

MR. MORAN moved that the debate be adjourned until the next sitting.

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

Ayes 15

Noes 13

Majority for ... 2

AYES.
Mr. Burt
Mr. Connor
Sir John Forrest
Mr. Harper
Mr. James
Mr. Monger
Mr. Moran
Mr. Paterson
Mr. Pearce
Mr. H. W. Sholl
Mr. Solomon
Mr. Traylen
Mr. Venn
Mr. Wood
Mr. Richardson (Teller).

NOES.
Mr. Clarkson
Mr. Cookworthy
Mr. A. Forrest
Mr. Hassell
Mr. Illingworth
Mr. Lefroy
Mr. Loton
Mr. Phillips
Mr. Plesse
Mr. Randell
Mr. R. F. Sholl
Mr. Simpson
Mr. Leake (Teller).

Debate adjourned accordingly.

ADJOURNMENT.

The House adjourned at 10.25 o'clock p.m.

Legislative Assembly,

Monday, 3rd September, 1894.

Tenders for a Steam Service from Albany to Eastern Coast Ports—Leasing Land in the neighbourhood of Goldfields' Towns—Return showing number of Town Lots sold at each Goldfield—Patents Bill: recommended—Loan Bill (£1,500,000): second reading; adjourned debate. Adjournment.

THE SPEAKER took the chair at 7.30 p.m.

PRAYERS.

TENDERS FOR A COASTAL STEAM SERVICE FROM ALBANY.

MR. HASSELL, in accordance with notice, asked the Premier when the Government intended to call for tenders for a steam service from Albany to the Eastern coast ports?

THE PREMIER (Hon. Sir J. Forrest) said the Government proposed to do so at once.

PATENTS BILL.

This Bill was recommitted, and some verbal amendments made in it.

LEASING OF LANDS UPON GOLDFIELDS TOWNSITES.

MR. LEAKE: Sir—I move “That, in the opinion of this House, it would be to the advantage of the country to restrict the grant of freeholds in and near towns established upon the various goldfields, and to substitute a system of leasing for a short term of years.” I am conscious, sir, that in bringing forward this motion for the consideration of members, I am introducing an element which is, perhaps, novel in this chamber; but, before I conclude, I think I shall at any rate supply for members some food for argument. Startling, perhaps, to the minds of some members as this doctrine may be, yet it is not a novel doctrine; its novelty, if any, lies in its application. We have often heard of the doctrine of land nationalisation, and, in considering this subject, we are but discussing one of the first principles of that doctrine. One of the first principles is that the State should acquire all land. It is objected to this question of land nationalisation that it involves interference with vested rights, and that it retakes that which the State has already granted away; and, some even go so far as to say that it amounts to confiscation. But I shall show that here there is no interference in the sense I have suggested, or that if there is an interference it is with the interests of the species of persons better known by the name of land-jobbers, or land speculators, and land syndicates,—a class who have not the interests of the country at heart, but their own individual advancement. Any blow which may be struck at persons of that character, I think, deserves to be supported by every right-thinking person. Circumstances place us, in this colony, in the very position which is essential for the practical application of this doctrine of land nationalisation; for, to begin with, we are, at any rate with regard to our goldfields town lands, in that position which the modern reformer

seeks vainly at times to obtain, and that is,—the State is now the owner of these lands. Up to the present moment the alienation of land on our goldfields townsites has been to a very limited extent. Our goldfields are in their infancy. So too are our goldfields towns; and now, and now only, I think is the time we can best discuss this principle that I am advocating, with the view of testing its possible applicability. The main objections fall to the ground, because here there is no interference with vested interests, because vested interests have not yet been created; and, secondly there is no retaking of that which the State has already granted away, and there is no confiscation. Our position, in fact, is unique—if not in the history of modern Government, it is unique at any rate in the possibility of the application of this doctrine of land nationalisation. There can be no doubt that this doctrine is sound in theory, but it has been difficult hitherto—indeed it has been almost impossible—to apply it in older civilised countries. We fortunately, as I have said, are in our infancy here, and we can therefore practically deal with matters of primary importance which in older countries are outside the range of practical politics. In theory there can be no doubt that all land belongs to the State. Hon. members may not, perhaps, know it, but even freeholds are merely leases, at a peppercorn rent, in perpetuity. We have therefore this principle recognised, and all I suggest is that you should vary that principle by increasing the rents and by limiting the term. What does the land owner, or the party who is interested in land, require? He requires security of tenure. Is not a leasehold a secure tenure? It is the commonest form of holding, at any rate, in the mother country; and, if it applies to that country, why should it not apply to us? Have we not around us many persons who hold land as tenants, and, can it be denied that in all countries tenants are in the majority, whilst landlords are in a minority? And it is that struggle between landlord and tenant which suggests the careful and serious consideration of anything which can prevent the possibility of difficulties arising between these two classes. If persons will rent land from a ground landlord—the freeholder as we know him,

who has obtained his land from the Crown—why should they not do so from the Crown itself? Surely that is a sound argument. If it will pay a person to lease land from a private individual, perhaps on a long building lease, why should it not pay that same person to rent his land from the Crown? Unfortunately—and I shall din this into the minds of members—the opportunity was never before attained in the history of practical politics to apply this principle, because in all English-speaking communities at any rate, the system in practice has been to make these large grants in freeholds in the early days of civilisation and in the early days of colonisation. [THE PREMIER: Canada?] America is an English-speaking community, I believe. All I contend for is that the State is entitled to all increases in the value of the land—that increase which is represented by what is known as the unearned increment. The land speculator knows what this unearned increment means; he knows it is a solid thing, a substance and not a shadow; and, when we are grasping at that unearned increment, we are grasping at something worth holding. That unearned increment is not due to any inherent quality in the land itself, but the outcome of development, which development may be either gradual or sudden. In our own particular case this development, I am happy to say, has been as sudden as it has been startling. I am referring to the development of our mines, which has given to land in the locality of the mines an increased and increasing value. It is those increasing values that we seek to attach. Shall we take advantage of the immediate enhanced value—that is, the actual freehold value at the present time—and shall we not take advantage of the annually increasing value of this land? Surely it is better that we should have a regular and gradually increasing income, rather than be content with the present actual value of the land, which is practically a nominal value, and nothing more.

MR. A. FORREST: Supposing it went the other way, and the land decreased in value?

MR. LEAKE: It is no use arguing this question with the hon. member; I know it is too high for him to grasp it. We know the practice here is to sell the Crown land by public auction to the highest bidder, at upset price. Individuals, no doubt, are more far-seeing

than the Government; and the individual land speculator—or, as I sometimes like to call him, the land grabber—steps in, and, with a full knowledge that the land will increase in value as the colony is developed, the individual reaps the advantage, and not the State. Whatever he puts in his pocket, by reason of his foresight, is not to the advantage of the State, though certainly it is to the advantage of the individual speculator. Why should not the Government itself secure this advantage? Speaking of the Government, as I shall have to do in the course of my observations, I hope that members will understand that in doing so I mean the Government as an abstract entity or power, the State, or the people; and that I am not referring to the Government as represented by the concrete embodiments of statesmanship we see on the Treasury bench opposite. When I speak of the Government as reaping the advantage, instead of individuals reaping the advantage, of this unearned increment (as it is called), I do not mean that the members of the Government should individually reap that advantage, but that they should do it in the interests of the State, and as trustees for the people of the colony. This unearned increment is not due to any individual efforts on the part of the purchasers of these lands on our goldfields; nor is it due to any effort of any individual member of the Ministry. It is due to the development of the country's resources and to the increase of population, and the consequent increase of trade and commerce; in short, it is due to the general progress. And here, on our goldfields, we have a condition of affairs which force on the general progress in a ratio which does not obtain under ordinary circumstances. That is due to the existence of the mining industry. Do we not all say that the future of the country depends upon its mining industry? Do we not all believe that it will bring population to the colony, that it will increase trade, and that it will increase values all round? Then why should not the State take advantage of this increased value, and let the public treasury be swelled by it, rather than the pockets of individual speculators. Why should the individual reap the advantage of combined State influence? There is no reason at all. He does

nothing himself towards bringing about this increase in the value of the land. In many instances these landowners are absentees, and do absolutely nothing to the advantage or benefit of the State. They do not even pay taxes, and, when taxation is suggested, they raise a tremendous outcry, and all sorts of influences are brought to bear; and the result is, taxation does not flow in the channels in which it should flow. By all means give the individual the result of his own labour; but here he is not claiming the result of his own labour. He is claiming, perhaps, the result of his foresight. He may be a keener witted person than anybody else in his speculations, but he has done nothing to enhance the value of the land. Therefore, I say he should not reap the advantage of that enhanced value. It has been argued in this House in regard to other matters—and particularly in regard to the question I referred to the other night, in favour of private enterprise in railway construction—that if it will pay individuals to do these things it will pay the State. That argument has been used freely on the other side of the House in regard to private railways. Let us apply it in this instance. I say if it will pay individuals to buy land, it will pay the State to hold it. In the Loan Bill itself the Government have practically recognised this principle for which I now contend. Have they not in the schedule of this Bill brought forward an item of many thousands of pounds for the repurchase of land which they had parted with, and which they now seek to retake—retake, it is true, in a proper and legitimate manner. They have to pay for it. But if this system of land nationalisation, or the retention by the State of the freehold in land, had been recognised in the past, there would have been no necessity for the Government to have come down at this late hour and ask this House to vote thousands of pounds for the repurchase of land.

THE PREMIER (Hon. Sir J. Forrest): We only want to repurchase in order to let it again.

MR. LEAKE: That is exactly my argument. You have got to pay for it now, but, if the principle I am advocating had been adopted, you would not have had to pay for it, because you would not

have parted with it; and that money you now ask for to enable you to re-purchase this land might have been diverted to some other channel of development. Another point: in selling your land you are parting with your capital. I remember being very much struck, some years ago, before I was as old a man as I am at the present moment, with some remarks that fell from the hon. member who now represents the De Grey. It was in a speech of his, in moving or seconding the Address-in-Reply, where he pointed out to the Government that it was false political economy to allow the proceeds of land sales to be treated as ordinary revenue. The hon. member argued in favour of capitalising that money, but the idea was flouted at the time, as it is flouted still. But here we have a way of carrying out that principle in a far easier and more expeditious manner. If this land represents capital, the proper thing to do is to reinvest the capital; and what better channel of investment have we in these colonies than in freehold land? But we do not want to reinvest in freehold land when we have the freehold itself. The mortgage interest on freehold investment would not amount to so much as the rent accruing from land let to tenants in the ordinary way. The rent is of varying and increasing value, while the mortgage interest is fixed. To show how closely this matter comes home to us, if members will glance at the report of the Lands and Survey Department for 1893, they will see that only eight town lots were sold in Coolgardie during that year. Those eight blocks fetched £633 at auction, or, roughly speaking, £80 a lot. The value of that money, if capitalised, at four per cent., would be about £35 a year; but I can tell members of this fact that two of those lots in Coolgardie (and they are not in Bayley street) are now let at a ground rent of between £9 and £10 per week. How does that compare with the actual amount paid for the purchase of these lots, £80 apiece?

MR. A. FORREST: What about the land in Southern Cross?

MR. LEAKE: I am not talking about Southern Cross.

MR. A. FORREST: No; it doesn't suit your argument.

