wickednesses, two Ministerial re-elections have taken place, and with what result? First, that in one case we have an absolutely unopposed return.

MR. HOPKINS: You have always had that.

MR. NELSON: Well, that shows that the country is for us, and not against us, as you state.

MR. HOPKINS: No; it applies merely to your own blindfolded voters.

MR. NELSON: Again, the charge is not merely that the country is against us, but that our own party is against us. And yet, in a Labour seat controlled by Labour votes, where if Labour opinions were against a Labour candidate he would not dare to stand, in that very seat he is returned without opposition. But take the other seat (Mount Leonora, the seat just won by the Minister for Works (Hon. P. J. Lynch), there we find the Labour party so strong that even the man who fights the Minister for Works fights him, not as an adherent of the other side, but simply because Mr. Snell thought that the dissatisfaction existing in the Labour ranks would enable him to squeeze into Parliament. He told the electors that he was standing not as against Labour, but as a thoroughgoing Labourist; not as a mere Oppositionist, but as a man who would help to carry the very Labour legislation which this Government was refusing to introduce. The result was, the Ministerial candidate was returned by about two to one. I say all these facts undoubtedly show that the Labour Government has behind it the almost unanimous support of all of the Labour organisations of this country. The hon. member (Mr. Hopkins) talked about the Midland Railway; and the charge he made was undoubtedly the most peculiar charge I ever heard preferred against anybody. It was that the Government had not, without the sanction of Parliament, bought the Midland Railway. He told us that they had dilly-dallied so long that they could not buy the line, and therefore they asked this House to do what they would not do themselves; the obvious implication being that the hon. member so far forgot himself as practically to say, or at least to suggest, that it is the duty of a responsible Government, without consulting this House, to spend on a bargain that may be a bad one 1½ millions of the people's money. That particular charge fails utterly. The Government are to be commended for having sufficient respect for this House and for the Constitution which is behind this House to refuse to spend public money without receiving the sanction of that power which alone has a

right to disburse the public funds. The same member declared that there was fearful incompetence on the part of the Government, simply because there happened to be a deficit. The mere fact of a deficit does not prove anything at all except the deficit; just as the mere fact of a surplus does not prove anything except the surplus. Good management may create a surplus, but sometimes the surplus is a matter of good luck. Bad management may create a deficit, but sometimes the deficit is a matter of bad luck; and sometimes it is created because the Government in power has had the misfortune to follow a Government that did not do its duty. Let me show that this particular deficit was a legacy; something which had really been set moving by the preceding Government. The preceding Government started with a surplus of £231,000 and ended with a surplus of £83,000. That Government, which had such a marvellous financial capacity, included the colossal intellect of the member for Boulder; it included the gentleman who holds up his hands in horror because there is a deficit, that is in round numbers, a loss of about £40,000 or £50,000. The gentleman who so deploras that as an awful circumstance cannot deny that the Government with which he was connected began the year with a surplus of £231,000, finished the year with a surplus of £83,000, and incurred, according to his own reasoning, a practical deficit of no less than £158,000. I submit that as clear evidence of the the foolish and shallow criticism of the member for the Boulder. A mere surplus or a mere deficit is not significant in itself, until we go behind and examine the cause. Therefore that part of the indictment of the hon. member is utterly unworthy the consideration of sensible men. Now we go to that fearful charge about the rabbit-proof fence. It appears this wicked Government has been guilty, according to the hon. member, of the enormous crime of spending something like £500,000 in protecting the properties of men who should be rich enough to protect themselves. He forgot, however, to inform the House that this very policy of rabbit-proof fencing was inaugurated by his own Government, and that all this Government has done has

been to continue, under great difficulties because of the prior maladministration, the work that the previous Government commenced.

MR. HOPKINS: The hon. member stated that I did not inform the House of that difficulty, whereas on the contrary, speaking as Minister for Lands in reply to the last no-confidence motion in this House, I warned the Labour Government of the difficulty they had to contend with in connection with the rabbit-proof fence; and a reference to my speech will prove the correctness of the statement I have now made.

MR. NELSON: I quite accept the statement of the member for Boulder. Evidently, being intimately connected with the Government, he had some idea of the bungle that was going on; and I am only sorry that, instead of making a statement of that kind to the House, he did not influence his Cabinet to prevent that kind of maladministration. I say, therefore, that, so far as the rabbit-proof fence is concerned, there is nothing in it; and now I come to another serious charge. It appears that the Government could actually have effected a saving of about £300 by employing somebody other than Mr. Chaplin to be Director of Agriculture. The Government are to be swept from power into utter oblivion because they paid £300 more than they ought to have paid, in the opinion of the member for Boulder, for the man to hold the high position of Director of Agriculture in this country. My hon. friend did himself credit, if public gratitude accounts for anything, in connection with the Agricultural Department. I believe he inspected more agricultural shows and took more part in the guessing of the weight of more pigs than any other Minister. In fact, on that particular subject I believe he was regarded as an absolutely perfect authority. Surely the Government cannot be guilty of a very serious departure, even from the very strict paths of economy, if they pay the sum of £700 for a man who, according to the best available evidence—I have the honour to know the gentlemen myself—has been long and intimately connected with the great agricultural industry over which he presides, when it is remembered that the prior Government—that virtuous Government which we

here are guilty of wiping out of existence—actually contemplated paying the sum of £1,000 for a person to occupy a similar position.

MR. HOPKINS: Pardon me. Neither the same nor a similar position.

