

ADJOURNMENT.

The House, at 6 o'clock, p.m., adjourned until Wednesday, 30th September, at 4:30 o'clock, p.m.

Legislative Assembly,

Tuesday, September 29th, 1896.

Questions: Pastoral Lands and Timber Regulations—Motions: Leave of Absence—Crown Lands Timber Bill: first reading—Evidence Amendment Bill: first reading—Railways Bill: first reading—Message: Appropriation for Bills (3)—Loans Consolidation Bill: first reading—Australasian Enabling Bill: first reading—Transfer of Land Act Amendment Bill: third reading—Perth Park Streets or Roads Closure Bill: third reading—Judges' Pensions Bill, withdrawn and re-introduced: Message from the Governor, and Message from the Legislative Council—Agricultural Lands Purchase Bill: Legislative Council's Message requesting reasons—Prohibition of Guano Export: Legislative Council's Resolution—Bills of Sale Bill: in committee—Loan Bill, 3½ millions: second reading; in committee—Adjournment.

THE SPEAKER took the chair at 4:30 o'clock, p.m.

PRAYERS.

QUESTIONS—PASTORAL LANDS AND TIMBER REGULATIONS

MR. PHILLIPS, in accordance with notice, asked the Commissioner of Crown Lands, when the Government intended liberalising the pastoral land laws, as promised in the Governor's Speech at the opening of Parliament.

THE COMMISSIONER OF CROWN LANDS (Hon. A. R. Richardson) replied that the Government had hoped to be able to bring an amending land measure before Parliament prior to the

end of the session, but that owing to great stress of work and the large amount of printing required in connection with other legislation, this question had been greatly delayed.

MR. PHILLIPS, in accordance with notice, also asked the Commissioner of Crown Lands when the Government intended introducing the new timber regulations, referred to in the Governor's Speech at the opening of Parliament.

THE COMMISSIONER OF CROWN LANDS (Hon. A. R. Richardson) replied that notice had already been given for the introduction of a Bill dealing with the matter.

MOTIONS—LEAVE OF ABSENCE.

On the motion of the COMMISSIONER OF CROWN LANDS (for the Premier), further leave of absence for one fortnight was granted to the member for the Murchison (Mr. Hooley).

On the motion of MR. ILLINGWORTH, further leave of absence for one fortnight was granted to the members for Albany (Mr. Leake), Pilbarra (Mr. Keep), and Roebourne (Mr. H. W. Sholl).

CROWN LANDS TIMBER BILL.

Introduced by the COMMISSIONER OF CROWN LANDS, and read a first time.

EVIDENCE AMENDMENT BILL.

Introduced by the COMMISSIONER OF CROWN LANDS (for the Attorney General), and read a first time.

RAILWAYS BILL.

Introduced by the COMMISSIONER OF CROWN LANDS (for the Commissioner of Railways), and read a first time.

MOTION—PLANS OF EASTERN RAILWAY AND GREENHILLS EXTENSION.

MR. HARPER, in accordance with notice, moved that there be laid upon the table of the House a plan showing the existing railways from Spencer's Brook to Tammin, and from Spencer's Brook to Beverley, also indicating the proposed line from York to Greenhills.

Put and passed.

MESSAGE—APPROPRIATION FOR
BILLS (3).

The following Message was presented to Mr. Speaker by the Premier, and the same was read :—

"GERARD SMITH,
"Governor.

"In accordance with the requirements of Section 67 of "The Constitution Act," the Governor recommends to the Legislative Assembly that an appropriation be made out of the Consolidated Revenue Fund for the purposes of the undermentioned Bills, intituled respectively :—

"An Act to apply out of the Consolidated Revenue Fund, and from Moneys to credit of Loan Accounts, the sum of Three hundred and fifty thousand pounds to the Service of the year ending 30th June, 1897."

"An Act to consolidate the unexpended Balances of Loans."

"An Act to enable Western Australia to take part in the Framing, Acceptance, and Enactment of a Federal Constitution for Australasia."

"Government House, Perth,
"29th September, 1896."

LOANS CONSOLIDATION BILL.

On the motion of the PREMIER, and in accordance with the foregoing Message from the Governor, this Bill was read a first time.

AUSTRALASIAN ENABLING BILL.

On the motion of the PREMIER, and in accordance with the foregoing Message from the Governor, this Bill was read a first time.

TRANSFER OF LAND ACT AMENDMENT
BILL.

THIRD READING.

Bill read a third time.

Ordered, that a Message be transmitted to the Legislative Council, informing them that the Assembly had agreed to the Bill, with amendments, in which amendments the Assembly desired the concurrence of the Council.

PERTH PARK STREETS OR ROADS
CLOSURE BILL.

THIRD READING.

Bill read a third time, and transmitted to the Legislative Council.

JUDGES' PENSIONS BILL.

WITHDRAWN AND RE-INTRODUCED.

MESSAGE FROM THE GOVERNOR, AND
MESSAGE FROM LEGISLATIVE COUNCIL.

A Message from His Excellency the Governor, requesting an appropriation to be made out of the Consolidated Revenue Fund for the purpose of this Bill, was now considered.

A Message from the Legislative Council, returning the Bill as requested by the Assembly, was also considered.

IN COMMITTEE.

THE ATTORNEY GENERAL (Hon. S. Burt) moved that the following motion be agreed to :—"The Legislative Council having, in reply to the request contained in Message No. 27 from the Legislative Assembly, returned the Bill providing for the Pensions of the Judges of the Supreme Court, the said Bill having been inadvertently passed by the Legislative Assembly, and transmitted to the Legislative Council without being first recommended by a Message of the Governor, as provided for in Section 67 of the Constitution Act, this House is of opinion that the Bill should be laid aside, and that leave be given to introduce a fresh Bill providing for the pensions of the Judges of the Supreme Court, in accordance with a Message from the Governor recommending that an appropriation be made for the purposes of said Bill."

MR. ILLINGWORTH asked for the Chairman's ruling as to whether this Bill, having been passed through the House in this session, could be introduced a second time in the same session.

THE ATTORNEY GENERAL said the Bill referred to was now withdrawn and laid aside.

MR. ILLINGWORTH again asked for a ruling on the point he had raised.

THE CHAIRMAN said that if the hon. member insisted on his saying whether the matter was in order, he must say that, the Bill having been withdrawn, it could be re-introduced.

THE ATTORNEY GENERAL said the proper time for the hon. member to have raised his point of order was when the motion was made that the Speaker do leave the chair.

Question put and passed.

The SPEAKER resumed the chair.

Resolution reported to the House.

THE ATTORNEY GENERAL: I move that the report be adopted.

THE SPEAKER: As the question has been raised, in committee, as to whether it would be in order to re-introduce this Bill, after it had been introduced once and withdrawn in the same session, I should like to quote from "May's Parliamentary Practice," which shows that it can. May says:—"In the Commons "it was agreed for a rule, 1st June, 1610, "that 'no Bill of the same substance be "brought in the same session.' But a "second Bill has been ordered, with a "special entry of the reasons which introduced the House to depart from the "usage of Parliament." Of course there is a special leave given, by this resolution, for the re-introduction of this Bill. Therefore, I think this procedure is in order. It follows the Parliamentary practice for bringing in a fresh Bill. There was a special reason why this Bill should be introduced a second time, because there is no doubt that the other Bill, which has been withdrawn, was illegal, it having been passed through this House without a Message from the Governor.

MR. ILLINGWORTH: I called the attention of the Government, while the Bill was passing through this House, to the fact that the Bill had been introduced without a Message from the Governor, as the Constitution Act requires in such a case. I trust it will be brought to the memory of the Government, and to the memory of the House, at this stage, that I previously pointed out that the Bill was not introduced in the manner required by the Constitution Act. Although I must submit to your ruling, sir, I do say it is pure carelessness on the part of the Government in having brought in the Bill as they did; and it cannot be altogether in order for this House to pass a resolution now, for the purpose of amending a mistake made in the simplest of all possible Parliamentary practice which has been overlooked by the Government.

THE SPEAKER: It is scarcely a question of Parliamentary practice, because the Bill, as introduced before, was not in accordance with the Constitution Act. I think the procedure is quite in order, as we are going on at present.

Question—that the report of resolution in committee be adopted—put and passed, MR. ILLINGWORTH saying "No."

Bill laid aside accordingly.

JUDGES' PENSIONS BILL (RE-INTRODUCTION).

THE PREMIER (Hon. Sir J. Forrest), in accordance with the foregoing resolution of the House, moved that the Bill intituled "An Act providing for the Pensions of the Judges of the Supreme Court" be now read a first time.

Question put and passed, MR. ILLINGWORTH saying "No."

Bill read a first time.

AGRICULTURAL LANDS PURCHASE BILL.

LEGISLATIVE COUNCIL'S REQUEST FOR REASONS.

The Legislative Council having sent a Message in reference to this Bill, the Message was now taken into consideration. It was read, as follows:—

"With reference to the Legislative Assembly's Message No. 24, relating to the amendments suggested by the Legislative Council in the 'Agricultural Lands Purchase Bill,' the Legislative Council requests the Legislative Assembly to state the reasons of the Assembly for their disagreement with the Council's suggestion No. 2."

THE SPEAKER: I should like to say, with reference to this Bill and the Message that has come down to us from the Legislative Council, that the Colonial Treasurer asked me whether, when the Legislative Assembly disagreed with any suggestion made by the Legislative Council, it was necessary to send reasons for disagreeing. I said, in reply, that there was nothing in our Standing Orders requiring us to send reasons for disagreeing to suggestions of the Legislative Council. Our Standing Orders only require that this House shall state reasons for disagreeing with amendments made by the Legislative Council. As it has been stated, once or twice, that this House has not complied with Standing Orders in

regard to this Bill, I think it is necessary to state there are no Standing Orders to guide us, in the case of suggestions made by the Legislative Council. Therefore, as I told the Colonial Treasurer, I think it is entirely for the House to say whether or not it will send reasons to the Legislative Council for disagreeing with the Council's suggestion No. 2, in reference to this Bill.

THE PREMIER (Hon. Sir J. Forrest): As the Constitution Act of South Australia is practically the same as that of this colony, in reference to suggestions made by the Council, I would like to ask whether the same procedure is followed in South Australia; that is, whether the Legislative Assembly in South Australia gives reasons for disagreeing with suggestions made by the Legislative Council.

THE SPEAKER: I am told there is a Standing Order in South Australia, providing for cases of this kind.

THE PREMIER: The rule adopted in South Australia is not founded on statute. It is merely a custom, I suppose.

THE SPEAKER: Yes.

THE PREMIER: Are reasons given, in cases where the Legislative Assembly disagrees with suggestions made by the Legislative Council?

THE SPEAKER: Yes. I am informed that an agreement was come to, between the two Houses, that reasons should be given.

THE PREMIER: I now move that the House go into committee to consider the Message.

Question put and passed.

IN COMMITTEE.