MR. LEAKE: It is too late to apply this principle to Southern Cross. We

could not apply it there, without retaking the land. I am only dealing with matters of practical value, and not with speculative theory. What are the possibilities of Coolgardie, and what are the possibilities of all those mining townsites which must of necessity spring up at our gold-mining centres? Do not these rich finds that we hear of week after week suggest that centres of population will gather around these places; and, if centres of population gather around them, will not that mean an increase of trade and an increase of values all round; and will not the land share in this increase, and acquire not only an enhanced direct or immediate value, but an enhanced yearly value? With regard to Coolgardie itself, it is very possible—it is more than possible, it is probable—that the Government will be able to carry their proposal to build a railway to those goldfields. Will not that fact alone send up the value of land there to an enormous extent? And, whilst we have that land still in our hands, why should we not retain it, so that we may secure the possibility of reaping the full benefit of our own expenditure? Let any person who has travelled in the other colonies go to any of their large mining centres—to Ballarat or Sandhurst in Victoria, or to Broken Hill in New South Wales—and what will strike him at once? I know it struck me when there two or three years ago: what an enormous value these mining communities have given to freehold lands in the towns! The rents derived from these lands are a thousandfold more than the original cost. Who is it that reaps the benefit of this enormous increase in value? Not the State, but the individual speculator and the far-seeing landgrabber. We know that these goldfields towns everywhere are of gradual growth. They have their various stages of development. One month we see the country in its original state of nature, a wild bush, and next month, perhaps, we see it blossom into a canvas town. The first age (as it were) is the canvas age. From the canvas age the place gradually develops into the galvanised iron age—and it is that age which Coolgardie has reached now; and from the galvanised iron stage there is a gradual development to what you may call the building age, and it is this age

we should look forward to in dealing with our lands. When it comes to that age, you may then have your lengthened term of building leases, on such terms as may commend themselves to the Government. And here I may remark that, in introducing this resolution, I can only deal with the principle involved; it would be idle for me or anybody else, at this stage, to rise in his place in this House and to formulate any comprehensive and detailed scheme whereby you could deal with this principle in practice. If the principle is affirmed, then it becomes the duty of those in power, those who have the administration of the affairs of the country, to study the details, and to formulate some practical scheme. But I would suggest this for the consideration of members: that in the early or canvas stage of a goldfield, there should be tenants at will, or with just sufficient holding at any rate to attract population to a particular centre. In that centre of population trade generally would be concentrated, and let the holders of the land hold it from the Crown at a nominal rental. At the end of two or three years, or within some short time, as the place developed, extend the period of holding again, in order that the holders of the land may be induced to put up more pretentious and more important buildings—not, perhaps, more comfortable, but more extensive; and give them another five, six, or seven years lease for that sort of holding. Then, when you find that the mining industry is well established, and the place is becoming a rich mining centre, and that land, by reason of the concentration of trade and population, has acquired a certain value which is not attached to any other land in the vicinity—it would then be open for you to grant long building leases. I do not at present advocate whether they should be for 21 or 99 years, though for my part I may say I would not suggest a longer period than from 21 to 50 years. By so doing you can give ample security of tenure. With regard to improvements, I would not advocate the purchase by the Crown of improvements at a valuation, or upon any other basis, but let the incoming tenant, in the case of a short term, pay for the improvements at a valuation. Of course, if the land is let

on a long building lease, the value that is given to the ground rent would be taken into consideration by the purchaser, because he would have to estimate what it would pay him to give for the ground rent when he came to consider what he had to spend. At any rate, restrict the grant of your freeholds in the early stages of the existence of these towns. Even though you only say you will not sell the freehold for ten years, you will be doing something in the direction I am advocating. But do not part with your patrimony at this early stage. What have we received from the sale of Crown land in these townsites, compared with what the value of these lands will be, say, ten years hence? I challenge the Commissioner of Crown Lands (if he is awake), when he comes to reply to these arguments, to furnish to the House a return of the moneys which have come to hand by reason of the sale of Crown lands at Coolgardie. No one can gainsay that so long as you give traders and others security of tenure they will enter into trade, and other persons will trade with them. In particular do I ask those members who represent country constituencies to bear this question in mind. Any scheme which may have for its object the repletion of the public Treasury should commend itself to them; and, remember, that in this particular instance the country cannot possibly suffer any loss. It risks nothing, but the possibilities of gain are enormous. I go so far as to say that if this principle were recognised, and the scheme were introduced, the public Treasury, in the course of a few years, would be filled almost to overflowing. Surely, if you estimate the value of the rents of all freehold town lands at the present moment, you would see what an enormous gain it would be if it were possible for the State to claim these rents. At any rate it would pay the interest on our public debt. I think I am not far wrong in saying that. Do not be put off in the consideration of this matter by the argument that it requires time to think about it. No time is necessary. No one who has studied political economy at all, or paid any attention to the different principles which have agitated the public mind for years, can deny that this question of land nationalisation is one of the first principles conceded by poli-

ticians. Do not give the Government time to consider; or they will in the meantime keep selling away the land, and, the longer you wait, the more will be the advantages you will lose. If you wait, you will lose the unique advantage of your present position. You have now the whip in your hand, and, if you part with it, you will never be able to retake these lands without an enormous expense. I will go further than that; not only do not give them time to do that, but stop the sales which are already in contemplation. One word to the land speculator: I don't think there are any of them in this House, I am happy to say, but if there is such a person, I would remind him that he has already had his first pick of these town lots; and, if the principle I am now advocating is recognised, it is quite possible that the freeholds which have already been granted will increase in value. They will not at any rate deteriorate, and it is quite possible that the speculator will also reap some advantage from his land speculation, so that he must not take too selfish a view of this question. I do not know that I am able to anticipate anything that can be urged against this proposal. I have tried to think of what possible solid arguments can be used against it, but I cannot think of any. But it is possible that the intelligence of the opposite benches will be able to evolve some suggestion that may give us on this side of the House food for debate. I think I have given them some food for debate in the suggestion I have made. I hope I have shown members that this is not a wild and visionary scheme, but a scheme that has in it the elements of practicability. I say again, and I cannot reiterate it too often, we have the key of the position. We occupy that position which reformers have longed for in vain in older communities; we have these lands still in our hands; we have no occasion to retake them, or to repurchase them, or to confiscate them. Having the land, let us regard it as our capital, and let us make the best possible use of it we can. The best possible use of it is not to fritter it away by reckless sale and alienation, but to take advantage of its annual and ever-increasing value, and let that annual value, represented by rents, flow into the public Treasury. An

opportunity such as we have at the present time will never offer itself again. There is no country in Australia which has the same opportunities as we have. It is by reason of the rush of population to our goldfields that this opportunity now offers itself, and by reason of the fact that the Government has not been able to part with the freehold of this land. It is a pity that the opportunity was not grasped before. If it were possible, I would apply the principle to all freehold lands in the hands of the Government; but that would be carrying the principle out beyond, perhaps, the political ken of the present members of this Assembly. I prefer to give them something which they can easily grasp, something practical which they can contemplate; and I say if they will practically apply their minds to this question they will see that not only is it within the range of practical politics, but that there is in it a possibility of doing a great good to the country. At any rate they can do no harm in accepting my suggestion; they run no risk; the country has nothing to lose by it, and it has enormous possibilities placed within its reach. The scheme, at any rate, is worthy of trial. I make no apology to members for having occupied their time in addressing them upon this subject. The matter is of sufficient importance and magnitude to arrest their attention, and their most serious consideration. I will conclude with words which I will put in quotation marks, for they are not my own,—“the paramount dominion of the State over every part of its territory is a fact which, in the high condition of social progress, cannot be too strongly emphasised.”

MR. HARPER: I rise to second the resolution. In doing so, I may say that although I cordially support the resolution itself, as it appears before the House, I do not accept the whole proposition as put by the mover. If the resolution were carried out as it stands, a principle which I have long advocated—that the moneys received from the sale and alienation of Crown Lands should not be used as current revenue, but should be considered as so much capital—might be carried out. Under the present system of realising on these lands, it is possible for capitalists outside the colony to purchase

—and probably they will do so—a very large portion of these town lots, and hold them for speculative purposes for some few years, and, without benefiting the country, realise enormous profits out of them, profits which, under this other system, would go to the State. Things move rapidly now-a-days, and the opportunities for doing this are much greater than they have been in times gone by; and we may depend upon it we shall have syndicates of all kinds formed to acquire these lands, for no other purpose than speculation, which I need hardly say will be directly opposed to the true interests of the colony. If these lands, instead of being sold right out, were retained in the hands of the Crown for a period of years, until we might fairly assume they had reached something like their maximum value, I think that would be the time when the State should realise upon them. I do not go the length advocated by the hon. member for Albany that the Government should hold these lands as leases in perpetuity, but hold them until they attain their full value and then realise upon them. The capital realised by that means would go a long way to recoup the country for the expenditure incurred in opening up these mining centres. The present system of offering these town lands at public auction tends to produce a state of affairs which is highly injurious in most countries; I allude to the system of land booming—forcing up lands to a price above their actual value. The money so realised mostly goes out of the country, and the country reaps no benefit from it, all the profits going into the pockets of speculators. Therefore, I think it is desirable that these lands should be held for a period, and that the enhanced value which the outlay of public funds gives to them should be preserved for the public Treasury. I do not think it can be said that, if this principle of leasing were carried out, it would operate in any way against the development of the mining industry. I cannot see how it could; and, from that point of view, there is no reason for objecting to it. But there is one reason why I think we should object to making it perpetual, and it is this: after a time, no doubt, the mining industry will absorb a very large proportion of the inhabitants of the country, and, when that time arrives,

these mining electorates will be strong enough to bring such pressure to bear as would force a measure through this House, unlocking these lands, and compelling the State to sell them. Therefore the principle of leasing in perpetuity, advocated by the mover of the resolution, would be defeated, and I think it would be well to be prepared against that contingency, and be prepared at a future time, when these lands may be assumed to have attained something like their maximum value, to realise upon them. With these few words I beg to second the motion before the House.

MR. MORAN: There is an old saying that wonders will never cease. I think we have a verification of it in this instance, for in the hon. member who has brought forward this motion we have the eighth wonder of the age. I had some knowledge before that the hon. member posed as an ultra-radical, but he appears before us to-night as the advocate of a scheme which in ultra-radicalism tops all other schemes—no less impracticable a scheme than that of land nationalisation. No one would have imagined, when the hon. member gave notice of this innocent looking motion, that it concealed the poisonous germ of land nationalisation, which is one of the most radical and impracticable theories of the age. The hon. member has not told us where any attempt has ever been made to put this scheme into practical operation. Cleverer men than he have tried in vain to reduce the theory into practice in any other country, and why should this colony be chosen for impracticable political experiments of this visionary character? I remember the time when there was a Land Nationalisation Society formed in Brisbane. The president used to deliver lectures on the subject, and to invite discussions, and I used to drop in occasionally. I remember, one night, putting this practical question to the president—whether he would himself be willing to surrender, for the benefit of the cause, all the private lands he owned, in order to carry out his principles? He said, “Yes.” I asked him how much land he had around Brisbane, and he confessed he had none whatever. I thought there was a good deal in that. He was a strong advocate

of taking possession of other people's lands for the benefit of the State, because he knew very well that the principle would not affect him in any way. I am not prepared to say whether this is the case with the hon. member who has brought forward this motion, but, I must say, he has surprised me. I am also surprised at the hon. member for Beverley seconding the motion. That is another wonder. We know that the hon. member for Albany generally mixes up his politics and his profession together, and, whatever he advocates in this House, he appears to do so as if he held a brief in that particular case, and he advocates it with all the vehemency of a professional advocate. One night he appears on the side of private *versus* State railways, and I must admit he made out a very good case, and advocated the claims of private railways well. The next moment he gets up to belabour the Government for their policy of excessive borrowing, and their recklessness in proposing a further loan of a million and a half. He objects to swallow most of the works put forward, but is prepared to gulp one of them, the railway to Bridgetown; and, having done so, cries out for another yard of the same sausage, in the shape of a continuation of the same line in the direction of Albany. I do not know whether members will be seriously inclined to debate the present motion. As a member representing one of our goldfield districts, I oppose it, though I am no lover of our existing land system. I have already expressed my disapproval of the present pernicious system of dealing with town lots on the goldfields, under which the Government wait until a little mining town springs up, and then put up the land for public auction, enabling any moneyed speculator who comes along to buy up the blocks which the pioneers of the field have settled on. As I said before, I look upon the present system as the very worst form of landlordism. I then advocated that the pioneer miner and trader on new goldfields, the men who created the town, should be protected in their holdings, and have the first right of securing their bits of freeholds at the upset price. This is the principle which I wish to see carried out on our goldfields townsites. It would do a great deal more good for the country