MR. NELSON: Well, I am credibly informed that it was essentially the same. At all events, I say that when it comes down to a matter of a few hundred pounds, the indictment is so very feeble, the criticism so hypercritical, that it scarcely merits serious consideration or reply. Now, another feeble indictment, an original indictment, something quite new, has been urged, not that the Government did something, but that they might have done something and did not do it. We are informed that if the tramway from Lakeside had been conceded, the result would have been that it would have seriously interfered with the profitable working of the Norseman Railway when it was constructed.

MR. HOPKINS: Hear, hear. It is right along the route.

MR. NELSON: The charge is not that the Government constructed the tramway and did the mischief, but that they might have done so and did not.

MR. HOPKINS: The charge is that they might have done so, if I had not stopped them.

MR. NELSON: The member for Boulder has evidently a high opinion, not only of his own judgement and capacity, but also of his ability to influence the Government. From what I know of the Government, the mere fact that the member for Boulder having a particular opinion would almost be presumptive evidence that they ought not to adopt it.

MR. HOPKINS: Perhaps they will lay the papers on the table.

THE PREMIER: We will.

MR. HOPKINS: On Tuesday?

THE PREMIER: Yes.

MR. HOPKINS: Thank you. It is only to prove my statement. That is all I care about.

MR. NELSON: The hon. member accuses me of wasting my precious time in attending a deputation in connection with a hen-laying competition. I plead guilty to attending that deputation. I remember feeling it was a highly amusing affair; and I can assure members I did

nothing there but crack jokes. My speech was an exceedingly brief one. I heard the members of the deputation speak for about two hours. I may say it was the member for Collie (Mr. Henshaw) who was guilty of inveigling me into that unhappy deputation. After hearing speeches lasting about two hours on the virtues of egg-laying and poultry-raising, I rose and said that I had been told that every hen died a death, but after hearing the exceedingly lucid exposition that day I believed it was a foul libel on the fowl. That was all I said, and the hon. member says that, in consequence of wasting those precious two hours, I was neglecting the important subject of a casualty ward for Boulder. I reply to that by saying, and I challenge contradiction, that I waited on the Colonial Secretary—my other friends did not come along, for it was a rainy day—and I believe I was the first to make a speech, a strong speech which was reported in the *West Australian*, in favour of the establishment of that ward. Therefore, as a matter of fact, so far is it from being true that I neglected my duty, that I actually performed it before the hon. member had done so.

MR. HOPKINS: That is incorrect.

THE MINISTER FOR MINES: You neglected yours. The money was passed, and you did not get the ward built.

MR. NELSON: I do not desire to weary the House by speaking at any greater length. [MR. HOPKINS: Hear, hear.] I can quite understand the meaning of that pathetic "hear, hear." I desire before resuming my seat to express the opinion that the Government—and I frankly admit I have criticised the Government myself—taking all the facts into consideration, are worthy not only of the goodwill of the people of this country, but of the great principles that they have come here to establish. I want to say right here, and I believe the member for Boulder will not dispute it, that when it is remembered that this is almost the first Labour Government in existence, the first absolutely Labour Government, composed I believe of men who have not had the advantages of university culture or special training, men most if not all of whom have come, as it were, from the mine and from the bench—when all this is borne in mind, I believe the member for Boulder and the

leader of the Opposition, despite all their criticism, will admit that these men have proved that they have the capacity and the integrity which justify the working classes in this country in aspiring to hold the highest positions the country can confer on them. I freely recognise the generous sentiments and reciprocate them, uttered by the leader of the Opposition in his original indictment of the Government. That speech was remarkably clear, remarkably free from allusions of a personal character, and was altogether, in my opinion, worthy of the hon. gentleman who made it. I desire in conclusion to reciprocate that sentiment. (Laughter.) My friends may laugh. I do not think, in spite of that laugh which I believe betrays the vacant mind, anyone can say that my remarks have been of an essentially personal character. I have no doubt I have been somewhat severe on the member for Boulder. [MR. HOPKINS: Don't you trouble about me.] I do not trouble about the hon. member. I believe he can strike hard and I believe he can take hard knocks in return; but what I desire to say is—and I desire to make this my concluding observation—that nothing is more deeply impressed upon me since I have come into this House than that, in spite of fundamental differences that exist between us, I believe both sides of the House are actuated by a sincere desire to work for the wellbeing of the country. I have never believed, and I do not believe now that the Labour party are, in any sense of the word, a class party. I have always held that our ultimate object is not to accentuate class distinctions but rather to abolish them, not to interfere with the just rights of any individual in the community but to strive by wise legislation and by pure administration of wise laws to make for the wellbeing of all classes of the community, I have often said, and I repeat it again, that it is not, after all, a contest between the people who labour with their hands, manual labour, and the people who labour in other ways. We all admit in this House that whether a man works in a mine, or whether he sits in an office, or edits a newspaper, or carries on the affairs of the country, or even kills a newspaper, in all these various capacities we can be workers. The Labour move-

ment exists not to prevent any man reaping the full reward of his industry, whether that industry be by the exercise of his muscle or the exercise of his mind. We do not put one class of worker against another—the brain-worker against the hand-worker. Our ultimate object is to unite all kinds of workers against those people who do not work at all; believing that in such a state of society each man would reap according to his merits, and there would be true happiness and wellbeing for all members of the community.

On motion by Mr. GORDON, debate adjourned.

#### ADJOURNMENT.

THE PREMIER moved, "That the House do now adjourn."

MR. FOULKES: It would be a great convenience if the papers in relation to Immigration, about which he had tabled a Notice of Motion, could be laid on the table before Tuesday next.

THE PREMIER: Instructions had been given that the papers were to be got ready, and he would lay them on the table at the earliest possible moment, Tuesday if possible.

Question passed.

The House adjourned at 9:45 o'clock, until the next Tuesday.

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