THE ATTORNEY GENERAL (Hon. S. Burt) said the Message of the Council was in no sense a party question. It simply showed that, when the Message was agreed to, the Council was unaware that the Assembly had not given reasons for dissenting from one of the suggestions made by the Council on the Agricultural Lands Purchase Bill, because the Standing Orders did not require that reasons should be given. The Standing Orders only required that, when amendments were disagreed with, reasons should be given. There was no occasion to treat, in a hostile spirit, the misapprehension into which

the Council had fallen. It would be sufficient to point out, in replying to the message, that no Standing Order directed this House to assign reasons for not concurring with the suggestion which was the subject of the message. This had been perceived by the officer of the Council, who had put the message into such a form that it should not make a statement that was contrary to the fact by asserting that the Standing Orders had not been complied with. As the reply which would now be sent by the Assembly to the message of the Council would furnish a precedent, the Assembly should endeavour to take a course that would be consistent with the dignity and privileges of this House, and likewise with those of the other Chamber; and doubtless the Council would see reason to be satisfied, when the fact was pointed out that, under the Standing Orders, suggestions were excepted from the rule relating to amendments. Perhaps the Houses would see the propriety of laying down a rule as to what course should be followed in regard to suggestions. His own opinion was that this House should not lightly agree to efface the distinction between an amendment and a suggestion. If reasons were given now for disagreeing with the suggestion before the House, it might follow that reasons should always be given in every similar case. It would be just as reasonable for the Assembly to ask the Council to state reasons for making suggestions, as to ask the Assembly for reasons for not concurring in those suggestions. He did not believe that anyone could readily take offence, if the Assembly pointed out, in its reply to the message of the Council, that the Standing Orders did not deal with the giving of reasons for disagreeing with suggestions. He therefore moved "That the Legislative Assembly acquaints the Legislative Council, in reply to Message No. 23, that no reasons were given for disagreeing with the Council's suggestion No. 2, with regard to the Agricultural Lands Purchase Bill, because there is no Standing Order requiring such reasons to be given."

MR. ILLINGWORTH said the Premier appeared to be inclined to make light of the question before the committee, but he (Mr. Illingworth) desired to assure the Premier that it was not the light

question that the Premier seemed disposed to make of it.

THE PREMIER said he had not spoken on the subject.

MR. ILLINGWORTH said members sitting on the Ministerial benches had sometimes taken it upon themselves to read the inner minds of members sitting opposite to them; and, if he were in order, he would read on this occasion the inner mind of the Premier. The question was a grave one of privilege, affecting not only the Houses of Legislature in this colony, but affecting other British Parliaments, with the exception of that of South Australia. To give the Legislative Council the power to make suggestions in regard to money Bills was going a long way—a good deal further than British institutions had been accustomed to go. If the Council were to be allowed to ask the Assembly to give reasons for disagreeing with suggestions, it would establish the principle and the right of the Council to interfere with a money Bill: it would allow the Council to drive home the thin end of the wedge. He hoped this House would resist, to the fullest extent, all encroachments in that direction. The motion before the House was a very proper motion to deal with the case before the Chair.

THE PREMIER (Hon. Sir J. Forrest) said the member for Nannine was a great constitutional authority; but he (the Premier) wished he would stick to the point at issue. Although the hon. member would have the committee believe that in the other colonies the Upper Chamber had no power to interfere with money Bills, the Victorian Legislative Council had power to throw out a money Bill; and, in Tasmania, money Bills were amended by the Council. In South Australia, suggestions on such Bills could be made by the Council, while in Queensland, New Zealand, and New South Wales, the Upper House was resisted if it did anything but pass money Bills in the form in which they were sent up by the Assembly. It was not necessary for the Lower House to be too churlish in these matters. In Tasmania, the Legislative Council had successfully resisted the demand of the Lower House to have the sole voice in regard to money Bills; and in South Australia the two Houses came to an agreement, in accordance with the

provision which had been adopted in the Constitution Act of Western Australia, providing that the Council could send suggestions upon money Bills for the consideration of the Assembly. As the Council had the right to make suggestions, it ought to have the right to ask for reasons why any suggestion was not adopted by the Assembly. A Standing Order should be adopted to govern this procedure. Personally, he did not object to giving reasons for any action he might take. The request of the Council was a reasonable one. Reasons should be given for differences of opinion between one man and another, or between one House and another. While it was his wish to uphold the privileges of this Assembly, at the same time he did not like to be churlish. People who were always looking for cause of offence would generally find it. He liked to see the Houses working amicably together, and was glad that this matter was being put in a friendly way. He hoped the Council would understand that the Assembly was desirous of arriving at a mutual good understanding, and that the Assembly invited the framing of a Standing Order to meet the case.

Motion put and passed.

Resolution reported to the House, and report adopted.

Ordered, that the resolution of the House be transmitted by message to the Legislative Council.

PROHIBITION OF GUANO EXPORTATION.

RESOLUTION OF THE LEGISLATIVE COUNCIL.

The following message from the Legislative Council was read:—"The Legislative Council having this day passed the following resolution, 'That in the interest of land settlement and agriculture generally, this Council is of opinion that no further leases or concessions be granted to any company or individual, with the idea of exporting guano from any islands within the jurisdiction of the colony,' presents same to the Legislative Assembly for its concurrence."

IN COMMITTEE.

THE COMMISSIONER OF CROWN LANDS (Hon. A. R. Richardson) moved,

formally, that the foregoing message from the Legislative Council be agreed to.

MR. VENN said it seemed to him that the Legislative Council proposed to close the stable door after the horse was gone. He could not let this opportunity pass without stating that, some years ago, an Agricultural Commission drew the attention of the Government to the very matter mentioned in the resolution of the Legislative Council. It was then within the power of the Government of the day to have taken steps to prevent the exportation of guano. It occurred to that Agricultural Commission that, in the guano deposits, the colony had a very valuable product which, sooner or later, would be of great service to the cause of agriculture in the southern portion of the colony. There could be no harm whatever in passing this motion, because, although for a time the deposits had been worked largely, something might still be done with the present lessees to arrest further exportation of guano. What the Agricultural Commission anticipated had come to pass, for most of the islands were now absolutely destitute of guano. He could speak from practical experience in the southern portion of the colony as to the value of this guano as a manure. No manure that could be imported would give much better results than Abrolhos guano, and it must be obvious to any member of the House that it was suicidal for the colony to allow the export of such a valuable manure. The use of the Abrolhos guano in the Eastern districts, where the climate is dry, had shown that it is a wonderful fertiliser. Some years ago the farmers did not take to the local guano, for the reason they considered it needed to be subjected to chemical treatment before being placed on the land. Now, however, when the farmers discovered the value of the guano, the supply might become exhausted and they might have to import manures from other countries. The lessees of the islands had been exporting the guano to Germany and other countries, and the Government might well be urged to do what they could to prevent the continuation of this export trade.

MR. A. FORREST said the resolution of the Legislative Council would have the effect of preventing people from exploring the islands and finding guano deposits. He could see no reason why

people who obtained guano should be restrained from exporting it, and be forced to sell it locally whether they liked that or not. It stood to reason that the people who had the guano leases would prefer the local market to the export market, if there was a demand for the guano. They had no strong desire to continue sending the guano to Germany. The deposits of guano were not exhausted, and there were many islands which had not been explored, and upon which there might be considerable deposits. He had no sympathy whatever with the resolution, because there was no doubt if there was a local demand there would be no export trade. The resolution was one that, if passed, would do harm, and certainly it would not do any good whatever. The Lacipede Islands had been abandoned some time ago, and the passing of such a resolution would prevent further discoveries in other islands. He trusted the House would come to the conclusion that it would not be to the interest of the colony to pass the motion.

MR. WOOD said he agreed with a great deal of what had been said by the member for West Kimberley. It had taken the farming community many years to find out the value of Abrolhos guano. Thousands of pounds had been spent in bringing guano to the Southern districts, and the experiments made with it had been a source of loss. Now, however, the farming community had discovered the value of guano as a manure, and were beginning to use it extensively. He thought the motion might be passed with certain modifications.

THE COMMISSIONER OF CROWN LANDS said a certain amount of injustice would be done to the lessees of the Abrolhos Islands, if the action suggested in the Council's resolution were followed. It seemed to him the resolution was directed against the lessees of the Abrolhos Islands, and it must be remembered that those lessees had been induced to provide, at great expense, a large plant and get into good working order. Before the lessees obtained a complete plant, the price charged to the farmers was prohibitive. It was only by the efforts of the lessees that the guano was loaded f.o.b. at the islands at a price at which the farmers could use it at a profit. The lessees were willing to sell

the guano f.o.b. at the islands at 30s. per ton, whereas the price some years ago was from £3 to £4 a ton. In the lease a condition was inserted binding the lessees to load any ship sent for guano, at the fixed rate of 30s. f.o.b.; so that the farmers were entitled to use as much as they liked at that price. The difficulty in the way was that, if the lessees were bought out by the Government, there would be no plant for obtaining the guano and for loading the ships. In these conditions, it might cost a ship 50 per cent. more than at present to load up with the guano. There had been a proposal made that Rottneest natives should be sent to the islands to work the guano deposits; but he did not know whether that could be done. The company holding the Abrolhos Islands had made a proposal for the Government to buy them out, but the price they asked was so high that the Government could not consider it. The lessees were quite prepared to sell their rights, and he was prepared to say that the lessees were entitled to the credit of having proved the value of the guano as a fertiliser. Had it not been for the action of the lessees, the farmers would still be in a state of blissful ignorance of the value of this manure, and would not to-day have been using it to the extent they were. The resolution would not do any particular harm, and possibly it would not do very much good. At any rate, he did not think it would be wise to tie the hands of the Government so far as to oblige them to prevent exportation.

MR. SOLOMON said the House was in darkness as to how long the present lease of the Abrolhos had to run. He supposed that what the House had to consider was whether any extension of the lease should be given, and whether any other leases should be given.

MR. HARPER said he was in sympathy with the Council's resolution, because there was no doubt much valuable capital had been sent out of the colony in the shape of guano. The guano that had been exported was now required in the colony. There was a time when there was hardly any demand for agricultural produce within the colony—hardly sufficient to warrant any very large outlay by the producers; but, in the present condition of things, all that was altered, and he presumed this valuable fertiliser

would be much more used in the years to come than it had been in the past. The resolution would, he thought, be improved by the addition of a few words, and he therefore moved, as an amendment in the fourth line, that the words "without the consent of Parliament" be added after the word "colony." These words would prevent the Government from granting leases or concessions without the consent of Parliament, and would, he presumed, remove the objection the hon. member for West Kimberley had to the Council's resolution.