than the proposal now before the House. The occupier who can purchase the fee simple of the block of land he has settled upon, will be induced to spend his money upon it, and to make some substantial improvements upon it, whereas the leaseholder will simply work out of the land all he can get out of it, without making any permanent improvements. We want to encourage people to stick to their holdings, and to become permanent settlers; and this you can only do by giving them the freehold of the land. I think some of the most absurd arguments imaginable have been brought forward by the hon. member for Albany in support of his theory of leasing in perpetuity. It is a well known fact that the less legal gentlemen have to do with the land laws of a country the better; we had some experience of that in Queensland under McIlwraith and Griffith. The hon. member, in support of his theory, gives as an instance the case of some allotments at Coolgardie that were bought some time ago for about £80, and which he says are now bringing in a weekly rental of £8 or £9. Is the hon. member not aware that there are such institutions as municipal councils, who take good care that all properties, as their rental value increases, contribute correspondingly to the municipal revenue? It makes very little difference whether the State or the general Government, or the Municipality—the local government—benefits by this increasing value of property. The hon. member is in error in saying that no one but the private individual benefits from the enhanced value of property alienated from the Crown, so long as such property is liable to be taxed in proportion to its value, as is the case now under our existing municipal institutions. I am a big opponent of this system of land nationalisation. I believe in settling an industrious peasant proprietary on the land, which in my opinion is the secret of the prosperity of some of the greatest nations. These men, having their own freeholds, become rooted to the soil, and an element of strength and contented prosperity in the country, whereas the man who has no further interest in the land than what he can make out of it during the term of his lease, cares nothing about the future

of the country. I hope the House will not seriously entertain these proposals. I know they would not meet with favour with that section of the community for whom they are designed—the goldfields population. I was very sorry to hear the hon. member for Beverley introducing the question of coercion into this debate. The hon. member said we must not make these leases too long, because the mining community will by-and-by become so strong that they will force a measure through this House for doing away with these leases. The hon. member's argument seems to be this: we have the whip hand of these people now, let us make the most of it while we can. I am surprised that so good a general should have shown his hand so openly as to use that argument, as much as to say "Put the screw on while the boy is young; when he grows stronger he will kick over the traces." As I have said, I hope this proposition of the hon. member for Albany will not meet with serious consideration in this House; or, if it is seriously considered, that it will be to negative it. What I wish to see is an opportunity given to the mining and trading community on our goldfields to acquire the fee simple of their land at a moderate price, and to protect them from any hungry land-shark who happens to come along with plenty of capital to buy them out, and to hold the land for purposes of speculation only. By settling an industrious and contented people on the land you have the very best capital which a country can have, and what is far better than money—a settled and prosperous community, contributing to the progress and prosperity of the country, and prepared to submit to any reasonable and equitable system of taxation. I hope those members who represent goldfield districts will support me in my opposition to this proposal, so that it may be seen by other members that the people for whom this scheme is intended are not in favour of it.

MR. ILLINGWORTH: I do not think that this House is prepared to enter upon a discussion upon the question of land nationalisation. I think we have pretty nearly enough on our hands at present without entering upon such questions as that. The subject is a large one, and requires a great deal of reading up, and a great deal of thought and consideration,

before this House will be able to grapple with it. My only reason for rising is to endeavour to emphasise a point in reference to the absolute necessity of a revision of our Mining Act, and in this particular: there are difficulties and great injustice arising under the present system of laying out townsites on our goldfields, selling town lots to the first and highest bidder; and I should like to call the attention of the House to a clause which exists in the Victorian Mining Act, and I do so because it is understood that the Ministry are at present considering the question of bringing in a Mining Act for this colony. The 36th clause of the Victorian Mining Act contemplates that no town lots shall be sold on a goldfield for a considerable time after that goldfield has been opened, and that to entitle the holder of Crown land to claim for improvements he must have been in possession of the land for at least two years and a half. It is undoubtedly a wise provision that no land should be alienated upon these goldfields until the auriferous character of the country has been determined. Let me give, as an illustration, a very simple fact that occurred the other day on the Murchison goldfields: A townsite is laid out at Cue, and the boundary of an outside street is found to impinge upon a miner's claim. That man has worked his reef to the boundary of the street, and he can go no further under the existing regulations. This street at present is of no use, nor likely to be for probably another 20 years; yet this claim-holder cannot follow the gold under that street without breaking the mining regulations. No such restrictions exist in Victoria; in fact Sandhurst has its principal mine right under the main buildings, and it is so everywhere. The streets are mined under in all directions, under the provisions of the Act; whereas in Cue, where there is not at the present moment a single building with a wall 12 feet high, and therefore no danger whatever of buildings falling down if undermined in this way, you are not allowed to work your claim if it impinges upon the boundary of a street, simply because the Government have been pleased, at this early stage of the development of the field, to lay out a townsite, and to offer town allotments for sale—though I be-

lieve, they are not yet sold. This man might find more gold under the street, if allowed to follow his claim, than he would in any other part of the field; yet, as I say, he is debarred from doing so by this vexatious regulation. I want to call the attention of the Government to the desirability of selling no land on a goldfield until the character of the land has been tested and proved, to see whether it is required for mining purposes or not. Under the Victorian Act, as I have said, no land upon a goldfield can be obtained in freehold until you have been in possession for at least two years and a half, and made certain improvements. Certain notices have also to be given before the land is sold, so that anybody concerned may have an opportunity of forbidding or challenging the sale, on the ground that the land is auriferous. If the hon. member for Albany had brought forward some such a proposition as this, I would have been prepared to have supported him. But to attempt, under the guise of reforming our goldfields regulations, to introduce this great question of land nationalisation is a little too much, and I think a little more than we can stand. To begin with the goldfields, too, of all places in the world! The idea of adopting the principles of land nationalisation in connection with newly discovered goldfields, where land a few years ago was leased at £1 per 1,000 acres, and we were selling any quantity of it to the Hampton Plains Syndicate at half-a-crown an acre, is, I think, a little premature, to say the least of it. As a goldfields member I certainly cannot support the proposal. If the hon. member wants to apply this principle, let him begin at Albany. [MR. MARMION: Or with his own land.] But to apply it to our goldfields is altogether out of the question. Land at Coolgardie to-day is bringing more than it is in Bendigo; and we know that this high price is absolutely a fictitious price, and that this enhanced value has been brought about solely through the labours and out of the pockets of the mining population on the field. What I contend for is that there should be no alienation of land upon goldfields townsites until the auriferous value of the land has been proved.

On the motion of MR. JAMES, the debate was adjourned for a week.

SALES OF GOLDFIELDS TOWN LOTS.

MR. THROSSELL, in accordance with notice, moved for a return showing the number of town lots sold at each goldfield of the colony, and the total amount realised; such return showing the sales from each town separately.

Motion put and passed.

LOAN BILL (£1,500,000).

SECOND READING.

ADJOURNED DEBATE.

MR. MORAN: Mr. Speaker, Sir: So far the discussion upon this Loan Bill has been confined principally to the pledged supporters of the Government, and to the big guns of the Opposition. I think, perhaps, it may be well now to regard it from an independent point of view, and to glance at the various arguments that have been brought forward, not so much, perhaps, in favour of the Bill itself, as in support of certain fundamental principles, and more especially the important principle introduced into the debate by the hon. member for Albany, whose contribution to the debate was, in my opinion, one of its most important features. I allude to the proposal to have these goldfields railways constructed by private enterprise. It is scarcely necessary for me to say that I listened with the greatest amount of interest to the hon. member's remarks on this question, because, not many days before, I myself endeavoured to enlist the sympathy of the House and the Government in the direction of encouraging private enterprise in providing water for our goldfields. I then declared myself to be a strong advocate in favour of encouraging every legitimate form of private enterprise, and I still say the same thing. That being the case, I think it is just as well I should review the arguments advanced by the Government in opposing, and bitterly opposing, the principle sought to be introduced by the hon. member for Albany. The question of whether the Government should raise and expend about three-quarters of a million for the construction of these railways, and place this additional burden upon the shoulders of the people, or whether these railways should be constructed by a powerful syndicate out of private capital, must certainly be regarded as a question of such importance

that it needs no apology on my part if I seek to review some of the arguments brought forward for and against the proposal advocated by the hon. member for Albany. If constructed by a private company, out of private capital, we have this fact to bear in mind: whether the project should turn out a complete success or a gigantic failure, the public funds of the colony will not be endangered to the extent of one penny. Let us look at a few of the conditions surrounding railway construction in these Australian colonies. I think that is an important consideration. It is a recognised and admitted fact all over these colonies, and it is the first great principle we have to consider, namely, that railways are not made by the State with the view of direct profit. They are not constructed with the view of becoming at once a source of revenue to the State. Railways are simply the means to an end. That is a recognised fact, and I challenge its contradiction. Railways are constructed as a means to an end, that end being the development of certain industries or resources of the country—agricultural, pastoral, or mineral; and the great problem in Australia has been, not to make the railways yield a handsome profit, and to look upon them as a reliable asset from which you can always depend upon receiving ten, fifteen, or twenty per cent. per annum. The great problem, so far, has been how to keep them from not ruining the country. That has been the great question in Victoria, in New South Wales, and in Queensland,—how to keep the State railways from becoming a dead loss to the country, or from becoming the kernel of the great incubus of the national debt. In each of these colonies there are Government railways that, to use a figurative expression, do not pay for the axle grease. On one railway in Queensland, built by the State years ago, and going through very good land, only last week the passenger traffic consisted of one man and a school boy, every morning. Still that train is kept going, though it has been very seriously considered whether it would not be advisable to close the line altogether. The very best paying railways in these colonies have never consistently paid their working expenses and the interest upon the capital sunk in them,—that is, they have not done so

from start to finish; and, taking the whole of the railway systems of the Australian colonies, it cannot be said that under State management they have been the great success they were expected to be from a pecuniary point of view. As I have already said, they are not made to pay directly—the benefits to be derived are indirect benefits; they are the means to an end, and that end is the settlement of the country, or the development of its mineral or other resources. In the next place, the Government here have told us through their mouthpiece, the Commissioner of Railways, that the goldfields lines must be looked upon as speculative lines, and, in pursuance of that idea, the Government charge double freight rates upon these lines, and make the unfortunate diggers pay through the nose for any benefit they confer upon them. Now the Government propose to build some agricultural lines; and I am going to ask whether they are going to adopt the same principle in regard to the freight rates upon those lines as they have done on the Yilgarn railway, because, if they are, I want to know how many hundred times it will be necessary to double the rates on some of these lines to bring their revenue up to that of the Yilgarn line? So much for the policy of railway construction and railway management by the State. Let us look at some of the arguments on the other side. It is admitted on all hands, by the Government, by Parliament, and by the Press, that these goldfields railways are necessary and urgent works; and it has never been advanced (so far as I am aware) that it would not be desirable to have these lines built by private enterprise, if possible to do so,—in other words, if we were assured of the *bona fides* and the ability of the promoters to carry out what they offer to do. The main argument put forward by the Government in opposition to these proposals is because they say the promoters cannot do what they offer to do. If I thought the Government were right in that supposition, I would support them. But I think it is our duty to satisfy ourselves upon that point. If upon inquiry it is found that these people are simply frauds, or that there is nothing tangible about their proposals, then by all means let their proposals be rejected, and let the

Government proceed with the work as quickly as possible. On the other hand, if these people can satisfy us of their *bona fides*, if they are willing (as we are told they are) to put down their £20,000 in proof of their *bona fides*, and to submit to an absolute forfeiture of that money if they do not carry out what they offer to do, then I think these proposals are deserving of serious consideration. We have heard some sentimental nonsense about not forfeiting these people's money if they fail to carry out their contracts, because the money belongs to other investors. I wonder if any business could ever be successfully carried out upon such a principle as that. What are contracts made for, and why are securities insisted upon in all such undertakings, unless it is as a guarantee that those who let the contract are not made to suffer? I treat that argument as mere sentiment. The people who find this money are well aware what it is intended for, and they would not be ignorant of the terms of the contract, and it is simply a business precaution that we should have this security, and that, if it is forfeited, we have a perfect right to it. The Government are entering into contracts with people every day, through their Engineer-in-Chief or other officers, and they insist upon these people carrying out their contracts, and are not to be led away by any appeals *ad misericordiam* from those who undertake to do the work. I have very carefully considered the *pros* and *cons* of these proposals, and have listened attentively to what has fallen from the Premier and his supporters, as well as to what has fallen from the hon. member for Albany, and I think the proper course would have been this: the Government, while investigating the *bona fides* of the promoters, and their ability to carry out the work, might have gone on with the surveys of these two lines, and, if satisfied with the good intentions and with the stability of the contractors, they could have let them have these surveys to work upon, by paying for them, and the work of construction could go on without delay. Surely it is not necessary in these days for a man to put down five thousand sovereigns on the counter in proof of his *bona fides*. There are such institutions as banks, and there are such things as banking accounts, and it is not very difficult to find out whether a corporation

of this kind is financially sound or not. The Government, in the meantime, could go on borrowing their million and a half; and the money intended for these railways could be appropriated in other ways for developing the goldfields, in providing water, and in building light branch railways connecting our great goldfields centres between Coolgardie and the Murchison. At present it is only proposed, so far as this Loan Bill is concerned, to expend £70,000 on the development of all our goldfields. I say it is altogether inadequate, and, what is more, it is altogether disproportionate with the benefits which the colony is deriving from its goldfields. Only to-day I saw that the revenue of the colony last month was 100 per cent. more than it was last year, and I venture to say that over 75 per cent. of that arose from an increase in the Customs and Railways receipts. What does that mean? It means this: that the impetus given to trade, through our goldfields, is the main cause of this large increase in our revenue. Knowing this, I say that £70,000 is altogether too small a sum to set apart for opening up our goldfields and other mineral resources. I am not insensible to the important question of encouraging our agricultural resources; I would do so by every legitimate means within our power. But what I contend for is this: that the Government should take time by the forelock, and, while the present wave of prosperity is passing over the colony, they should be the foremost to take advantage of it, by doing all they possibly can in providing water for our goldfields and in otherwise assisting to develop these wonderful resources of the country. If these private companies are sincere, and the Government can easily satisfy themselves on that point—why not divert these large sums put down on this Bill for these two goldfields railways, and let the lines be built by private enterprise? The money so diverted could then be applied in otherwise assisting these goldfields, and in developing the mineral resources of the country. Why should we be guided in these matters by the principles which guided the Legislature in days gone by? Are we not at liberty to adopt new principles and new ideas of our own? I know it has been cast in the teeth of some of us new members

that we only want to advertise ourselves. I think it is about time something was done to introduce some new element into the House; and so long as we make out a good case for the adoption of our new ideas I think we should not be treated with scorn because we are seeking to introduce something that is new. These syndicate proposals, I think, should be most carefully considered before they are thrown on one side. It is ridiculous to think that if we enter into these contracts we cannot protect ourselves in the event of these syndicates failing to carry out their agreements. If we cannot be trusted to do that we should send in our resignations to-morrow, and let somebody else take our place. I believe we are not so childish and so foolish that we cannot frame a clause in a contract that will protect the interests of the colony. It must be borne in mind that these people do not ask for any land grants, and they are prepared to submit to a tariff of rates to be fixed by the Government. Looking at these proposals as a goldfields member, I feel that I would be bound to support them in the interests of my constituency, because, whereas the Government are charging double rates on our railway, which is averaging 700 tons a week traffic, this company offers to charge us only ordinary rates. I am sorry that these proposals were cast aside by the Government without making some inquiry as to whether they were genuine or not. Coming to the Bill itself, I look upon this first goldfields line, the line to the Murchison, as a work of absolute necessity, but I do not think it is of paramount importance that these goldfields lines should be of the ordinary heavily-built type of railway. A light line would serve them just as well, be much cheaper, and be constructed more quickly. If, as the Government say, these goldfields lines are simply speculative lines, then the argument in favour of light, cheap pioneer lines is all the stronger. Again: there is a great deal of truth in the statement that we do not yet know where the future centre of our goldfields may be. Already we have several important mining centres in my own district,—Coolgardie, Hannan's, White Feather, Broad Arrow, Black Flag, Kurnalpi, the 90-Mile, Wealth of Nations, Siberia, and others—and there

is all that large belt of country extending by way of Lake Carey and Mt. Margaret, right up to the Murchison. It is not the slightest use of our considering the question of a line straight from the coast to tap only one portion of the fields. It will be simply a question of bringing in another Bill in a year or two to authorise another line, right along what I call the back-bone of the mining country, and sending out branch lines or feeders along the ribs. It is for these reasons that we want cheap pioneer lines, light of construction, and consequently quickly built. If the Government are not prepared to entertain the offers of these private companies, let them entertain this idea of cheap light lines to our goldfields. While on this subject of developing our mineral resources, I should like to refer to the proposed line to the Collie coalfield. I look upon that matter in this light: Australia is growing apace, and no doubt will become a great nation, and the time is not far distant when we shall have a transcontinental railway constructed. I believe ours is the only continent in the world that has not yet got that means of internal communication, and which is dependent upon maritime communication for its commercial intercourse. This means of communication may be intercepted at any time in the event of war. History, we know, repeats itself, and it will be wise on our part to profit by its teachings. I say that a transcontinental railway is an undertaking of national importance, and, sooner or later, we may rely upon seeing it an accomplished fact. In that case there will be the necessity of having a coal supply at either end. We have already a good supply at Newcastle at that end, and it is our duty, as a progressive people, to endeavour to provide the necessary supply at this end. I believe there is a good deposit of coal at the Collie, but I shall await with interest some further evidence on the subject before committing myself to this line at present. I think we should satisfy ourselves not only as to the quality of this coal, but also as to the quantity available, and the extent of the coal measures. I would support an expenditure of £20,000 or £30,000 in testing and proving whether we have a really payable coalfield or not. So much for our mineral resources. As

to the development of our agricultural resources, for which I notice some provision is made in the Bill: in this connection I should like to refer to another Bill which is to come before us, the Agricultural Bank Bill. With regard to that measure, I think the Government deserve the highest meed of praise for proposing what I conceive to be the very best possible means for developing the agricultural resources of the colony. That Bill, as we know, —

THE SPEAKER: The hon. member will not be in order in discussing a Bill that is about to be brought in, but which is not yet before the House.

MR. MORAN: Up to the present moment, right along our existing railway lines, how much settlement is there to a square mile? We know it is very little; and, taking this into consideration, I think it will be a wise thing on our part to encourage settlement along these lines in every way we can. At present, as I have said, the extent of settlement is very small. I had the pleasure, a day or two ago, of travelling along the country between here and Yilgarn, and, amongst other places we passed, was that much-talked of agricultural centre, the Meekering area, where I saw nine cows and ten horses, representing settlement within that area. I think it is our duty to do all in our power to encourage agricultural settlement, and, in all they do in this direction, the Government shall have my support. We have millions of acres of good land, and it is our duty to do all we can to see that they are turned into account. It was only to-day that I was told by a gentleman of the possibilities of establishing a large business between this colony and the Straits Settlements, in the way of dairy produce. That country, he told me, would be prepared to take tons and tons of butter alone from us, if we could supply it. Here, as I say, we have millions and millions of acres of good land, and yet we do not produce sufficient butter even to supply our own requirements, much less for export. While I am one with the Government in a desire to see agricultural development encouraged, the fact remains that our revenue chiefly comes at present through the Customs; and, it may be asked, if the revenue from this source should drop, by reason of our import-

ing less and growing more, where is the revenue to come from to make it up? That, no doubt, is a serious question. If our Customs revenue falls off, where is the deficiency to come from? From land taxation, and land taxation alone. Some members, in speaking to this Loan Bill, have accused the Government of not having treated the North with due consideration. As a goldfields member, I would be very sorry to advocate the alienation of an undue proportion of expenditure to the district I represent; and I feel sure the hon. member for the Nannine feels just the very same way, because we know that the population we represent is a shifting population; they may be on one goldfield to-day and on another next month. They simply go wherever they can obtain the best results. I should be very happy myself to see one of these Northern goldfields, Pilbarra, receiving more attention from the Government. I believe they have a very good asset in that field; it has a good water supply, and the reefs yield well; and I consider that some of this loan money should, if possible, be provided—or, if not, private enterprise should be encouraged to provide—for the construction of a tramway from the coast to Marble Bar and Bani-hoo Creek. I hope the Government will consider this matter in connection with the question of light railways. People up there are labouring under great difficulties for the want of timber, which could be supplied by means of this light line, and it would also tap a large belt of good country. As to the question of increasing our indebtedness, the hon. member for Nannine says we shall increase it fully one-third, and the hon. member said that a Loan Bill of a million and a-half, with our present population, was equal to Victoria borrowing £12,000,000 or £15,000,000. But this question of borrowing grows with the requirements of the colony. At one time, we thought we could not afford to borrow anything. Next we borrowed something, and the proportion between nothing and something is a great deal more than the proportion between our last loan and this. The more you borrow, as a rule, the easier, in an inverse ratio, is it for a country to bear its indebtedness, so long as the money is spent on reproductive works

and the expenditure is justified. The prospects of the colony are bright enough, especially its goldfields, and there is no saying what the population on these goldfields may yet be. When we see a place like Charters Towers, which is no bigger than Yilgarn, supporting a population of 20,000, what may we expect from our Eastern goldfields, where there are half a dozen places bigger than Yilgarn? I believe that Western Australia will hold her own, and more than her own, in her gold output. Even with the present discoveries we have sufficient to maintain 100,000 people, if we had the water. The possibilities of the colony are unbounded. Look at the unique position of Queensland, and what she has done. Her exports last year were double her imports. Normanton alone, with a population of only a few hundreds, and whose imports did not exceed £40,000, exported to the value of £100,000 last year. What is the secret of this wonderful development? The great principle that has been at work in that colony has been this: the development of the natural resources of the country. Man's labour applied to nature's resources will turn out ten times the cost of that labour. Therefore, I say, any Government acts wisely in letting loose all possible labour in developing the natural resources of the country. I should like just to read a little of the exports of Queensland last year—[*extract read*—each item representing, as it does, some industry arising from the development of the natural resources of the country. In the Northern territory of this colony we have country exactly similar to parts of Queensland, and possessing the same resources; and the Government will have to turn their attention to the development of those resources.