THE PREMIER (Hon. Sir J. Forrest) said the present regulations dealing with guano were of two classes. Under the first set of regulations, a license could be issued to a ship to load guano at a certain place on paying so much a ton on the registered tonnage. In the event of the ship failing to get the full quantity, a refund was usually allowed. Under the second class of regulations, a concession license could be given, and that was the sort of license held by Messrs. Broadhurst, McNeil & Co., for the Abrolhos Islands. Under that license, the lessees had the exclusive right to take all the guano from certain islands, and they worked under an agreement with the Government. He supposed the resolution they were considering did not go so far as to say that an ordinary license should not be given to a ship to go to the islands and load guano. He took it for granted the Council's resolution simply applied to the giving of concessions or leases. If the door were locked altogether against the taking of guano, they would not get adventurers to go in search of islands carrying guano deposits. If a person cruised about the Lacedpede Islands, or any other place, and found guano deposits, that person should get the benefit of his enterprise. What he (the Premier) wanted to know was whether, if this resolution of the Council were adopted, the Commissioner would be unable to issue a license enabling a captain of a ship to go North and load guano. The present lessees were willing to sell the guano to local buyers, and if they were to be prohibited from exporting it, it was very probable that even the local demand could not be supplied. He was rather inclined to be in favour of the resolution, for it would be better to use

the guano as an article of merchandise than not to use it at all. However, he was willing to abide by the decision of the House, and particularly of those members practically engaged in agriculture.

MR. ILLINGWORTH said he hoped the motion would not be passed, as it was intended to interfere with the ordinary current of commerce, and no Parliament could ever do that to the advantage of a country. The effect of the passing of the motion would be that the small amount of guano required for many years to come, within the colony, would not be sufficient to occupy either the plant on the islands or the ships in the trade. The ships engaged in the trade required to be of a special character, and to be specially manned. The effect of the passing of the motion would be that the islands would be abandoned, and thus sufficient guano for local use would not be obtainable.

MR. HIGHAM said he was disposed to concur with the Council's resolution, because he took it to mean that they were desirous of conserving the guano deposits for the use of the agricultural population of the colony. He had some experience of the trade, and was aware that there were guano deposits along the coast far superior to those upon the Abrolhos Islands. He did not think, however, the quantity was so great that they could afford to allow it to be exported for the sake of a revenue of 10s. per ton. The message from the Council set forth that the guano on the islands was required for local consumption, and suggested that no lease or concession for the export of the guano should be granted in the future. With the addition of the amendment suggested by the member for Beverley, the motion would be perfect.

MR. R. F. SHOLL said he hoped the House would not agree to the Council's resolution. The guano deposits were not very large, but he knew that Messrs. Broadhurst, McNeill, & Co. were always glad to supply the local requirements instead of exporting, but there was no large demand from the agricultural districts. The farmers, no doubt, would like to have the guano supplied free by the Government, and have it scattered over the land for them. The motion before the House was simply the thin

end of the wedge. The desire to prevent exportation meant that the farmers hoped before long that the Government would supply the guano to them free of all expense. If there was any large demand for the guano, they would find the ship-owners loading up with it at Sharks Bay or the Lacipede Islands.

MR. VENN said he did not think the member for the Gascoyne was quite in touch with the requirements of the agricultural districts; for, if he had been, he would have been only too ready to encourage the farmers to improve their lands by the use of guano. One of the great objects of Parliament, and of the Government, was to settle the land, and the sooner they realised that this was not a rich country, the better it would be for them all. There was not a large area of good land, but there was a very large area of land that could be, and would be, utilised if assisted by manures, and that had been proved very forcibly during the past two or three years by the experiments with guano. Lands that were some years ago looked upon as useless had been, by the use of guano, proved to be capable of cultivation at a profit. Very likely there had been no demand for the guano up to two years ago, but there was now a very large demand, comparatively speaking, springing up daily, and although the number of people on the land now was perhaps not sufficient to absorb the whole of the guano deposits, yet before many years, if the country was to flourish, there would be sufficient to absorb the whole of the guano, and it would be a pity, then, if they had to go abroad for what they would have sold for the paltry sum of 10s. per ton.

Amendment put and passed.

The Council's resolution, as amended, was then put and passed.

Ordered—That a message be sent to the Legislative Council accordingly, and requesting their concurrence in the amendment.

BILLS OF SALE BILL.

IN COMMITTEE.

Consideration in committee was resumed.

Postponed Clause 26—Effect of registration:

MR. JAMES said that, after further consideration, he would offer no objection to the clause as it stood, and would not press any doubts he had regarding it.

Clause put and passed.

Schedules 1 to 7, inclusive—agreed to.

Preamble and title—agreed to.

Bill reported, with amendments.

At 6:10 p.m. the SPEAKER left the chair.

At 7:30 p.m. the SPEAKER resumed the chair.

LOAN BILL, 3½ MILLIONS.

SECOND READING.

THE PREMIER (Hon. Sir J. Forrest):

Sir, I rise to move the second reading of a Bill intituled "An Act to authorise the raising of a sum of £3,500,000 by loan, for the construction of certain public works and other purposes." I move this motion with mixed feelings. First of all, I regret to have to ask for leave to increase the public debt. It would be very much pleasanter for me if we could do all we require to do from our own resources; but I am sure no one will be found in this House to say, with any good argument or reason, that it is possible to do so, unless we are prepared to hand over our railways and all other great public works to private enterprise. I have no doubt that if it were the policy of the Government that all the large public works—our railways, our harbour works, our development of gold-fields, and all other items that find a place in this Loan Bill—were to be carried out by private enterprise, as we know such works are carried out in many parts of the world, or at any rate in England and in the great continent of the United States, then there would be no need for the Government to come to this House, as we have had to do and as we do now, to ask for authority to increase the public debt. But I should like hon. members to recollect, and I should like the people of this colony to remember that, even if that were the case, even if all our public works were constructed by private enterprise, still the people of the colony would have to pay for them; and they would, in my opinion, have to pay to a larger extent than they do at the present time.

I believe, too, we should have considerably more difficulties to contend with than we have at the present time; though I need not say much on that point, as we have had some experience of private enterprise in this colony already, and we know that it leads to a great deal of dissatisfaction, a good deal of trouble, and, in the end, a good deal of expense. Therefore, those who advocate—there may be some in the colony who do so, yet I do not think there are many—that we should hand over to private enterprise all our great public works, they should, at the same time, tell the people of the colony that the people would have to pay for them in the same way as they have to do now, only to a much larger extent. I said I regretted to have to ask for leave to increase the public debt, and I have given some reasons; but I may say, on the other hand, I rejoice that the circumstances and conditions of the colony render it imperative to ask for authority to increase our public debt. It shows, I think, that the requirements of the colony make it necessary to have authority to construct the railways and other great public works which are described in the schedule of this Loan Bill. In introducing Loan Bills on former occasions—and I regret to say I have had to introduce a good many, although I do not know that I should say I regret having done so, because they were necessary at the time—I have said on those occasions that if we could carry on and do all these great public works that we are doing and have done without having to incur debt, it would be a matter for satisfaction and rejoicing; but that, as I have said, is impossible. In introducing Loan Bills on former occasions, I have done so with a fear that some of the items which I thought were important might not meet with the favour which I hoped they would on the part of hon. members; but to-night I have no such fear, because the items in this Loan Bill are all so absolutely necessary that I am confident they will commend themselves to a large majority of members in this House. I have no hesitation, therefore, in placing the items of this Loan Bill before hon. members, for I am sure every member will have to say that each one of these items is necessary, and that they will readily give their support to them. The items

in the Bill are (1) development of goldfields and mineral resources, £200,000; (2) water supply for towns, £100,000; (3) Fremantle dock and slip, £150,000; (4) Fremantle harbour works, £250,000; (5) dredges and barges, £135,000; (6) sewerage, Perth and Fremantle, £150,000; (7) Menzies Railway, £270,000; (8) Kanowna Railway, £45,000; (9) additions and improvements to opened railways, £1,000,000, also rolling stock, &c., £1,200,000; these items making a total of £3,500,000. No doubt everyone will say, and I say it myself, this is a very large amount; but, for all that, it has not been possible to make the authorisation smaller than is shown in this Loan Bill. It is estimated that the expending of this amount of loan will probably last till the end of 1898. I expect myself that the item of £1,000,000 for improvements to existing railways will last longer than that; but, generally, I can say it is expected that the £3,500,000 will last till the end of 1898. I may say at once to hon. members that the amount is considerably larger than I desired it to be. I am as anxious as any member of this House to keep down the loan expenditure, and to make the amount of our loans as small as possible; but I have found it impossible to keep this amount below the total I have stated for meeting immediate requirements, and in the end I have had to agree to the total shown in this Loan Bill. But when it is seen that so much of the Loan as £2,200,000 is required for improvements to existing lines, and also for rolling stock—and this amount for rolling stock, I am assured by those who are advising the Government, will be barely sufficient to last till the end of 1898, in order to meet the rapid increase of traffic on our railways—then the remaining £1,300,000, for important and pressing works enumerated in the schedule will be admitted by most hon. members to be necessary. I may inform the House that during the past year the Government have been forced to incur expenditure—or, at any rate, to incur a large liability—in regard to indenting for rolling stock from England, without any vote of Parliament for the purpose. Of course no Government likes to be in that position: no Government likes to have to take upon itself the responsibility of incurring a large liability without the

sanction of Parliament. Some £400,000 worth of rolling stock has been indented for, without any authority behind it in the shape of a vote; therefore, if this Bill is approved by Parliament, the Government will be relieved from that position, and the amount of those indents will be covered by the item for rolling stock in this Bill. Anyone can see for himself what would happen at the present time unless we had a large vote for rolling stock, for in a very short time demands would be made on the Government for increasing the rolling stock, and we would have to send indents to England to supply those demands, although we would not have any vote authorising us to incur the liability. That is the reason why we have thought it right and proper to ask in this Loan Bill for a vote for rolling stock, so as to relieve us from the responsibility of having to incur liabilities without the necessary vote. I will now briefly refer to each of the items in the schedule in this Loan Bill, and give a little information in regard thereto. The first item is—Development of goldfields and mineral resources, £200,000. Hon. members will, of course, recognise that the water supply on the Coolgardie goldfields and the Murchison goldfields, and in fact on all other goldfields in the colony, besides roads and a variety of other works, including deep boring, are charged against this vote. I do not think we propose to build telegraphs out of this vote, although hitherto we have had to put up telegraphs and do other things out of a vote of this description. I may inform the House that last year the Consolidated Revenue contributed no less than £106,730 to this item, "Development of goldfields and mineral resources," and this year we propose to contribute a sum of £30,000 from revenue. I may say that, although we propose to contribute a sum of £30,000, I do not know whether we may get into the same awkward position as we did last year, because we then proposed to contribute £40,000 from current revenue to the development of goldfields and mineral resources, and when the year closed we had actually spent £106,730 out of revenue. Seeing the condition of the goldfields and the many demands made upon the Government for meeting the requirements of the increasing popu-