MR. SIMPSON: I am sure the country is grateful to the Premier for the careful and lucid statement he has made of the position of affairs in introducing this Loan Bill. His speech on that occasion evidenced much thoughtful consideration, and, so far as he is concerned, is instinct with all the patriotism which we know governs his nature in connection with what he conceives to be for the welfare of the country. I am sure he will allow that any opposition or disagreement there may be on the part of any member in connection with these loan proposals is

inspired by exactly the same patriotic sentiments, and that the effect of this disagreement will not be to entail any unpleasant feeling in his own mind. For this country, with its small population, to enter upon another loan of a million and a half, in its present state of development, is, I think, a little extreme, because it must be borne in mind that during the last two or three years this country has been spending double the amount of borrowed money in proportion to its population that any other Australian colony has spent. During the last three years or so, we have been spending at the rate of nearly £800,000 of loan money per annum. [THE PREMIER: I don't think so.] The hon. gentleman does not think so. I do not suppose he does, or he would not have made this Bill one for so large a sum as another million and a half. When we realise the fact that three years ago we borrowed £1,336,000, and that since then we borrowed another £540,000, and that practically we have become responsible for another loan of £500,000 for the Midland, and that the whole of this money has been expended, or is in course of being expended, I think the hon. gentleman will find that I am within the mark when I say that during the last three years we have been getting rid of loan money at the rate of about three-quarters of a million per annum,—not a small sum for a population of 70,000 people.

THE PREMIER (Hon. Sir J. Forrest): It is not all gone yet.

MR. SIMPSON: I think what is left is very distinctly earmarked. The Premier, in his speech in introducing this Bill, alluded to our growing indebtedness, but he was careful this time to institute a new comparison between our indebtedness and the indebtedness of the other colonies. Instead of comparing our public debt, as usual, with the number of our population, he compared it with the number of breadwinners. Hitherto it has been his practice to refer to our indebtedness in proportion to the units of our population—

THE PREMIER (Hon. Sir J. Forrest): So I did this time, too.

MR. SIMPSON: Then I am afraid his speech must have been wrongly reported or wrongly printed—no doubt it is the reporter again who is wrong.

THE PREMIER (Hon. Sir J. Forrest): Not at all.

MR. SIMPSON: I am quoting from the hon. gentleman's printed speech:—"I may point out that in 1891—which is the latest date I can get accurate statistics on the subject at present—the proportion of our public debt to the number of breadwinners in the colony was, at that date, much lower than the proportion in any other Australasian colony." Then he goes on to point out what the proportion to the number of breadwinners in all the colonies was.

THE PREMIER (Hon. Sir J. Forrest): Read just before that.

MR. SIMPSON: I have read all I want to read. That is the basis he adopts in comparing our public indebtedness with that of the other colonies. Then he goes on to deal with our imports and exports, and to point out that our export trade is in anything but a satisfactory condition—that as a matter of fact there is a decrease all round, except in one particular item, that of gold. Yet on the top of this we are asked to go in for this very large loan. I know the Premier will say, when he finds us raising a word of warning, that there is a want of pluck amongst members, to talk like this. I simply wish to recommend a little prudence, a little caution, and to ask the Government not to steep this young country in the mire of indebtedness which has almost overwhelmed some of our neighbours. I do not think we can be too careful. We should keep well in view the fact that we are the trustees of the people of the colony, and that we have to consider not only its present advancement, but also its future welfare. Our public credit, the Premier says, holds a very high position in the financial world. I know of no reason why it should not. I am not one of those who say we have been reckless or extravagant in our expenditure in the past; but, when we come to incur further liabilities of three-quarters of a million in the extension of our railway policy, I think we should bear in mind distinctly that our present railways are not paying their working expenses.

THE PREMIER (Hon. Sir J. Forrest): How do you make that out?

MR. SIMPSON: According to the last return furnished to this House the total

railway receipts were £133,000, and since then we have had a return showing that, out of that amount, £18,000 was on account of wharfage receipts, and another £19,000 was for the conveyance of their own materials. That makes £37,000 to come out of the gross receipts, and, as the expenditure was about £104,000, we see that, according to these returns, there was absolutely a loss in the working expenses of our railways. Not that I mean to say we should make it a point of making all our railways pay their working expenses. I simply wish to point out the fact as it stands before us. Take the South-Western Railway,—and I think it is rather significant that in the return furnished the other day in response to a motion submitted by the hon. member for the Swan, the department were unable to furnish the receipts in respect of any particular section of the line.

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): They were not asked for.

MR. LOTON: They were.

MR. SIMPSON: At any rate, I do not believe that this South-Western Railway is paying,—

THE PREMIER (Hon. Sir J. Forrest): You don't want to believe it.

MR. SIMPSON: Perhaps the Premier will permit me to finish. I do not believe that this South-Western Railway is paying beyond Pinjarrah. I had occasion recently to travel to the Blackwood, and I counted the passengers travelling from Pinjarrah, and there were three and a "stiff'un,"—the Commissioner of Fisheries, who was travelling on a free pass. Coming to the proposals of the Government, the first item on the list is the railway from Mullewa to the Murchison, for which a sum of £409,000 is provided. I cannot help thinking that that railway has been overloaded in the estimate. I do not think the Ministry are in possession yet of any exact information as to the probable cost of this line, but I am informed that a survey party has already gone out. Not long ago the Premier stated, in reply to a request made to him from Geraldton, that he could not possibly contemplate having a survey made of a line of railway without the authority of Parliament. Times have changed, and it seems we have changed with the times.

I say I do not think this Murchison line will cost anything like the estimate. I have travelled over the country several times, and, without pretending to give anything like a professional opinion, I may say that in my opinion the line will not cost anything like what is put down for it in this Bill. While on this subject of the cost of our railways, I should like to point out that when a tender is accepted for the construction of a railway, we do not get at the actual cost of that line in that tender, from the simple fact that the Government themselves generally undertake to haul all the material for the line. Take the Yilgarn line for instance: we were told that the cost of that line from Northam to Southern Cross was £875 a mile; but, in addition to that, the Government had to haul all the material, the rails and plant, from Fremantle to Northam, the starting point of the line. That, I say, was distinctly an additional cost, which ought to be added to the cost of constructing that line. The material was delivered to the contractor at Northam, hauled there by the Government all the way from Fremantle, and then they say they had the cheapest constructed line in the colonies, and that it only cost £875 per mile.

THE PREMIER (Hon. Sir J. Forrest): I never said so; nor anything of the sort.

MR. SIMPSON: With regard to this Murchison railway line, I only hope the work will be more successful than the Murchison telegraph line. The Premier, at that memorable banquet at Geraldton, getting on for two years ago, informed a delighted audience that the Government had indented the material for this telegraph line, and that Cue and other centres would very soon be placed in touch with the outside world. Unfortunately they are not in touch yet with Perth, and, from all I can learn, it is highly improbable that they will be this year. We next come to the railway from Southern Cross to Coolgardie. I think that the country and that members have pretty well made up their minds that it is necessary to build this line. It shall certainly have my support. I only hope that, in regard to both these goldfields lines, the Government will not make the great mistake they have made in the past of giving too long a time for the

construction and completion of their railways. I think it would be better if these two lines were commenced simultaneously, and as soon as possible, and that as short a time as possible should be granted for their construction, even if they cost a little more. Then we come to the Donnybrook railway. I had the pleasure a few days ago, at the invitation of a distinguished member of the other Chamber, and through the courtesy of the Minister of Railways, to pay a visit to this district, and I may say that we were treated with that cordial hospitality which is characteristic of every part of Western Australia. We fared, I may say, sumptuously. We had spring chicken and the best of company, and I am told we were shown the worst of the land. We had a good look round, and I saw resources there the value of which it would be almost impossible to estimate, consisting of the natural wealth of the country. I saw some splendid land, as fine as any land in the world, and enormous natural resources. The timber alone, to my mind, represents some millions of money to this colony in the future; and I think I express the opinion of most members and of most of the people of the country when I say that there is no shadow of a doubt we ought to build a railway to the Bridgetown. [**MR. COOKWORTHY:** Hear, hear.] I thought the hon. member would endorse that sentiment. Perhaps he will also agree with me, when I say that the only question is—when? [**MR. COOKWORTHY:** Now.] He says “now”; I doubt it. A peculiar thing in connection with the Government proposal as regards this line is that it is put down in the Bill as a railway from Donnybrook, not to Bridgetown, but towards Bridgetown; and, the best of it is, according to the map prepared for the information of the House, you could take this line almost to anywhere. If you gave it a bit of a twist, you could take it to Coolgardie. The other proposed lines have some fixed destination: the railway from Southern Cross is to go to Coolgardie, and the railway from Mullewa is to go to Cue, and to go by way of Yalgoo, Mt. Magnet, and the Island. [**THE PREMIER:** I never said so.] If the hon. gentleman wishes, I will say something more. In all these other lines we have some defined and definite route

fixed, but this Donnybrook line is a line to go "towards" Bridgetown. I know the residents of that district are very anxious about this railway; and I met some very nice people amongst them. One good old lady, with tears in her eyes, pleaded with me to vote for this railway. [THE PREMIER: So you will.] If I could, I would only be too happy. But there is a motion on the paper in the name of the hon. member for Beverley, which I think is distinctly in the interests of the country. That motion pledges the Government not to proceed with this line, and another line which I will refer to presently, for two years. Can the Premier say that any of the resources of the district will disappear during the next two years? Will the magnificent timber disappear? Will the splendid land along the banks of those rivers—land as fine as any in the world—will this disappear? I know of none of the natural resources of the district that will in any way deteriorate in value during the next two or three years. I do not imagine that even the Commissioner of Railways would pretend to say that, run on the strictest commercial principles, this railway from Donnybrook would pay for some years to come. Then we come to the Collie coalfield line. That coalfield has always had for me a very strong interest. When in Bunbury last year I endeavoured to ascertain the value of our coal deposits in this locality, and I found that the Government had done very little to test the value of the field; and, up to three weeks ago, they had done nothing more in that direction. I know the Commissioner of Railways had some magnificent project in his mind last year with reference to carting this coal to Bunbury at a cost of about 50s. a ton, and the Government have now gone in for some test boring at 9s. per ton, delivered on the surface. What they are going to do with the coal when they get it is not quite clear. The Attorney General says they are not going to eat it. Perhaps not. You can never say what a Government will not do under some conditions. They will do a great many curious things if their supporters wish it. They propose now to build a railway to this coalfield at a cost of £60,000, exclusive of rolling stock. As

I have already said, I have always taken an interest in this coalfield of ours, and have put my hands into my own pocket to assist in developing it. Yet I am prepared to oppose this railway at present. There seems to me no immediate necessity for it. We cannot borrow and spend all this Loan within the next couple of years, and I take it that the two first works to be taken in hand will be the two goldfields lines. [THE PREMIER: Hear, hear.] That being so, it would be two years from now before this Collie railway would be constructed. If the proposal was to construct a cheap, 2ft. mineral line, as is done in other countries, and which could be done for £25,000, and would answer every purpose for the next ten years, it would be a different thing. But the style of railway proposed is an expensive one, and I do not see what there is to justify such a line at present. I have great hopes of this coalfield myself; I am very enthusiastic about it. I believe that when the Murchison line is completed, and we have a line laid down to this coalfield, we shall be able in the near future to steam right up the Murchison with our own coal. What I am afraid of is that the consumption of this coal will be limited to this colony. It occupies too much bunker space per ton to enable it to compete with Newcastle coal; and, although it is of the highest caloric value, it is not likely to create an export trade. I saw in a report from Mr. Atkinson—and it is rather a significant fact that he is the contractor for putting down the bores on this field—stating that, in addition to the coal, there is an enormously valuable deposit of fire-clay. That's right enough; but what are we going to do with it? As the Attorney General said, we cannot eat it. Nor are we likely to make any practical use of it in this colony, where only a few fire-bricks are occasionally wanted. Then what is the good of talking about a magnificent deposit of material that we cannot make use of? Then we come to the item of additional rolling stock, for which £174,000 is asked. I do not know that any objection can be taken to this item; it is an indication that the colony is progressing, and I suppose it will meet the public requirement, and add to the comfort and convenience of the travelling public.

"Harbour works, Fremantle, £200,000": these works seem to be progressing very favourably, and I hope and believe that when completed they will prove to be a magnificent success. Then we have £70,000 for the development of the goldfields—an object which is very dear to the heart of the Ministry. We have them placing the goldfields lines on the top of their Schedule, and we have here another item having for its object the development of these fields. All this is a very gratifying indication of their desire to do all they can to assist this important industry, but I hope they will not lose sight of that great principle of self-help in the prosecution of this industry. I trust they will keep that principle before the people, and that they will let us all understand that it is not the duty of the Government to run before us with a bucket of water on a long pole, while we go out prospecting. So long as they keep the roads open, and supply the immediate wants of the fields, I think that we who are interested in the mines should put our hands in our own pockets to provide our own water supply. We spent thousands of pounds on the Murchison, and we got it; and we got it at Yilgarn, and times were much worse then than they are now. The next item—"Development of Agriculture, including land purchase, clearing land, draining of land, market in Perth, and cold storage"—is such a hotch-potch that I scarcely know what to make of it. Surely, at the present time, we have enough agricultural land open for settlement in this colony? I saw from the departmental report laid on the table the other day that there has been a large leap upward in the quantity of land taken up under the conditional purchase system, and that the agricultural areas have been extended. It may surprise members to hear that, with the exception of South Australia and Tasmania, we have a larger area under tillage, per unit of the population, than any other part of Australia. We are ahead of the mother colony, New South Wales, and we are ahead of Victoria, with its magnificent country. I think we are doing very well in this respect, without the Government purchasing any more land. I really do not exactly know what it means, and, until we get some further information in committee, I do not propose to deal with it.

There are other items with regard to which we want more exact information, for the information at present before the House is of the most meagre description, notwithstanding the printed speech of the Premier. Speaking generally, I think the amount asked for in this Bill is too large for this colony to borrow immediately, and, if the Premier would accept a suggestion which he knows comes from a friendly quarter, and which is already on the notice paper, and defer this Donnybrook railway and the Collie coalfield line, he would be doing the best thing he could for the country in its present position. I know the desire of one and all of us is to do the best we can for the country we represent, and I am sure the Premier has no other object in view.

MR. MONGER: After the brilliant oratory of my friend the hon. member for Geraldton, and the hon. member for Yilgarn, I certainly, at this late hour of the evening, feel some diffidence in rising to give my views upon this important measure. I certainly expected, after the very elaborate opening of the hon. member who has just resumed his seat, to have heard some more cogent reasons why this Bill should not be passed in its entirety. The hon. member went into some figures with the object of showing that it is altogether out of reason for this colony to think of borrowing a million and a half; but when you come to "boil down" (as an hon. member who is not present this evening would say)—when you come to boil down his remarks they simply amount to this: out of the various items that go to make up this million and a half, all he objects to—and that only for the present—is an expenditure of £140,000. I have listened very carefully to all the speeches that have been made upon this Bill, on all sides of the House, and the only item actually objected to was the item of schools, to which objection was taken by the leader of this side of the House, on the ground that the money should be provided out of current revenue. No other objection of a serious nature has been offered to the Bill, except, perhaps, the opposition that came from the hon. member for Albany, who wished to have the goldfields railways built by private enterprise instead of out of public funds. With regard to

that matter, I have read the correspondence between the Premier and the gentlemen who put forward those proposals, and I take this opportunity of congratulating the Premier upon the very courteous nature of his replies to those gentlemen. I cannot agree with the hon. member for Albany in this matter. Though there is no hon. gentleman in this House whom I am more anxious to follow than the hon. member for Albany, I must say, if his arguments on other occasions are not more cogent than they were on this occasion, he will always find one member at any rate opposed to him. I think the only item which might perhaps be undertaken by a private company is the third item on the Schedule, the Bridgetown railway; but that appeared to be the only item which the hon. member is prepared to support in the Government programme. If the hon. member could induce his clients or his friends to transfer their attention from the Murchison and the Coolgardie lines to this particular item, I should give him my support with pleasure. I do not know that, after the many speeches we have had in the course of this debate, it is necessary for me at this stage to refer at any length to any of the items. There are some of them which appear to me unnecessary, and particularly the item which has been referred to as a "hotch-potch." I do not think there was the slightest necessity for including cold storage in this Bill, and probably we may see it altered in committee. While I am willing to give the Government credit for having the interests of the whole colony in view when bringing forward this Loan Bill, I must say it is to me a matter of surprise how they came to omit all those portions of the colony North of Champion Bay out of the Bill. In framing this Schedule the Premier seems to have forgotten that Western Australia extends anywhere North of Geraldton. I am sure, from the reports we have had from Marble Bar and our Northern goldfields, that we have fields there which warrant the attention of the Government just as much as the Murchison and Coolgardie fields; and I am sorry to think there is no provision made for providing communication with these Northern fields, instead of these two railways at the South, which, I feel certain, would never have been included in the

Bill had it not been for the fact that the Premier was born there, and that the Commissioner of Railways happens to be a member for a very important part of the district, and also for the fact that one of the leading newspapers of the colony happens to have for its editor a gentleman who represents that particular portion of Western Australia. We are told that these two Southern lines, in addition to the facilities one of them will offer for the development of our coalfields, will also offer facilities for the development of our agricultural resources. The Premier knows as well as I can tell him that in the district I have the honour to represent there is a locality which offers far better encouragement to agricultural development than any portion of the Southern parts of the colony. [THE PREMIER: No, no.] I think it is a pity this Loan Bill does not include a railway from some locality south of York to intercept the Northam-Yilgarn Railway, and also some provision for the Northern parts of the colony. The Bill would then have included every useful public work that has been agitated for by the people of the colony. Speaking as a West Australian, I do not fear the country borrowing this million and a half. I feel quite certain that the position and prospects of the colony warrant us in embarking in any legitimate expenditure of public moneys upon reproductive public works, or works that are likely to prove in the slightest respect reproductive. So far as I can gather, the bulk of the items on this Loan Bill are likely to yield very big returns to the colony. But I should like to see one provision included in the Bill. Seeing that it is the intention of the Government to charge double rates on our goldfields railways, I should like to see distinct provision made that the surplus derived from the receipts on these lines should be applied towards redeeming or repaying the first cost of their construction. The Premier, in moving the second reading of the Bill, said there were two questions for our consideration: first, are these works necessary and urgent works, and secondly, can the colony afford them? I think we are all agreed that the colony is in a position to afford them. Then comes the question, are they all necessary and urgent works? After carefully

listening to the remarks of most members who have spoken on the Bill, it seems to be the general opinion that all this expenditure is necessary, with the exception of some small amount of £140,000 for two of the items. If no stronger arguments can be brought forward to convince me that these two items are the only items that are out of place in the whole Bill, nothing will give me greater pleasure than to support the second reading. I hope that when we go into committee the Premier will be able to show at all events stronger reasons for the Bridgetown line than those advanced in the petition presented to the House the other evening. If he will do so, I shall be very pleased to support him in that item, and in all the other items on this Bill.

THE PREMIER (Hon. Sir J. Forrest): As no other member appears to desire to speak I should like to make a few observations before this Bill is submitted to the vote. In the first place, I should like to thank members for the way in which they have dealt with this very important measure submitted to them by the Government. Of course I am not prepared to say that I agree with the criticisms of several members, but I think that the Government should be pleased on the whole, and may congratulate themselves upon the way in which this Bill has been received by the House. This Loan Bill, as I think I stated in introducing the measure, embodies the policy of the Government in regard to public works for the coming four years. All that the House is asked to do this evening is to approve of its second reading. After the second reading has been passed, we shall then have to deal with these works in committee, when each separate item will be discussed, and members will be able to vote as they consider best and right on every item. Therefore, in agreeing to the second reading, members are not committed in any way except as to the general scope of the Bill. There is no doubt, from what I have been able to gather from the observations of members, that the Bill will pass its second reading, and I hope it will be without a division. This measure was of course very carefully considered by the Government before it was submitted to the scrutiny of this House and the scrutiny of the country;

and I am very glad to find that it has been generally accepted by members of the House, and that the objections that have been taken to it have been concentrated upon one or two items only. There may be some little objection to one or two other items; but the main objection, so far as I have been able to gather, of those who have opposed the Bill at all, is in reference to the third and fourth items, the line from Donnybrook towards Bridgetown, and the Collie coalfield line. As I said in my opening address, there were only two considerations that should weigh with us in dealing with this Bill; are the works necessary and urgent, and can we afford to undertake them? I have no doubt in my own mind that these works are necessary and urgent, and I am equally as certain and quite as positive in regard to the second point, and that is that the colony can afford to undertake them. I should like to refer in a few words to some of the observations of members who were not altogether in accord with the Bill, and, if in my remarks I do not refer much to the observations of those members who supported the Government, it will be because I do not consider it necessary to do so. Those who are in accord with us of course do not require any criticism from me. I will deal first with the hon. member opposite, the member for Perth, the leader of the Opposition. I must thank him for the reasonable and fair way in which, I think, he dealt with the Bill. It was not, however, very easy to understand what his views were with regard to the measure. I think he did not speak in any positive way with regard to the items, more than that I gathered he was generally in accord with the position taken up by the Government, that a policy of public works is necessary. The hon. member, however, made one or two observations with which I cannot altogether agree. He expressed regret that our credit balance was not larger than it is. I think, with a revenue of £680,000, that a credit balance of £88,000 at the end of the year is a very respectable sum. The reason it was not larger than this I have already explained. The Government could have very easily, without any trouble whatever, have made it much larger, but we have not desired to do so. Our idea is to spend the money,

when necessary, as we get it, and not to hoard it up. When we see around us so many necessary objects requiring the expenditure of public money, and we have the money available, it seems to me we would not be performing our duty to the country if we hoarded up the money in the public chest when the public requirements called for it to be expended. Besides this, we knew that our revenue was an expanding revenue. It is getting larger every year, and there is no necessity to be hoarding it up and looking out for bad times, when it is quite certain that bad times are not coming upon us in the immediate future. That is the reason why the Government do not desire to accumulate a large credit balance. We also know it would not be in accord with the wishes of the House, or of the country, that we should hoard up a large surplus while so many things require to be done for the colony. The hon. member also questioned whether people generally were really better off now than they were years ago. I take no exception to that remark. The same thought must have occurred to a great many of us, when we look around at the position of most of our old friends,—whether they are better off now than they were years ago. That it is not the case in many instances I believe; but I think, if we take a wider view, we must come to the conclusion that things generally are in a very different state to-day from what they were years ago. We have a great many advantages, and a great many conveniences, and a great many attractions that we did not have then; and, I think, taking it altogether, the community is in a very different condition from what it used to be. For one thing, we live more expensively. Our incomes may be larger, but our expenditure keeps pace with it. Although people may not be much richer or better off than they used to be, still there has been a great change,—a change which we can scarcely realise when we look back at the position of this colony a few years ago. I next come to the remarks of my learned friend the member for Albany, who devoted most of his attention to the question of whether it is desirable that our railways should be constructed by the State or by private individuals. All I can say with regard to that is, that the