lation, everyone will admit that it is wise for the Government to provide a sum of money in this Loan Bill; not necessarily to be spent all at once, but to be spent when required, in accordance with Loan Estimates, to be submitted in due course, for the development of goldfields and mineral resources. The second item is—"Water supply for towns, £100,000." As hon. members are aware, there is a Bill now before the House for enabling local bodies and municipalities throughout the country to provide themselves with a water supply, and it is intended to apply the amount of this item for enabling them to do so. I have no doubt the money will be used to some extent also in extending the present water supply in the town of Fremantle. Item No. 3 is: Fremantle dock and slip, £150,000. It was originally intend to extend the north mole a further distance of 1,000 feet, and in that case the amount of this item would have been £100,000 more. I think it was mentioned in the Governor's speech at the opening of this session of Parliament that the Government intended to do this; but, after a good deal of consideration, and under the advice of the Engineer-in-Chief, the Government do not intend to undertake that work at the present time. The Engineer-in-Chief has advised the Government that this extension is not necessary at present, and that the wharf now being built on the inner side of the north mole will give a great deal of the benefit which was expected from the extension of the mole. Therefore, in order to keep down the amount of the loan, this extension of 1,000 feet is omitted for the present; although I may say I have always been an advocate for the extension of this mole, because it would give more protection to shipping that might anchor under the lee of it; but when I find the Engineer-in-Chief, who is the projector of this scheme, does not think it is necessary, and says it is not a part of the original design, and when I find he is not inclined to "father" it as a necessary part of his scheme, I do not see why the Government should thrust it upon him. I look upon it that we are working under his advice in this matter; and as he thinks the harbour scheme is perfect without it, and that the new wharf inside the north mole will do all that is

necessary, then I think the wisest thing for us to do is to wait a little while before we proceed with this part of the work, in order to see the effect of the wharf inside the north mole. By-and-by when this becomes necessary, and we are advised that it is then necessary, we may undertake it. The dock and slip we, of course, propose to proceed with at once, and I may say the drawings for the dock are nearly completed. The site that has been chosen is on the north side of the river, near the railway bridge; and I am informed by the Engineer-in-Chief that the working drawings will soon be completed, and he intends to recommend that the work be let by contract. [SEVERAL MEMBERS: Hear, hear.] I look forward with great pleasure and interest to the commencement and completion of this dock, for it will be impossible for Fremantle to be the harbour that we propose it shall be unless it has proper dock facilities, and I am sure it will be satisfactory to hon. members to hear that this work is just about to be taken in hand. The next item is: Fremantle harbour works, £250,000. This is the third instalment of the original estimate of £800,000, and this amount will make £600,000 that we are authorised to borrow for the work; so that there will be another £200,000 available, after this instalment is expended, in order to complete the whole of the work. I have pleasure in informing hon. members that the Government have been fully assured that the work up to date is well within the original estimate, and that there is no reason to doubt that this work will be done for the amount estimated. That, I think, is a very satisfactory statement, coming from the officer of the Government who is carrying out the work, and who makes that statement with the full sense of the responsibility attaching to it. No one can now doubt the wisdom of Parliament and of the Government in having undertaken this great work, and we look forward to its early completion with hope and confidence. I may say that every day, as the work proceeds, the Engineer-in-Chief is even more satisfied than before that it is possible the work will not only be carried out for the amount originally estimated, but that the scheme will be completely successful, and accomplish all that he ever expected it would do. Item No. 5 is: Dredges and barges,

£135,000. This amount is intended to purchase three dredges and attendant barges, and one dredge is now on its way from England. It is proposed that these dredges shall be used in the first instance at Fremantle, and afterwards at other places on the coast where necessary, especially at Albany and other ports. I also hope that some of them will be used in the reclamation work on the Perth foreshore. [AN HON. MEMBER: What about Northern ports?] These dredges will certainly be used for them as far as applicable, though I do not know whether it will be possible to use them there. It has always been thought we would be able to do some good work at Geraldton, at Carnarvon, and at some other places on the coast. Item 6 is: Sewerage for Perth and Fremantle (first instalment), £150,000. This amount represents what will probably be spent in the next two and a half years. The total estimate for the contemplated sewerage works is about £300,000; and, as population increases, so will additional works become necessary. I think it is a matter for congratulation—in fact it is one I am very pleased about—that we can provide a sewerage scheme for Perth and Fremantle for so small a sum as £300,000 altogether. I had always expected the amount would be very much larger. However, that is the estimate placed before the Government; and, of course, as additions become necessary in the future, the amount voted will have to be increased. Item 7 is: Menzies railway, £270,000. This work, I think, is urgently needed, and is thoroughly warranted in the circumstances. The only question we have to consider here is the question of the route, and I have no doubt it will soon be settled. As far as I am personally concerned, I am ready at any time to deal with that question. Item No. 8 provides £45,000 for the Kanowna railway. This railway also is urgently required; and it is believed by the Government that this will be a reproductive work. It is only a short line, about 12 miles in length, from Kalgoorlie to Kanowna. The last Item is No. 9: Additions and improvements to opened railways, £1,000,000, and rolling stock, £1,200,000—total, £2,200,000. I think, if we consider this matter, the fact that we require so large an amount as £2,200,000

for improvements of our existing railways, and also for adding to our rolling stock, is really a matter for congratulation. The money is required for additional rolling stock and additional works, which include sidings, railway stations, and other works in connection with the opened railways. When so large a sum is required, I think it shows a healthy state of affairs, a healthy growth and activity in our railway traffic; because when £1,200,000 is wanted for additional rolling stock, and £1,000,000 for improving the existing lines, these demands are necessitated by the large increase in the traffic. If it were not so, the existing lines could be worked as they have been in the past—equipped but slightly and with not many safeguards; but the traffic has increased so greatly that more appliances are necessary, and a very large amount of additional rolling stock is required. I think it has been a wise policy for us, in the circumstances of this colony, to build our railways cheaply in the first instance, and to equip them as cheaply as possible in the early days, so that when necessary, at a later period, we might equip them more fully with rolling stock and other requirements. We can, in this way, spend our money usefully and economically at first, and we save the interest on the larger amount that would be necessary if we had fully equipped our railways with rolling stock and other appliances in the beginning. It was much better for us to grow gradually, and, as the traffic increased, to improve the appliances and increase the rolling stock. When we remember that the railways and tramways revenue has been increasing at such an enormous rate, it is clear that our railways are reproductive, and all doubt as to the wisdom of equipping them better, and increasing the rolling stock, therefore disappears. In the year ending 30th June, 1894, the revenue from railways and tramways was £134,966; while for the year ending June, 1895, the revenue had increased to £295,732; and on the 30th June, 1896, it had further increased to £474,635. I may point out—and I want to do so because these figures may not agree with the figures that my friend the Commissioner of Railways will place before the House later on—that these are the Treasury figures showing the railway receipts, and not the earnings of the rail-

ways. The difference is that at the end of every financial year—in fact, continuing through the year and at the end of every financial year—there is a large amount of revenue, earned and outstanding, due to the department, which it is impossible to get in by the 5th or 10th of July, when the Treasurer closes his books for the year's balance. There are no means of getting in these outstanding accounts within the first few days of July, so as to include them in the Financial Statement of the year; and therefore a sum outstanding at the end of the previous year is collected and credited at the beginning of the next year, though in a sense not belonging to that year; and at the end of that year, in like manner, the Treasurer will not have in hand the outstanding accounts which belong properly to that year, but which cannot be collected in time to be included in it. I may say that in some former years, when revenue was scarce, the Treasurer was anxious to collect into the State coffers every penny of revenue belonging to that year; but during the last few years, while the revenue has been expanding at a great rate, we have not troubled so much about gathering in all the accounts that were outstanding when the year closed; and even if extra trouble were taken to do so, it would be impossible to collect, within the next few days, all the amounts outstanding to the credit of revenue in such a department as that of the railways. There are always outstanding accounts, and that is the reason why the total which the Treasurer has received on account of the Railway Department will not agree exactly with the total earnings set down in the report of the Commissioner of Railways for the same period, because he takes into account the earnings outstanding. When we remember that for the year ending 30th June, 1896, the revenue of the railways and tramways was £474,635, and that for the year ending 30th June, 1897, the estimated revenue for railways and tramways is £736,800, while the estimated expenditure is only £476,950, I think we will come to the conclusion that we are doing a really good business, and that so long as money is expended on works which are required with the object of increasing the revenue, I do not think we can be going far on the wrong road. If we investigate the

items in this Loan Bill, we must come to the conclusion indeed, whoever criticises this Loan Bill must, I think, come to the conclusion that every one of these works is necessary, urgently necessary; and therefore, as I said at the beginning, I bring forward this Bill and place it before this House without any fear whatever as to the result which awaits it. Having now briefly dealt with each of the items on this Loan Bill, I now wish to show that the works are necessary, and I wish to show, not only that we can afford to construct them, but also that they will pay. I do not think I need say much more on the first point, as to the necessity of the works; for I think that will be conceded by everyone who criticises the proposals of the Government in this Bill. It cannot be said that the works are not necessary; and that being evident, I do not think I need say more about it. There will be no doubt either, I think, that our existing railways require improving and adding to, so that the traffic may be carried; and that additional rolling stock is required. I think there are not two opinions about that. Already, as I said before, some £500,000 worth of rolling stock has been indented for, and it will have to be paid for out of this loan; and I believe there are other indents which, if they have not already gone, will do so in a day or two, which will make the total indents for rolling stock up to the value of £800,000. That being so—£800,000 worth of rolling stock having been indented for, or about to be indented for—£400,000 is left available for use during the next two years. I do not think anyone will be able to say that it is not a wise provision for the Government to ask for authority to expend £400,000 more on rolling stock during the next two years, in addition to the indents already forwarded, or which are about to be forwarded. Then we come to the one million for the improvement of existing lines. There is no doubt that this sum is an immense amount, as it seems to me; but, after all, this Bill only gives authority to expend the money as necessity arises. I will give a few items of expenditure on the improvement of our railways, either commenced or proposed. There is the duplication of the line from Perth to the Midland Junction, which, I am informed, will cost over

£60,000, including stations, although I do not think it includes the Perth and Fremantle stations. There have been purchases of land made already, amounting to something like £170,000. Then there are electric staff signals, something like £400,000. The railway workshops at the Midland Junction are estimated to cost something like £80,000. [Mr. GEORGE: Is that all?] That amount is the first instalment, my friend the Commissioner of Railways tells me. Then there is the water supply on the Coolgardie railway line, which is estimated to cost £140,000. I hope it will be possible to allow this item to stand over until we get that pipe along which is to supply the goldfields with water; but if we do spend this money for supplying water to the railway, we shall be able to utilise the works afterwards for pumping stations in connection with the goldfields water scheme. Then there are improvements at Geraldton that amount to £17,000, and numerous other works which will be spread over the next three years. I think the town of Northam will take a good share. [Mr. R. F. SHOLL: It always does.] Be that as it may, I do not intend to go into details. I will leave it to my friend the Commissioner of Railways to place the requirements of the Railways and Works Departments more fully before the House, and to show what facilities it will be necessary to provide for the traffic on our railways, also for improving them, and for improving the Perth and Fremantle stations. I have not the figures showing the cost of improving those stations, but I may say they startled me. I won't even mention them, but the amount is very large. There will also be a large outlay for improving the Northam station, and for improvements at every junction—all necessitated by the increase of traffic, and, what is more, of payable traffic. The lines have been without any signals, or very few of them, and without many sidings; but now the increased traffic has necessitated that, where the traffic is great, the railways shall be placed on the same footing as those in other parts of the world. The Government think that in the face of the urgent demands of the General Traffic Manager, and of the Engineer-in-Chief, it is wise, at the present time, for the

House to give the Government authority to provide these necessities for the increasing traffic. I may say that last year the Consolidated Revenue was charged with many things which hitherto had been borne by loans. For rolling stock we provided £40,000 out of revenue, for the improvement of existing lines we provided £93,194, and for development of goldfields and water supply we provided £133,242. These three items alone, which might have been expected to find a place in a Loan Bill, amounting to £266,436, were met out of the Consolidated Revenue; and that sum does not include hundreds of other items that were met out of the revenue last year, for the first time, amounting to over a quarter of a million. These facts deserve to be especially recorded; and I think it is a splendid record to be able to state that, last year, items amounting to £266,436, which might have been expected to find a place in a Loan Bill, were provided for out of current revenue. The next question, in fact the only question, that I have to deal with is as to whether we can afford to borrow this money, and whether, after we have borrowed it, the works upon which it is used will pay. Now I hope no one in this House or anyone in this colony will think that, when this Loan Bill is passed, we will immediately owe the money. I am afraid there is an inclination, there is an idea going about in people's minds, and I see it also in some of the newspapers, that as soon as this House authorises the expenditure of this money, the amount authorised will be a debt due by the colony. I think that is a most mischievous statement, and one very far from the fact. If the money is authorised, it will be raised as we require it. It is well known in the other colonies that they sometimes had millions of money authorised which they have never raised at all, and which they have never attempted to raise—something has prevented it.

MR. ILLINGWORTH: They could not get the money.

THE PREMIER: I do not intend that to be an argument here. We intend to raise the money under this Bill, and to expend it. But I want to say this, that after we obtain authority to borrow this money, it will not become a debt upon the colony until the money is raised; that if

the money is borrowed, we shall borrow it only as we require to use it. The money has to be expended, and the colony will derive benefit, and vast benefit, during the time this money is being expended. Does any one, for instance, think that the £2,500,000 we have authority to raise for the Coolgardie water supply scheme which has been authorised by an Act of Parliament, is now a debt incurred, and that we owe the money already? We won't owe that money until we have borrowed it, and when we have borrowed it, the whole of the colony will begin to benefit from the expenditure of the money. It will be the same with this loan of £3,500,000 which the House is now asked to sanction. I do not expect we shall raise any of this £3,500,000 for twelve months yet. I should not think it likely. The first loan, no doubt, that we shall put on the market will be in connection with the Coolgardie water supply; and, as hon. members know, no moneys raised under a Loan Act can be used for any other purpose than that authorised by Parliament. If any money is expended out of revenue for loan items authorised by this Bill, that money must be repaid from the loan funds coming into the hands of the Treasurer under the operation of this Bill. With this Loan Bill, the same as with other Loan Acts, the rule will be acted upon that we shall not borrow the money for the purposes specified in the schedule at once, but only as we require it; and all the time that we are expending the money which we will borrow as required, we shall be reaping the benefit of this great expenditure. Our population will be largely increasing; our gold mines will be developing; our timber ranges will be full of saw mills; and our agricultural and pastoral industries will be stimulated and increased. My opinion, as far as I am able to judge, is that we will be better able to meet our obligations when we have borrowed this money than we are at the present time. On the 30th of June last we had, as unexpended balances from loans, an amount of £740,427; and when this amount is expended, our public indebtedness will be, in round numbers, about £4,500,000. When we have expended the £2,500,000 on the Coolgardie water supply; when we have also expended the £3,500,000 provided by this Bill, and the £1,100,000

on the purchase of the Great Southern Railway, should that purchase be completed, then the indebtedness of the colony will be, in round numbers, £11,500,000. If we take the increase of the population at the rate for the 12 months ending 30th of June last—I do not know that anyone in this House will say that is not a moderate way to look at this matter—and if we estimate that the whole of these loans will have been expended on the 30th June, 1899, being a little more than two and a half years hence, then our population will be 221,000, and the indebtedness of the colony will be about £52 per head of the population. That is not an extraordinary or an extravagant indebtedness, if it is compared with the indebtedness of the other colonies. Queensland has a debt of £70 per head, South Australia of £62 per head, New South Wales of £50 per head, Tasmania of £50 per head, and Victoria of £41 per head; so that, as compared with the estimated population, our indebtedness, when this money is spent, will be about £52 per head. But we must remember that there is a great probability our population will increase more rapidly than the figures I have given. There were no extraordinary circumstances to make our population increase at a greater ratio in the last year than the probable increase in the years that are to come, especially as the expenditure of this large amount of loan money in the colony will induce a great many people to turn their attention to Western Australia. We must remember also, as a very important consideration, that the persons who are coming here are mostly adult males, and therefore, to a large extent, breadwinners—persons who are able to pay considerable revenue to the State.

MR. ILLINGWORTH: And be able to go away again.

THE PREMIER: And we should remember, although it is not a matter for satisfaction—I am sorry to say it, but it is the fact—that the other colonies are not in a satisfactory or prosperous condition, at the present time; and that fact alone will attract people here: it will induce them to leave other colonies that are not prospering, and come to the one prosperous colony of the group. But there is another matter, which I think is

the most important of all, and that is that we shall be expending our loans on reproductive works. We are not proposing to put this money into bricks and mortar that will not bring in a return. We have been wise—speaking for the Parliament and the Government of the country—we have been most fortunate in being able to expend our loans upon works that, as a rule, are of a reproductive character; works that are necessary, and that we can afford to construct. At the present moment, the works we have constructed are paying their way, and will pay their way—they have paid their way, and will pay their way. As long as we expend our borrowed money on works that will pay, we are perfectly safe. I cannot understand how a country can be injured, if the people of that country are careful to expend the money they borrow in improving their estate—upon works that will pay; and I hope that we will be able, for many a long day in this country, to adhere to this great cardinal principle. If we do as some others have done, and do not stick to this cardinal principle of expending our borrowed money upon works of a reproductive character, then I can see grave trouble and disaster ahead. As I have said many times here before, we can if we choose—although I do not wish to do it—spend our own money on wasteful works or works that do not turn out well; but if you use other people's money, on which you have to pay interest, and spend it on works that are not reproductive, I say disaster and difficulty must come upon you. If we purchase the Great Southern Railway—and I only mention this because the amount of the purchase money has been included in my estimate of the probable loan indebtedness—we shall have in that railway a going concern which will, as we can show, be likely to pay its way after a while, at any rate. With regard to the Coolgardie water supply, I have already explained to the House that it will pay its way. There goes £2,500,000 on reproductive works.

MR. ILLINGWORTH: Do you believe it?

THE PREMIER: Of course I do.

MR. ILLINGWORTH: I do not.

THE PREMIER: All our railways at the present time are paying.

MR. R. F. SHOLL: All?

THE PREMIER: I do not say that each individual line is paying, but collectively the railways are paying, and I hope they will continue to pay their way. All the items in this Loan Bill are thoroughly reproductive; and, so far as I am able to judge, there is no cause whatever for hon. members, or the people of this colony, or anyone else, to be in any way afraid, for we are only improving our public estate. When I made my Financial Statement on the 27th August, I showed that our railways were paying not only working expenses and maintenance, but also paying interest upon the whole of the money expended upon them, and also paying the sinking fund. I showed, further, that during this current financial year it was estimated that the railways would contribute £134,000 to the revenue, in addition to paying working expenses, maintenance, interest on cost of construction, and sinking fund. Everyone must admit this is a splendid record. We have given all the facilities and all the advantages of cheap and rapid means of communication to the people of this colony, and we have a profit besides. I do not want this profit to be applied to the general revenue, and I hope that, if I remain in office much longer, we shall take that matter into consideration. It seems to me that, if there is a profit, it should be applied, not to the general revenue, but in some other way—perhaps in adding to the sinking fund, or in the reduction of the rates. I do not wish it to be thought I am thinking of making any reduction in the railway rates at the present time; but if there is one thing that should not be expected, it is that the railways should contribute to the general revenue. We want them to pay, but the money they earn should not be carried to general revenue. We have the excuse that we are glad to get money wherever we can, and I have no doubt that I, and other Treasurers who may succeed me, will be always somewhat averse to letting any source of revenue go away from the Treasury, because we know it is very much required in this great country with so many pressing necessities. When we have borrowed all this money and have increased the public debt to eleven and a half millions, more than half of that money will have been expended on reproductive railways, and

the balance will have been expended on harbour works, water works, and other reproductive works. That being so, I have no fear of the future, and I hope hon. members will be in accord with me. There is one important matter I have omitted on several occasions to refer to. I believe I omitted to refer to it when speaking on the Coolgardie Goldfields Water Supply Loan Bill, and I am not sure I did not forget to refer to it when making my Financial Statement, but I am determined I shall not forget it to-night. It is that, despite the great public works which have been carried on in this colony during the last six years—railways, telegraphs, water supply, harbour works, from one end of the colony to the other—there has been no increase of taxation; that this Government has not come to this House and asked for more money from taxation. On the other hand, we have reduced taxation to the extent, I believe, upon the present year's revenue of quite £100,000. Notwithstanding that all these great works have been carried out, it is the proudest boast of all, on the part of the Government and of this House, that we have been able to carry out these works and meet demands which have been very great, in many cases almost unexpected demands, without any increase of taxation. We have been able to meet those demands and carry railways hundreds of miles into the interior, extend the telegraphs in every direction, construct harbour works at Fremantle and other places, and carry out many other important works, at the very time when we have been reducing the taxes. I am able here to-night, speaking for the Government and members of this House, to say we have been able to do all this work and that the colony is in a thoroughly solvent financial position, after taxation has been reduced by a total of £100,000, and after we have increased the public debt from $1\frac{1}{2}$ to $4\frac{1}{2}$ millions. I think it must be as pleasant for hon. members to hear this statement as it is for me to be able to make it. I have said nearly all I desire to say, on this occasion. I have shown that these works are necessary, and that we can afford to pay for them, and I have also shown they will be reproductive. I think this is not a time in our history when we should be afraid or half-hearted.

I can well understand hon. members thinking these figures very high, if the money had to be expended on works that would not be reproductive, works consisting of bricks and mortar placed in every part of the colony, and bringing in no return. I could understand, in that case, hon. members being justified in being afraid of the figures, or refusing to approve of them; but I say this is not the case with the works mentioned in this Bill. These works are thoroughly necessary, and will prove reproductive. Therefore I say this is not a time to be half-hearted or afraid. It is a time for action. We have our opportunity now. We never had it before—never had an opportunity like that we have at the present time; and I hope the members of this House will assist the Government in taking advantage of it. A great responsibility rests, no doubt, upon every one in this House in regard to these large sums we are borrowing. I feel that responsibility pressing upon me, perhaps a great deal more than it does upon any other member of this House. It presses pretty heavily upon me, I can assure you; but still, notwithstanding that pressure of responsibility, we must not hesitate when we are urged to take a course that is so necessary. It would be a sad day for me and for everyone here if, by any act of ours, we were to bring disaster upon our country; but believing, as I do, that money wisely expended cannot prove a burden, when we have such an estate to operate upon and improve, and containing so many rich and varied products, I look with confidence to the result of our enterprise. I do not believe that money wisely expended on reproductive works and for the encouragement of industries which will pay can bring disaster upon a country; and when we remember the rich and varied products we have from one end of the country to the other, I see no cause whatever to be afraid. I can only say, in conclusion, that I look forward with confidence to the result of our wisdom and enterprise, and I believe it will be completely successful. I beg to move the second reading.