policy of the present Government is that our railways should be constructed by the State. We think if it will pay private individuals to construct these railways, which are necessary and urgent, it will pay the State to do so. I feel, too, that in this matter the people of the colony are with us. We have had some experience—I have had considerable experience during the last ten years—in connection with these private companies, and I cannot recollect one single instance in which the result has been satisfactory to the colony. Our dealings with these companies have given us endless trouble and annoyance, and very often ended in disaster; and, for my own part, I am not prepared to entrust the construction of our railways—that is, those railways that are urgent—to private individuals. I do not believe in the ability of these persons to carry out in their integrity the terms of their contract. I have had sufficient experience—we have all had sufficient experience—of persons who are ready to make all sorts of promises, and to do all kinds of things. They get on all right for a time, so long as things are working smoothly; but, if hard times come upon them, disasters occur, and the colony consequently suffers. These people cannot afford to lose money, if they find a thing is not paying. Then they collapse. On the other hand, Governments are in a position to carry on their undertakings, even if they do not pay, and even in the face of losses. But private people, if their contracts do not pay, cannot afford to lose money. These people must have their dividends regularly, or there is dissatisfaction and trouble, and, in the end, as I say, disaster. The time has arrived when the Government should construct its own railways, especially those that are urgently called for, and when it should have the entire management of them in its own hands. Besides this, I am not prepared to admit that the colony would be a gainer in any way by entrusting the construction of its railways to private individuals. There are some works, perhaps—works as to which the Government might be somewhat indifferent whether they were carried out without delay or not—that might be entrusted to private enterprise. But to entrust such great undertakings as the Murchison railway and the Coolgardie

railway — works of urgent necessity, works that brook no delay—to entrust important undertakings like these to a private company would, in our opinion, be altogether wrong, and be lending ourselves to what would very probably end in trouble and disaster. The same hon. member also made a particular point, that, in my remarks in introducing this Loan Bill, I did not promise there would be no extra taxation in connection with this loan and this scheme of public works. I did not make any actual promise, it is true, but I said that, so far as I could see there would be no occasion for any extra taxation. I cannot penetrate the future any more than other members can, and I am not going to promise that there will not be any extra taxation needed in connection with this Loan Bill; but I will say this: so far as I can judge at present, I see no reason whatever why there should be any additional taxation in connection with this Bill or the prosecution of these public works. That is my opinion. If I had any other opinion I would certainly express it. The hon. member also accused me of showing a want of courtesy towards the gentlemen who made those railway proposals to the Government. I regret very much that the hon. member should think so. But the correspondence is on the table, and members can judge for themselves whether anything I said to those gentlemen was discourteous, or whether I acted discourteously in any way towards them. The hon. member had to fall back upon some remarks I made at Geraldton, at a public dinner given to me, in the course of which I spoke in general terms in regard to these kind of proposals, and said that as a rule the persons who made these proposals were "impecunious adventurers." [MR. MARMION: So they are.] I did not say that any particular person was an impecunious adventurer, but that, as a rule, those who brought forward these schemes were of that class. I must say that has been my experience. I should be very sorry if anyone should apply what I said to himself; if he does so, I say let him do so. I referred to the generality of these people, and meant that those who made these proposals to the Government had very little means of their own, as a rule. The next member who spoke was my hon. friend who I see is not present

to-night, the hon. member for the De Grey; and I may at once say that I always have had, and have still, the greatest respect for the views of that hon. member. I believe he is a capable man, an experienced man, and certainly a most conscientious man; and nothing would grieve me more than to force through this House any measure having for its object the improvement of the land, or any scheme for providing facilities of transit for the community, in opposition to him. I do not believe I shall have his opposition in this instance; when it comes to the vote, I believe he will support me. But I could not but feel astonished that the hon. member should offer any opposition to the building of a railway to an agricultural district, a line which had for its object the opening up of the country. I cannot understand that any country which is any good at all would not be worth building a railway to it. I could understand this objection if we were in a very impoverished condition; but, seeing that we can afford this line and that the country is worth opening up, I cannot understand the argument. The hon. member also said he is in favour of light railways. I must plead some ignorance of these light railways, but, so far as I can judge, these railways would not prove cheap in the end. I can see that the cost of construction might be lower than with railways of the ordinary type, but I believe the cost of the upkeep of these cheap lines would be greater. I have seen some of these light railways—you can see them on the Midland, connected with the ballast pits—and I must say they seemed to me to be very trumpery affairs, only fit for running into ballast pits, and not at all adapted for use on permanent lines. I do not believe either that the expense would be very much less. These light railways would cost something like £700 a mile landed at Fremantle, and there would be the surveys, and the earthworks and embankments in addition to that; and, in the end, I believe they would cost within a few hundred pounds per mile as much as our own railways cost. I next come to the remarks of the hon. member for the Swan, and I must say I was disappointed at the views expressed by that hon. member. I was disappointed for more than one reason. First of all I may say I have the greatest respect for

the hon. member, and I know he enjoys the respect and the confidence of many members of this House, and also of many of the people of the colony. But I may say this—and I think the hon. member himself will be the first to acknowledge it—although he and I have, during the last three or four years, differed in our views, more especially as regards this policy of borrowing money for the construction of public works, I do not think he can say that the attitude he has taken in the past has proved to be right, or that subsequent events and present circumstances have proved that I was in the wrong. On the contrary, I believe that if the views which the hon. member held in 1891, when our first Loan Bill was introduced, had prevailed, the colony would not be in the satisfactory position it is in to-day as regards its public works. I must also take some exception to the views expressed by him on this occasion. I hope he will take my remarks in the spirit they are intended, because, as I said, the hon. member not only enjoys my respect, I am aware he also enjoys the respect and confidence of many members of this House and of the people of the colony. But I could not help feeling disappointed when he was speaking the other day. He really did somewhat upset me with his gloomy views. One would think that the colony had not progressed at all, and that I and those who took a more cheerful view of the country's affairs were living in a fool's paradise, or dreaming, and that the colony was no better off now than when we first got Responsible Government.

MR. LUTON: I never said so.

THE PREMIER (Hon. Sir J. Forrest): That was the impression he left on my mind, and I could not help feeling it. The hon. member went on to say that we should wait another year or two before undertaking these works, that the "sweet by-and-by" was the time for going in for some of these projects, although he said he was in favour of progress, and had done more, perhaps, than I had myself to keep the colony ahead in his private capacity. That may be quite true, but I could not help thinking that if the hon. member had not shown considerably more enterprise in his private life than in his public life, he would not be in the position he is in to-day. The hon.

member seems to think that what we ought to do is to cut down the amount of this Bill from a million and a half to one million. He seems to be under the belief that the salvation of the colony depends upon our cutting it down to £1,000,000 instead of £1,500,000. To effect this, he would have us go on with only a portion of the railway from Mullewa to Cue, and to cut down the harbour works item one-half—for what reason I cannot say, because he knows very well that, if we did so, we would have to come back to this House next year or the year after with another Loan Bill. I do not see what difference it makes myself. It does not follow that we are going to spend all this money at once. But, seeing that these works are necessary and urgent works, and that they will cost a large amount of money, I think it would be somewhat foolish to go on borrowing a little now and a little next year, and the year after. I could understand the hon. member's desire to cut down this Loan Bill as he suggests; I could understand this cheese-paring policy of cutting down this item and that item, a little bit here and a little bit there—all that I could understand if the colony was in an impecunious state, and we could not afford to pay the interest on the money we are proposing to borrow. But that is not the case. Then, why should we reduce these items? The Government are not going to borrow all this money until they want it. We are not going to borrow a million and a half at once for works that are to extend over some years. We propose to use this money to the best advantage. I see no advantage—in fact, I see great disadvantage—in coming to this House session after session with a new Loan Bill, drawing the attention of the London market and of the London Press to our constant borrowing. I think when we bring in a Loan Bill like this, at the commencement of a new Parliament, it is a wise policy to borrow sufficient to last us during the existence of that Parliament, if the colony is in a position to afford it. Would it be wise policy or a statesman-like policy for the Government to come to this House for authority to borrow a million to-day, and next year to come down again with another Loan Bill for half a million more? The hon. member is willing to borrow £1,000,000, and

increase our liability by £40,000 a year, but he objects to borrowing £1,500,000, and increasing our liability by £60,000. He seems to think that this difference of £20,000 would be the salvation of the colony. I really cannot understand it. I say this, if we consider these works are necessary and urgent works, and if we consider that the colony can afford them, we are perfectly justified in asking Parliament to approve of a loan sufficient to carry out these works. I say we are now in a position to borrow this money, we are in a position to justify us in incurring this liability, both as regards the payment of interest and also providing for a sinking fund. Then what is the use of our waiting another year or two? It is not as if we are likely to be in a better position to borrow this money in a year or two than we are at present. I venture to say we shall not, although I think I am in the habit of looking as cheerfully to the future as possible. I say there never was a time in the history of the colony when it was in a better position, or likely to be in a better position, for borrowing, than at the present time. Why, then, should we wait for a year or two? What is going to happen in a year or two? Why should we put off these works for the future? The people now in the colony—who are here now—should accept this responsibility, and enjoy the advantages of these works, and help to develop the colony, and not put off these urgent works until we shall have passed away altogether. We wish to see the colony prosperous now. We wish to have these great works carried out now, so that we may participate in some of the benefits that will accrue to the colony. I say we are in a position to construct these works, and I will show members, later on, that we are. Then I come to the hon. member for Nannine. I will not refer much to what he said, but it seemed to me he was in favour of everything that went to his own district, and did not care a straw for any other part of the colony. He is one of those who are prepared to accept everything for themselves, but nothing for others. He also wants the railway to his district built by private enterprise. If his constituents had to wait until these private gentlemen constructed their railway for

them, they would have to wait a long time for their railway, and they would probably say they wished they had allowed the Government to build their railway, rather than trust to people who promised so much but who were not able to fulfil their promises.

MR. ILLINGWORTH: You did not understand what I said.

THE PREMIER (Hon. Sir J. Forrest): The hon. member for Geraldton, too; he seems to think that we are going into the loan market for too much. But when I came to listen to what he had to say, I found, when he sat down, that he was only opposed to the two small lines to the Collie and the Blackwood. He was prepared to swallow £1,360,000; he only objected to £140,000. I was glad, however, to hear him admitting that when he recently visited the country through which this Bridgetown line is to go, he saw there some splendid land, as fine as any in the world, and that the district had enormous resources. He also said the railway ought certainly to be built; the only question in his mind was, when? I will tell him when—now. Now is the time for building it. He admits that the country has enormous resources, that the land is as fine land as any in the world—I would not go so far as that myself—and that it is capable of enormous development; still he says the time for giving it a railway is by-and-by. I do not think he will find the people of the colony with him in that respect.

MR. SIMPSON: We'll see.