MR. ILLINGWORTH: I am perfectly satisfied that no Premier in any colony would undertake the responsibility the hon. the Premier has taken upon himself, without a feeling of great anxiety. I am

perfectly satisfied the Premier and the Government he presides over have faced this responsibility; and I am also perfectly satisfied they must have given this question a vast amount of serious consideration, before any Premier of Western Australia could venture to name such figures as have been named in this House to-night. We expect, at this stage, and from this Ministry, and under the circumstances in which we stand to-day, that this or any Ministry will be bold. The country expects that the management of the affairs of the colony shall be courageous, and that Ministers shall show that boldness in accepting responsibility which has belonged to statesmen in all ages, and especially amidst great changes. I have to look fairly in the face the proposals which the Government make; and it is the duty of hon. members who sit on this (the Opposition) side of the House to point out any defects, if defects exist, in the policy of the Ministry. It is for this reason we take this position—not to oppose the Government or any Government in carrying out measures for the advantage of the country; for no Opposition would be worthy of the name that took up an attitude of that kind, and no hon. member sitting in this House or any other would be worthy of the confidence of the people of the colony, if he took up such an adverse position without sufficient reasons. We have to look this question fairly in the face. The proposals of the Government are bold; some people will say they are reckless. The proposal is to raise seven and a half millions, for that is practically what is before the House, and those figures are appalling. The Government propose, at one stroke of the pen, to increase the debt of this colony to the extent of £50 per head. It has never occurred in the history of the Australian colonies, and possibly has never occurred in the history of the world, that any Government has increased the national debt by £50 per head at one stroke of the pen. If we were to look at this question simply from the standpoint of the figures, we might indeed be appalled; and I confess that when I looked at the proposals of the Government which leaked out from time to time, they had that effect upon me. I have perhaps as strong a hope

and as strong a faith in the future of this colony as any hon. member sitting in this House, or as any person outside of it, and I look for great things in the future. I expect great things for this colony, and I think our expectations will be, to a large extent, realised; but though we have these great hopes for the future, we should act with wisdom and discretion, and with that caution which belongs to wise men. Strong as are our hopes and expectations, there is always a possibility that they may be a little disappointed; that those hopes and expectations will not be realised. What would be our position, supposing some unforeseen and adverse fortune were to visit us? What would be the position of this colony in that event? It is assumed by the Premier, and rightly assumed, I confess, that the increase of population in this colony for some years to come will be great; but while it is probable this will be so, it is also possible that it may not be so. Supposing our population did not rise, say, beyond one hundred and fifty thousand, and we had these responsibilities resting upon us, what would be our position? Looking at the Loan Bill before us, I thoroughly agree with the Premier, and I hope every hon. member of this House agrees, and I hope the country itself will be able to see, if it does not now see, that a loan for an asset is not in a strict sense a debt. If the asset be good; if in itself the asset be a marketable commodity, then the loan by which it has been obtained is not in the strictest sense a debt. For instance, supposing our railways are worth the money they cost, and supposing they continue to retain that value, and if circumstances were to arise in this colony in which we were unable to meet our engagements and pay the interest on the loans, there is always the possibility of our doing as a nation what we have to do as individuals, and that is to "sell out." In that case, we might get for our property an amount of money that would recoup our liability; and, if that were so, it might be admitted that the liability was not a debt. There comes, however, this other phase of the question, that if such adverse times were to come that the railways themselves were a burden on the State, then their value as an asset would necessarily deteriorate, and by so

much as there was deterioration there would be a debt. I am not afraid of that deterioration, as far as our railways are concerned; and I would say the same with regard to the railways of Australia generally, although there have been some grossly wasteful railways established. In Victoria, there has been gross waste, yet I say the railways of Australia form a valuable asset; and, in saying this, I know what is involved in the way of responsibility in the utterances of members of the Government and in the utterances of hon. members, when dealing with questions of this importance. We are dealing with questions that are of importance outside the colony, and we are asking the London market for seven and a half millions of money.

THE PREMIER: Do not make it more than it is.

MR. ILLINGWORTH: In regard to this question, we have a right to look at it fairly from the aspect not only of this colony, but of the colonies as a whole; and I believe I am stating the fact when I say that, if it were necessary for Australia as a whole to sell her railways, she would get very nearly, if not all, the amount those railways have cost. Let us look at the proposals of the Government. First, we find they ask for two and a half millions for the Coolgardie Waterworks, whereas everybody knows those works will cost five millions. Then three and a half millions is proposed to be borrowed under this Bill; and, finally, it is intended to give one million one hundred thousand pounds for the Great Southern Railway, making a total of seven millions one hundred thousand. If to that we add four hundred thousand pounds for the Perth Waterworks, we get the seven and a half millions I mentioned.

THE PREMIER: There will be no loan for the Perth Waterworks.

MR. ILLINGWORTH: If we look at the proposals of the Government, let us ask ourselves what they mean. Perth Waterworks are a fair asset. In the proposal now before the House, I notice £2,515,000 for railway improvements and additional rolling stock. Now, I feel it my duty to point out—if the Government have not already noticed it—that when the Government loads its railway with this necessary, absolutely necessary, increased cost, the working expenses,

instead of being, as they ought to be, 55 per cent., will rise above that figure, while the proportion of working expenses to revenue will rise to 65 or 67 per cent., thus greatly reducing the profit. Under these circumstances, the surplus, of which we have heard something to-night, from the Railway Department will disappear, and unless these working expenses can be kept down to 60 or below 60 per cent., the railways of this colony will not pay their working expenses and interest on the loans, and, as a consequence, they will be, as they are in other colonies, to that extent a burden upon the State. After deducting from the Bill now before the House the £2,515,000 for railway improvements and extensions, we have only £985,000 for other works. I look upon those other works as to a large extent unproductive. I think the future revenue of this colony will be sufficient to pay for their construction; and so far as this £985,000 is concerned, I regret the Government cannot see their way clear, with the increasing revenue, to say boldly and fearlessly, "We are going to have increased revenue, and we are determined we will not borrow any money except for absolutely reproductive work."

MR. R. F. SHOLL: They can take off more duties.

MR. ILLINGWORTH: I do not agree with the hon. member in that. I do not think the time has come for us to begin taking off duties to a large extent. What we have to do, and what it is better for us to do, is to improve our estate rather than take off duties. I must confess I believe the works provided for by this £985,000 are not absolutely necessary, and at any rate they might have been provided for out of revenue. As to the items provided for by this £2,515,000, we may strictly call these works reproductive; but I doubt whether many of the others will ever be reproductive. I said, at the outset, that when I listened to the figures that were leaking out, I was appalled; and I feel nervous about them yet. I do feel it is a most serious thing for this country to take such a step as this proposal means. My principal complaint is based on other grounds. My complaint against the Government in this particular is that they are here, at the close of a Parliament which is admittedly

not representative of the whole population, committing this country to an expenditure upon public works that will not be carried out for the next five or perhaps seven years. What reason is there for that? What does it mean? It means that for the next seven years the representatives of the people who sit in this House will have no voice in the expenditure of the moneys spoken of in this Bill. This Parliament has taken upon itself to dictate the policy of the country for the next seven years. [THE PREMIER: What would you do?] I would not be so anxious to provide the money. I would go on from day to day obtaining the means as I needed them. You want to see all the sovereigns piled up in front of you before you start a public work. You have far more money now than you can expend on public works. If the Government had this money now in the Treasury they could not spend it, for they have not the means of spending it, and, what is more, they have not the means of spending on public works the money that is coming into the coffers of the State. They are already behind with the construction of their public works—years behind the votes. They have taken votes for money which they have not expended and are not likely to expend. The whole of the Public Works Department is demoralised with work. I know a case where they have been 10 months getting out a plan for a condenser for the Island, on the Murchison goldfields, and they have been 18 months trying to get a post office built at the Island. The Public Works Department, I say, is wholly demoralised, and it is utterly impossible for the Government to spend the money they are asking Parliament to grant. Let us look at the matter from the standpoint that the works are necessary. Even if the works are necessary, it is doubtful whether we should commit the country at this stage to all this expenditure. I am inclined to think it is not wise, but I am perfectly satisfied this Parliament is not going to agree with me, and I am further satisfied that it is simply useless in this Parliament, as in all others, to try and stop a loan policy. All I can do, and want to do, is to place fairly before those people who will be asked to lend us this money, not only the views of one side of

the House, but the views of the other side of the House. Although we are going positively mad—I say it fearlessly—on the question of borrowing money, yet we are going to expend it on reproductive works, and that is the saving condition. That is the point I rose to speak upon. It is no use trying to resist this business; no use trying to oppose a Government who are perfectly omnipotent, and who have a following which would still follow if they asked for forty millions. It is useless for me to say what I would do in the circumstances of the Government, as I have no chance of doing it. I want to emphasise the fact that, although this policy is to my mind wild and reckless, reckless almost to madness, yet the saving condition is that the larger proportion of the money proposed to be borrowed is for works that I believe will be reproductive. Although I think it is not wise to borrow this money now, the future of this colony is so bright that I believe it will justify, as the advancing prosperity of the colony has for many years past justified, the wild and reckless folly of the Government.

MR. A. FORREST: In rising to support the second reading of this Bill for raising three millions and a half of money for reproductive works, I do so with a great deal of pleasure; for I do not consider, as the hon. member for Nannine said, that the policy is wild, reckless, and mad. I do not know whether the hon. member who said that really believes it. I doubt it, as I think the hon. member is more in favour of the present policy than those on this (the Ministerial) side of the House. The hon. member comes from a country that has borrowed until it cannot borrow any more, while its population is decreasing and ours is increasing, as we are getting all the bone and wealth of the country that the hon. member comes from.

MR. ILLINGWORTH: It ruined them, and will ruin you.

MR. A. FORREST: The proposals of the Government will commend themselves to every man in the colony, from the item for the development of goldfields down to the additional rolling stock for railways. There is not a member of this House, who has anything to do with the railways, who will not commend the Commissioner of Railways for having

asked for a large vote for rolling stock, as there is not an industry that is not suffering from the want of rolling stock; and I presume the more rolling stock we have, the more revenue will be earned, so that if this is the case the Government cannot do wrong to indent for the large amount of £1,200,000. It is a well-known fact that from South Australia, New Zealand, and Queensland we have been importing rolling stock for the past 3 years. [MR. GEORGE: Worn out.] That may be, but the fact shows we are progressing, and that those colonies are going the other way. All the works enumerated in this list are absolutely necessary in the interests of this country. The sewerage work for Perth and Fremantle is one that hon. members from all parts of the colony must congratulate the Government upon, as people from north, south, and east all find their way to the capital of the colony. The railway to Menzies is a work absolutely necessary, though the Premier was careful not to say where it was intended to start from. I presume he will deal with that matter when the Railway Bill comes down. [THE PREMIER: Yes.] I hope great care will be taken to find out the most practicable place to start this railway from. I was in hope the Premier, in introducing this Loan Bill, would have told the House where he intended to take the railway from, and that would have given members some idea as to how they should vote for the £270,000. The Government have left this to a later stage, and I commend them for it. The proposed railway of 12 miles to Kanowna, which we knew before by the name of White Feather, is well worthy of consideration, and those who have been there and know where it starts from will say that this short railway will be reproductive from the day it is open. The works included in the other items are absolutely necessary as far as rolling stock is concerned. There is not a single business man but will say that the want of rolling stock has been the means of crippling trade in the colony. The Commissioner of Railways thoroughly understands the position of affairs, and he will see that proper facilities are given to those embarked in trades in the colony as well as those outside.

MR. GEORGE: It is my intention to support the Government in regard to

this Loan Bill, as the only particular on which I differ from it is that the amount is not enough. We are so used, in this House, to hear the Premier speak of millions that there would have been no surprise if he had asked for even ten millions of money. When we were considering the Customs Repeal Bill, the Premier said he must do certain things to assist the agricultural industry. I wonder he has not included some of the agricultural railways in this Bill.

MR. ILLINGWORTH: They are to be built out of revenue.

MR. GEORGE: The member for Nanine says that, but we have not heard it from the Premier.

MR. ILLINGWORTH: It is on the Estimates.

MR. GEORGE: Well, I have not heard it from the Premier, and I am surprised the Government have not asked in this Bill for that extra amount of money. Some reference has been made to the other colonies suffering from a loan policy; but I am satisfied that men who have passed through the boom experience of the other colonies have profited by that experience, and I have sufficient faith to think that, when we are thoroughly representative in this House, there will be sufficient backbone to see that the loan policy of this colony is carried out simply with a view to reproductive works, and that the experience of Victoria, where railways were built out of loan simply to win the votes of members of Parliament, shall not be repeated in this colony. With regard to rolling stock, I must congratulate the Government on their boldness in the amount they have asked for, and it does not require any argument to support them, as it is a self-evident fact that all the industries of this colony have been paralysed from one end to the other through the want of rolling stock. They might say they were wise to be cautious two years ago, but in the light of present affairs we might wish they had not been quite so cautious. I hope this Loan Bill will end, for ever, the cry of the goldfields that they are not receiving their fair share, as the Loan Bill includes items for the goldfields that dispose, once for all, of the cry raised by certain agitators that the goldfields are not receiving their fair share of the revenue of this country. I

shall support this policy; and if I should be in Parliament when the spending of this money comes on, I shall endeavour, as far as possible, to see that the views expressed by the Premier are carried out, and that the money is expended in a judicious and fair manner, and without any attempt at log-rolling for the sake of members' votes. I take this opportunity of saying that those who, like myself, have not had the fortune to be born here, when this matter comes on will be found as true West Australians as if our ancestors had been here and we had been born here.

Mr. RANDELL: I can well understand that the Premier, in bringing in a Bill involving the borrowing of so large a sum as this, realised the responsibility that rests on him, on the Ministry, and to a certain extent on the Parliament. As the member for the Murray says, we have been so accustomed to hear the word "million," that when we hear the member for Sussex speak of millions as if they were only hundreds, we may understand the different circumstances in which we are to-day as compared with five or six years ago. I have little doubt the items in this schedule are, in the main, items that will commend themselves, generally speaking, to the country. At the same time, there will be a very large number of people in the colony who look with considerable doubt on our entering into engagements to such an extent as this, involving, as they do (including the purchase of the Great Southern Railway), an addition of £60 per head of the population, reckoning it at 120,000. However, we may assume that the large additions to the population of the goldfields will continue to come in, as they are doing now, and we have reason to believe they will increase, and that the development of our goldfields will go on at a more rapid rate than in the past, so that the continued increase of the population will, to a certain extent, reduce the indebtedness per head of the people. But the addition of £60 per head to the public indebtedness, in one session, seems an immense addition. I am aware that, as the Premier has stated, this money is not a debt until it is borrowed, and I quite believe it will take till the year 1900 before these works can be completed, judging from the past rate of

progress; for, as the member for Nannine has said, public works that were arranged for two years ago are in a very incomplete state at the present moment. There are some items in this schedule which I should like to have seen placed on the annual Estimates of Expenditure, to be constructed out of revenue. I have a sincere horror of debt, and circumstances must be very pressing that would induce me to go into debt. I believe that has been the principle of my connection with business, and I see no reason to regret it. At the present moment, when progress is the order of the day, and is likely to be so from the development of the goldfields and other resources of the colony, there is danger in borrowing too largely, as we do not know what circumstances may take place in the world, and especially in London where we borrow, entangled as it is with European complications, and at the present moment the outlook is serious. We also do not know how circumstances may change in the Eastern colonies; for there may be a revival of trade there, and the immigration here setting in may then be cut off to a certain extent; but no doubt the Government have considered these things, and have determined in their wisdom, notwithstanding, to engage in this loan policy; therefore all those interested in the welfare of the colony will hope the expectations of the Ministry will be realised, and that we shall continue to prosper. When reading the returns from the goldfields, I must confess to considerable disappointment about the output of gold, though the want of water and the difficulty of transit are two important factors in retarding the development of the gold mines. However, water is being found more largely than we anticipated, while the railway communication with the Eastern goldfields has altered the state of things there very much for the better. Although I have some misgivings, I trust it will not be thought I want to "croak," as the Premier expressed it. The Premier stated that in the other colonies millions of money had been voted by Parliament to be raised by loan, and had not been raised, circumstances having arisen which rendered it unnecessary and improper to borrow the money. The same circumstances may arise here, and I presume the

Ministry of the day will then pursue the same course; but I do not think we are likely to arrive at that point just yet, because my firm conviction is that we are on the high road to progress for some years to come. Therefore I do not intend to take any exception to the items placed on this Loan Bill, or to any of the prospects the Government have in hand, except that I would like to have seen three of these loan items provided for out of current revenue. I think there was scarcely a necessity for the reduction of revenue that is being made by the remission of certain duties, as they were not pressing on any section of the community very heavily, while some duties not taken off do press heavily on the general consumers. Someone suggested that the traffic rates on the railways should be lowered; but I think the rates are fairly reasonable, considering all the circumstances in connection with them. The passenger rates between Perth and Fremantle might be taken into consideration by the Commissioner of Railways with a view to reduction; but the traffic rates are fairly reasonable, and no one can justly complain about them. It will be time enough, when we find the revenue of the railways increasing more than 50 per cent. above the expenditure, to take that matter into consideration. The scarcity of water along certain railways is one important factor, as we find our engines are breaking down and the traffic is disarranged. These and other circumstances have to be taken into consideration in dealing with the question of rates; and I hope no hurried attempt will be made in the direction of reduction, as I think there is no real cause for complaint. Works for the development of goldfields and mineral resources, the water supply for towns, and the sewerage for Perth and Fremantle, are items which might well have been excluded from this Loan Bill, and provision made on the annual Estimates for the construction of these works. They will not be undertaken at once, and the only one that will be carried on very far is the development of goldfields and mineral resources. This item has appeared many times before, and considerable developments must have taken place from the expenditure incurred from time to time. The Premier says we are not spending loan money in bricks

and mortar; but the annual Estimates show we are spending a very considerable portion in that way, out of revenue. [THE PREMIER: Not out of loan money.] I hope that the spending of loan money in expensive buildings will be opposed, because from that cause, in some of the colonies, great disaster has ensued, and expensive buildings have been constructed there which are now a burden on those colonies. I am not quite sure we are not inclined to do too much, in the way of public works, because, with a flourishing revenue, the country is asking on all sides for things reasonable and unreasonable. The three items I have mentioned might well be provided for in the annual Estimates, either this year or next, especially if the Government are not able to accomplish more in the financial year than they have been able to do with regard to the extension of the public offices now under construction adjacent to this chamber, the estimate for which was passed two years ago, and now the building is not much above the foundations. That remark applies also to other buildings. With all the other items on the schedule I am entirely in accord. I believe a dock at Fremantle is an absolute necessity, if we are to make that port what it is intended to be and what it ought to be. I presume the Engineer-in-Chief has considered all the circumstances in selecting the site for the dock; but I was hoping another site would have been selected, where there would, I think, be less difficulty in constructing a good, efficient, and useful dock. With regard to the increase of rolling stock, I believe everyone in the colony, knowing the block that has taken place in removing goods at Fremantle, owing to the insufficient supply of rolling stock, and the disasters it has entailed on business men, will heartily concur in the necessity for borrowing for this purpose; and I am pleased to hear the Government have already indented for large supplies, and will, as necessity arises, indent for others, so that the railway equipment and conveniences may be up to the necessities of the times, and enable the traffic to be carried on with advantage. It is ruinous to have engines working on our lines too long, when they ought to be in the workshops for overhaul and repair, as thereby there is a waste of public money,

as well as annoyance and loss to the public generally. I am sure everyone who thinks over this matter, and is at all acquainted with the necessities of the case, will look on this as a right and proper item to be found on the schedule of this Loan Bill.