THE PREMIER (Hon. Sir J. Forrest): Yes, we will see. Then he said he had great faith in our Collie coal, and that it possesses as good caloric value as any coal in the world. I would not say that about it myself, but the hon. member says so, and that he has great hopes of this coalfield. If so, what objection can there be to building a railway to it, and getting the coal out? The hon. member for York made some few observations upon the Bill, and I wish to thank him for many of the observations he made, and for the kindly references he made to the Government. But he said we had forgotten the North altogether in this Bill. The hon. member was wrong in saying we had forgotten the North. I assure him I have thought very seriously

about the North, and I must say it does not figure in this Loan Bill as I would like. But the time of the North will come, and, I hope, very shortly. I do not think it would be possible for the Government to provide in this Bill for a railway to the Pilbarra goldfields, nor to Hall's Creek. In what way then could the Government have served the North other than we propose to do? There are several items in the Bill which are specially intended for the North; and my regret—a regret which I am sure my colleagues shared—was that we could not at present justify a larger expenditure for the Northern portion of the colony. But the hon. member may rest assured of this: the North was not forgotten. Its claims were carefully considered, and I shall have no greater pleasure than, in the early future, to submit to Parliament some measure that will prove a substantial benefit to the Northern parts of the colony. It comes to this, then, that the objection of hon. members to this Bill is limited to £140,000. I am aware there are objections to the item of "Schools," and other small items. In respect to this last objection, I to a large extent agree; and it may be possible, when the Loan Bill gets into committee, that the Government may have some proposal to make in reference to that matter. The revenue of the colony is sufficiently elastic to provide for immediate requirements in regard to schools; and I hope, when we go into committee, I shall have a message from the Governor authorising the transference of that £20,000 to another item in the Schedule. I should like to point out that the construction of these various important works must take a long time; and I make this remark especially in regard to the notice of motion given by the hon. member for Beverley, affirming that the construction of the Bridgetown and the Collie coalfield railways should be delayed for a time. It must, in any case, take a long time to complete these works in the Schedule, because up to the present time we have not completed all the works authorised in the Loan Act of 1891. I think it would meet the views of the hon. member for Beverley, and those who are with him on the question, if the Government were to do, in regard to these two railways, what they did in regard to the railway to Busselton;

that is, to promise that these railways shall be undertaken last in the order of construction. That the Government are quite prepared to do, because we fully recognise that the two main requirements in present circumstances are the railway to Cue and the railway to Coolgardie. The only question remaining to be considered, in my opinion and that of the Government, in regard to this Loan Bill and the works proposed, is: can we afford them at the present time? I think we can afford them. I have proved that already in the speech in which I moved the second reading of the Bill. I may say that during the months of July and August last, the revenue received was double the amount which was received in the corresponding months of last year—quite double. The improving condition of the revenue seems to have been altogether ignored by the hon. member for the Swan (Mr. Loton) in his observations. He never touched the question whether we could afford to borrow this money or not, nor did he show how he arrived at his conclusions. He spoke in generalities, and never came to the point by showing us how we could not afford to borrow this million and a half of money. And that being so, I think we need not pay too much attention to what he said. I think it was his duty to show that the colony could not afford to pay the interest and sinking fund for the money borrowed, in support of his objections. Our increase of revenue, I may tell hon. members, during the financial year ending the 30th June next, will be much more than sufficient to pay the whole interest on the public debt of the colony, including this further loan of one and a half millions. That increase, perhaps, may astonish hon. members, but it is a fact that the increase of revenue for this current financial year, over the revenue of last year, will be more than sufficient to pay the interest on the public debt of the colony, including this million and a half of money. And seeing, as I have said, that during the months of July and August just past the revenue of the country has doubled, what cause is there for fear or for croaking? There is another question I may submit to this House, with deference, and I do not like to do it; but the Blackwood district is in an exceptional position as to its representa-

tion in this House. Its member occupies the honourable position of Speaker, who presides over the debates in this Assembly; and, being in that position, we have not the pleasure and benefit of his advocacy of the interests of that district in reference to this Bill which we might have expected under other circumstances. Therefore I feel a double responsibility—a responsibility as a member of the Government, and a responsibility as the member for a neighbouring constituency—to support the claims of the district which is represented by His Honour the Speaker. The hon. member for Beverley, by the terms of his motion on the Notice Paper, has admitted that these works are necessary and should be undertaken; and the only fear in his mind is that the time for them has not yet arrived, and that our resources are not sufficient. But after I have shown that our revenue is increasing so rapidly, I believe the hon. member will not press the motion of which he has given notice. If that work will be good in two years time, why should it not be good now? I have proved that we can afford it—no one can gainsay that. Our resources are sufficient—we were never in such a good position before—to warrant us in undertaking this work. We have had experience in railway construction in this colony; we have seen what railways can do for us—how they have changed the face of the country, how they have made a new face altogether. Surely we should not hesitate. I must say, from the interjections of some hon. members and the observations of others, it seems to me—although I cannot realise that they believe it in their hearts—that they are sorry the South-Western railway is showing better results than they had predicted for it, and they seem to think it cannot be paying so well as the official returns have shown it to be. The hon. member for Geraldton, in his eagerness to prove his view of the case, says he cannot believe the statistical returns of the traffic. Why cannot he believe the statistics? He should be anxious to believe them, instead of trying to poison the minds of people in the country and in this House, by saying he does not believe the statistics which prove the line is paying.

MR. SIMPSON: I will believe them when they are proved true.

THE PREMIER (Hon. Sir J. Forrest): The hon. member is sorry they have proved so good.

MR. ILLINGWORTH: Too good to be true.

THE PREMIER (Hon. Sir J. Forrest): Yes; that is it. The hon. member is sorry they are true. The hon. member for the Moore (Mr. Lefroy), who is not now in his place, told the House the same old tale—that we would like to do something for the people settled in the Bridgetown district, but let us wait a little longer, another twelve months. He hoped within two years we would be in a position to go into the money market, and so on. He told us another extraordinary fact, that he was in accord with the hon. member for the Swan (Mr. Loton), in his views on the Loan Bill. That did not astonish me. Still, he thought it necessary to tell us so again. Then he went on to say the Collie coalfield railway could well wait a little while. The hon. member for East Perth (Mr. James) seemed to think it his duty to make some observations on this matter. They certainly had no weight with me; I do not know whether they had any weight with other hon. members. He talked about log-rolling, and asked why was not the Bridgetown railway necessary last year, and why was not the necessity for a further amount for the Fremantle harbour works evident to me last year? Well, we have been going on with those harbour works; but in regard to the Bridgetown railway, it was necessary last year, but we were not in a position to undertake it. He said we could not be certain that the goldfields to which we proposed to build railways would be permanent, and so on. I think the hon. member's principal idea was to try and say something in opposition. I do not think he was in earnest. Certainly his remarks were not taken in earnest by me. Next came the hon. member for the Gascoyne, who was in his usual croaking mood. He was croaking all through; but he always takes the opposition side, and has always been proved to be wrong. I am sure he admitted it, and he did seem to be sorry that he could not have the gratification any more of croaking about the South-Western railway. The hon. member is an excellent man, and a great friend of mine, in private life; everyone who knows the hon. member values him for his independence of char-

acter; but in this House he generally gets on the wrong side, and in speaking on this Bill he was just the same as he always is. One could not help noticing that those who opposed the agricultural railway in the South were in favour of the goldfields railways—they are even eager to have them constructed; but when they came to the items for developing the agricultural resources of the country, they seemed to stop, and said, "No; these items must wait." Those hon. members hesitated about the development of agriculture; but, at any rate, they were willing to spend three-quarters of a million for constructing railways to the goldfields; yet, when it came to a question of building a railway to that portion of the country which is capable of a great increase in settlement and production, they hesitated. I should like to know why that was so. I am afraid they have not looked into this question as closely as one would expect. What is the use of gathering gold, if it is all to go away for buying food with which to feed our population? We have an opportunity now which we may not have again, for we have a magnificent market, almost at our doors, in which our produce may have a ready sale. Still those hon. members hesitated to vote a paltry £80,000 towards the development of the agricultural districts of the colony. I cannot believe the House will reject such a proposal as that, until the figures are up. I hope the views of those hon. members will not prevail. As to the old cry of "Delay, delay; wait another year, wait two years," we have had that cry too long in this country; and what is the result? It is only lately that we have been able to forge ahead at all. We have waited too long. There is no reason for delay. If there were, I would join with hon. members in calling for delay. But when we have a good and increasing revenue, and the prospect of a very large increase of revenue during the year on which we have entered, and when we feel sure that increase will continue, what is the reason for delay? I really cannot find words to express the foolishness, in my opinion, of talking about delay, when we have the opportunity, and have the means. Our credit is good. Our stock in the London market is quoted at 110—a price such as was

never before known in the history of this colony, and this is after we have borrowed two millions of money. Still, our stock stands at a better price than it ever did since we have been a borrowing colony.

MR. R. F. SHOLL: What price will you get for the new loan—110?

THE PREMIER (Hon. Sir J. Forrest): By the end of the current financial year, the revenue of the country will have doubled during the time the present Ministry have been in office. And, that being the immediate prospect, is it not one that should give us some hope, some confidence, some pluck in providing for the future? I think it should.

MR. ILLINGWORTH: It is the gold.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Never mind whether it is the gold or not.

THE PREMIER (Hon. Sir J. Forrest): I feel I have had to labour a very small part of the Bill. I might have left some of these remarks until we got into committee. But some hon. members have made such a dead set against a small item in a large Loan Bill, that I have deemed it necessary now to refer particularly to that part of the Bill which has been attacked. My firm conviction is that we must do the two things together, for, as was stated in the Governor's Speech, the intention is to develop the mineral resources of the colony by every means in our power, and at the same time to assist in developing the agricultural interests. If we do the one without the other, we shall be acting foolishly. However, this House is the arena for discussion. The Government can only do their duty, and it is for this House to say whether they will follow the Government in this Loan Bill, or not. I ask hon. members whether, during the time the Government have occupied these benches, we have led them into any serious trouble; and to those hon. gentlemen who have given us such a strong and loyal support during the time we have been in office, and to whom as much credit is due as to us for the past legislation, because without their support we as a Ministry would have been powerless—I may say to them that if they are willing to agree to items amounting to £1,360,000 in this Loan Bill, the Government are not asking too much in asking for their support in the two small items

which make up the remaining £140,000 of the loan—in asking them to, at any rate, follow us in these comparatively small matters, after agreeing with us in the much larger matter of £1,360,000. The Government have often been called Conservative, but I ask, who are the real Conservatives in this House—those who sit on this side or those who sit on the other? I say we are the Liberals in policy, the Liberals in public works. Are the gentlemen opposite, who are opposing us, real Liberals? No; the Government and their supporters in this House are the Liberal Party. We have always been in advance.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Hear, hear. Deny it who can.

THE PREMIER (Hon. Sir J. Forrest): Our object has not been to develop one part of the country or another part of the country. As I told the people at Southern Cross, a few days ago, our object is not to develop the goldfields only, but we want to do justice to the country from North to South, and from East to West. I believe we can carry this Loan Bill; but, as I said to a friend of mine to-day who has been a loyal supporter, I am unwilling to force an item through this House when some hon. members who have stood by us through thick and thin, almost, would be opposed to us on a particular item. I want to be in accord with those hon. members, and do not wish to force an item through this House adversely to their wishes. In conclusion, I desire to thank hon. members for the criticism they have extended to the Bill. That criticism has been generally favourable—very generally favourable—nearly unanimous in regard to items amounting to £1,360,000, and only doubtful in regard to items amounting to £140,000. I again appeal to hon. members who have supported and assisted the Government during the last few years, to try and stand by us, and try to coincide with the Government in regard to these one or two items which have been questioned. They may depend upon this, if I am able to judge correctly, that they will never regret it in the future, because I cannot suppose that a railway constructed through a country that is capable of great development, which consists of good land, and which has a salubrious climate

and a bountiful rainfall, will ever be a burden on the population of this colony. We can afford to do the work, and are in a position to undertake it even at once, though I do not intend that this work shall interfere with the progress of other works which are even more pressing; but still we have the means, and there is no reason I know of why this work should not be undertaken. The work is urgent and necessary, and we can afford it; and, in doing this work, we shall be carrying out the great principle we are trying to carry out, that is to do everything in our power for developing the mineral resources of the country, and at the same time that this shall go hand-in-hand with that part of our policy which is to develop the agricultural resources of the country.

Question—That the Bill be now read a second time—put and passed.

Ordered—That the Bill be considered in committee on Monday, 10th September, 1894.

ADJOURNMENT.

The House adjourned at 11.5 o'clock, p.m.

Legislative Assembly.

Tuesday, 4th September, 1894.

Constitution Act Further Amendment Bill: first reading—Closure of Stirling Street Bill: second reading; in committee—Municipal Institutions Bill: further considered in committee—Adjournment.

THE SPEAKER took the chair at 2.30 p.m.

PRAYERS.

CONSTITUTION ACT FURTHER AMENDMENT BILL.

Introduced by Sir JOHN FORREST, and read a first time.