MR. LOTON: I did not think we should have made so much progress with this little Bill this evening, and I am not prepared to offer many remarks on it. As a matter of fact, although it has been termed a large Bill, it does not appear to me to strike hon. members as being particularly large. They seem to have met it very complacently, and have accorded it very considerable support. If it is only by way of variety, in the few remarks I have to make, I will commence with the last item, No. 9: Additional improvements to railways and rolling stock. Although this amount is set down at £2,200,000, as a matter of fact about one million of it has already been applied, and this portion, at any rate, must absolutely be provided for; so that although this portion does not reduce the amount of the Loan Bill, it does show that the works for which this amount is to be voted have necessitated the borrowing of the money, unless we are prepared to do the works by some other means. It may be looked upon by some, by many, perhaps by myself, that to borrow money to this extent is launching out fairly freely; but on the other hand it seems to me we ought to congratulate ourselves that the necessity has arisen which forces the colony, and forces the Government, to face borrowing to such a large extent. It is the effect, and one effect only, of the opening up and development of our goldfields. My only fear—if I may express it as a fear—is that, should the development of the goldfields fail to any extent, that is the only way in which we shall be put in a difficulty; but surely, with the information we have, with the developments that have taken place with the meagre accommodation at command, I do not see why we should have any fear at all in this respect for some years to come; and if the goldfields are a success, the other industries of the colony must be supported to a very great extent—the agricultural, the viticultural, and the pastoral resources as well. It has been admitted, by the chief critic of this Bill,

that the majority of these works may be looked upon as works that will be reproductive. It has been proved during the past two years that the railways of the colony have been reproductive, and I need hardly say they are very much more reproductive than I ever expected to see them within so short a period. But what has made them reproductive? [MR. A. FORREST: Timber, for one thing.] Yes, timber has helped, but the most sanguine member would not have anticipated, five years ago, that anything like the present developments could have taken place in so short a time; and I see no reason why developments at even a greater ratio should not take place during the next three or five years. I fully expect they will, and I do not see why we should be disheartened or afraid to tackle a question of this kind. If there is any fear in this House—and I may say there is plenty of timidity outside of it, any amount—in passing a measure of this kind, it is for us to satisfy the people outside of this House and also those outside the colony that the measure is a safe one. I have shown that about one million of this money is actually required, and is being expended at the present time for rolling stock and improvements to existing railways, and that the extra amount in the particular item is wanted in this direction. Then there is the question of railway extensions on the goldfields. In fact, so far as I can see, with these increasing developments, with the extra traffic and the increased population that will come, the other works that are set down in this schedule are absolutely necessary, and we must have them. We must continue the harbour works at Fremantle to completion. We must also provide a proper dock there, or else the harbour will be of very little use. Water supply for towns is also a want that has been felt for years, and is one of the most important works we could undertake. I am sorry to differ from the hon. member for Perth (Mr. Randell) on this question, because if we are to wait until the towns can supply themselves with water without this assistance, we may have to wait a long time. Town populations cannot afford to provide the capital for such works, but they can afford to pay interest on the money which is here proposed to be

borrowed for water supply; and that is a proper work to undertake, and one which will assist in developing the towns to a greater extent than at the present time. The whole of the items seem to me to be absolutely necessary. If, after the Bill is passed, anything occurs to alter the present requirements, then the whole of the money need not be borrowed. I may say I do not like bills of this kind for works that are so far ahead. We are trying to do, at the present time, more than it is possible to do with the labour at our command, for we have not the labour required for all the works authorised at present, and the greater part of the labour that does come to the colony goes in the first instance to the goldfields. And now, with the money we have voted and are asked to vote for public works out of loan funds, in addition to the works that are to be constructed out of current revenue, it will be impossible for this colony to spend all that money and do all the works proposed within the time named. However, if all the works cannot be undertaken, then the whole of the money will not be spent and need not be borrowed, so that to this extent we need not increase the indebtedness of the colony; therefore, I recognise that the only way out of the difficulty is to sanction the borrowing of the money for these works, and to get on with them as fast as we can. I am prepared, at this stage, to give my support to the Bill.

Question put and passed.

Bill read a second time.

On the motion of the PREMIER, the House went into committee to consider the Bill.

IN COMMITTEE.

Clauses 1 to 5, inclusive—agreed to.

Clause 6—Advances on account:

THE PREMIER (Hon. Sir J. Forrest) moved, as an amendment in line 3, that the word "said" be struck out, and the words "of this Act" be inserted after the word "schedule," in the same line.

MR. RANDELL said he did not see the amount of the sinking fund named in the Bill.

THE PREMIER said the sinking fund was provided for in the Inscribed Stock Act, and was at the rate of 10s. per cent. for each half-year, being 1 per cent per annum.

MR. RANDELL reminded the committee that the Premier had himself recently called attention to the circumstance that the sinking fund provided by the Act was not found sufficient in practice.

THE PREMIER said that question was being investigated.

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

First Schedule (explanatory of estimates)—agreed to.

Second Schedule (specific items):

MR. MOSS asked what portion of the item, "Sewerage for Perth and Fremantle (first instalment), £150,000," was intended for Perth, and what portion for Fremantle?

THE PREMIER said the estimate for the whole item was £300,000, but he could not say at the moment what proportion was allotted in the estimate for the work in each of these two towns.

Item agreed to.

THE PREMIER moved, as an amendment in item 4, Fremantle Harbour Works (third instalment of original estimate of £800,000, the first and second instalments having been £150,000 and £200,000 respectively), £250,000, that all the explanatory words after the word "works," in the first line, be struck out. The item would be sufficiently explanatory without these words, and the object was that it would be more convenient for headings in the books, to have a short description, in this and other cases.

MR. RANDELL said he had forgotten, at a previous stage, to refer to this item, but would now express his opinion that the harbour works to be constructed at Fremantle, as at present designed, would not give all the accommodation that the House desired at the central port of the colony; and he thought it would be necessary to make extensions. The works now being constructed would not give all the advantage that was desirable, and would not make Fremantle a safe and commodious port, unless additions were made to the breakwater by extending it southward for the protection of the sheds and the works in the river. They must, however, accept the figures given by the Engineer-in-Chief; and, of course, Mr. O'Connor's assurance as to the cost of the works being kept within the original estimate was very satisfactory.

Amendment put and passed, and the item as amended agreed to.

THE PREMIER moved, as an amendment in item 7, "Menzie's Railway (exclusive of rails and fastenings, and rolling stock, £114,000)," that all the explanatory words after the word "railway" be struck out, as being unnecessary, for the reasons previously stated.

Put and passed, and the item as amended agreed to.

Item 8, "Kanowna Railway, &c."; also Item 9, "Additions and improvements to opened railways, &c.," amended in the same way, on the motion of the Premier.

THE PREMIER also moved, as an amendment in Item 10, that all the words after "Rails and fastenings" be struck out, for the same reasons as stated above.

MR. GEORGE objected because, by the omission of exact words from this item, there would be nothing to prevent the material from being used for other railways. There must be something behind, actuating this amendment.

THE PREMIER said there was not.

Amendment put and passed, and the item, as amended, agreed to.

THE PREMIER moved, as an amendment in Item 11, That all the words after "rolling stock" be struck out as unnecessary.

MR. GEORGE again said there must be something behind these amendments.

THE PREMIER assured the hon. member there was not, and that the only motive for these amendments was that of brevity for making the headings in the books more concise.

MR. LOTON said that if certain sums were voted for a particular railway, the House would want to know whether there was a balance or not on the work after completion; and if the words referred to were struck out, the Engineer-in-Chief would be able to deal with this vote by using the materials on any other railway, and the result would be that Parliament would not know what a particular railway had cost. The House had always been striving to get an exact statement of the cost of each work.

MR. ILLINGWORTH said members might have overlooked the fact that the first schedule in the Bill struck the

amount as it was to be expended on each work there specified, and he looked upon the items in this second schedule as simply headings for the books.

THE PREMIER said rolling stock was a general item, and not ear-marked for a particular estimate. It was, in fact, found very inconvenient to keep rolling stock separate, and it was much more convenient to have the item "rolling stock," so that the material might be used wherever first required. The alterations he had proposed in these amendments were submitted at the request of the Under Treasurer, and with the concurrence of the Engineer-in-Chief, and were merely for getting rid of inconvenient words so as to shorten the headings in the books.

MR. GEORGE said that during the sittings of the much-maligned Civil Service Commission, the fact came out that, although this House had been asked to vote a certain sum for rolling stock for a particular railway, it was never the intention of the department to confine the rolling stock to that particular railway. It was beyond a doubt that there had been a dispute between the Traffic Department and the Engineer-in-Chief's Department on this very question of rolling stock, and it appeared from the evidence that the Traffic Department held that the rolling stock for certain lines had never been ordered, whereas the Engineer-in-Chief brought down an estimate to show to the Commission that rolling stock had been ordered for other railways, some of it before the lines had even been let for construction under contract, and that some of the rolling stock had been used on existing lines. It thus appeared that the Government of the day had not had the pluck to ask for additional rolling stock sufficient for the requirements of existing lines, and the department had been using other rolling stock which had been authorised and obtained for particular railways. He was quite prepared to accept the Treasurer's statement that the department intended to have one item for rolling stock, and he must say this was one way of hoodwinking the House; therefore he objected to it.

Amendment put and passed, and the item, as amended, agreed to.

Other items in the schedule (not mentioned separately in the discussion) also agreed to.

Schedule, as amended, put and passed.

Preamble and title—agreed to.

Bill reported, with amendments.

ADJOURNMENT.

The House adjourned at 9-53, p.m., until next day.

Legislative Council.

Wednesday, 30th September, 1896.

Perth Water Supply: use of water for street purposes—Leave of absence to member—Bankruptcy Act Amendment Bill: second reading; adjourned debate—Western Australian Bank Incorporation Bill: second reading; in committee—Transfer of Land Act, 1893, Amendment Bill: Legislative Assembly's amendments—Supply Bill (No. 2): first reading—Metropolitan Waterworks Bill: first reading—Exportation of guano: prohibition of; message from the Legislative Assembly—Agricultural Lands Purchase Bill: Legislative Council's suggestions—Adjournment.

THE PRESIDENT (Hon. Sir G. Shenton) took the chair at 4-30 o'clock, p.m.

PERTH WATER SUPPLY—USE OF WATER FOR STREET PURPOSES.

THE HON. F. T. CROWDER: I have to move, "That, in the opinion of this House, the Government should at once notify the Perth City Council that after the 10th of October, and until further notice, they must cease using water from the mains for street-watering purposes." In moving this motion, I ask hon. members not only to vote for it unanimously, but to speak as to the serious position the inhabitants of Perth are in in regard to water supply. I am afraid that the Government do not grasp the position. Most of us are aware that, during last summer, there was not a sufficient supply of water flowing through the mains for

domestic purposes. It was not that there was an insufficiency of water at the reservoir, because there was ample to last for three years, even if no rain fell. The trouble arose through the main pipe leading from the reservoir being too small, and, although it was open day and night, sufficient water could not pass to supply the inhabitants of Perth. Since then, the population has increased by leaps and bounds, and pipes have been laid through dozens of streets, but yet the facilities for bringing in the water have not been increased. It is true that the Government have lately purchased the interests of the Waterworks Company, but whatever is done by the Board which will be appointed, it will be impossible to get a fresh main laid before the end of the summer, even allowing that the pipes are cabled for at once. Last year, notwithstanding that there was little water running through the taps, the citizens had the pleasure of seeing half-a-dozen water-carts at a time drawn up opposite their residences and the water being taken for use on the streets. Before the summer has started we find barely any water running through the mains, and there is the outlook of a serious water famine. In asking the Council to support my motion, I may point out that it will throw no hardships on the Municipal Council. Before the water from the mains was used for the streets it was obtained by means of water-lifts in various parts of the city. These lifts are still available and can be placed in working order in the course of a few days. Even the non-use of water for the streets will not enable all the inhabitants to be supplied, but still it must make some improvement. I beg to move that the motion be agreed to.

Question put and passed.

Motion agreed to.

Ordered that the resolution be transmitted to the Legislative Assembly and their concurrence desired.

LEAVE OF ABSENCE TO MEMBER.

THE MINISTER FOR MINES (Hon. E. H. Wittenoom): I move—"That leave of absence be granted to the Hon. S. J. Haynes for one fortnight, on account of urgent private business."

Question put and passed.