

intended to be reached by a clause in the Bill the usual method of wording it should have been adopted. However, he was not prepared to rule the clause out if the hon. member preferred to put it in the form in which it had been submitted.

Mr. HUDSON was prepared to accept the Chairman's suggestion and would amend the clause.

The ATTORNEY GENERAL desired to call attention to Clause 2 which had been passed by the Committee to the effect that until altered in pursuance of the Act the days on which the shops should close at one o'clock and ten o'clock respectively should be Friday and Saturday, according to the choice of the shopkeeper. It would be seen therefore, that the Committee had already made provision in the Bill for a state of affairs which was to exist until altered in pursuance of the Act; the alteration being that provided for in Clause 3, namely, by a poll taken of the electors. He submitted that the clause having been passed could not be amended in the manner suggested. It would make confusion worse confounded, and the Bill was bad enough.

Mr. BATH: The Attorney General it seemed had failed to recognise that the clause the Committee had carried was in conflict with the proclamation. The effect of the clause was to override the proclamation in order to give the Bill an opportunity of coming into force. The very argument advanced by the Attorney General against the proposed new clause applied also to the proclamation which was in conflict with the clauses already carried.

The ATTORNEY GENERAL: Hon. members appeared to be under an impression that if the Committee accepted the new clause proposed by the member for Dundas it would come into force at once before the Bill became law. It was not so. Furthermore, under Section 2 of the Bill there had been provided a set of circumstances which was to prevail until the poll was taken as provided for in Clause 3. The effect was a nullity. There was no effect at all.

Mr. Bolton: But is the clause not necessary? Supposing the Bill passed another place next week.

The ATTORNEY GENERAL: In such event Clause 2 would put an end to the proclamation. Further than that, by this very Bill they were repealing Section 5 of the principal Act, the section under which the proclamation had been made. Hon. members would see therefore that there was no necessity whatever for this proposed new clause.

The CHAIRMAN said that he would not put the proposed new clause, for he presumed the hon. member did not intend to proceed with it.

New Clause withdrawn.

Schedule 1—agreed to.

Schedule 2 (consequential) struck out.

Title—agreed to.

Bill reported with amendments.

House adjourned at 11 p.m.

Legislative Assembly,

Friday, 27th November, 1908.

	PAGE
Privilege, Minister's statement at Menzies	452
Paper presented	453
Bills: Land and Income Tax, Message	453
Bunbury Harbour Board, 2s.	455
Limited Partnerships, 2s., point of order	461
Annual Estimates, financial debate resumed	477

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

PRIVILEGE—MINISTER'S STATEMENT AT MENZIES.

Mr. HOLMAN (Murchison): Mr. Speaker, I wish to crave the indulgence of the House on a point of privilege in regard to some statements made by the Minister for Mines during the Menzies election, statements that were untrue and libellous, in regard to myself. I do not know whether I can do this at a later stage on a direct motion, or whether I should deal with the matter now. I

am prepared to take your ruling, but I desire the matter to be settled at the earliest moment, as already the Minister's statements have had some detriment on my public life, and I do not intend to let any false statements concerning myself go without challenge.

Mr. SPEAKER: Before the House met I informed the hon. member that on a matter of privilege he had the right to bring the matter before the House, but I said I did not consider it a matter of urgency. In the circumstances the hon. member can give notice.

Mr. Holman: Very well.

PAPER PRESENTED.

By the Premier: Kalgoorlie-Port Augusta Railway Survey; progress report by Mr. H. Deane.

BILL—LAND AND INCOME TAX.

Message.

Message from the Governor received and read recommending this Bill.

BILL—BUNBURY HARBOUR BOARD.

Second reading.

The PREMIER (Hon. N. J. Moore), in moving the second reading said: This measure has already received the consideration of this House and was forwarded to another place, returned with certain amendments, and eventually defeated in another Chamber on the third reading, many of the supporters of the Bill being under the impression that it had passed its third reading on the preceding evening. Consequently a Bill which was urgently needed was dropped, and the port of Bunbury has not had the advantage of the operation of the measure. The volume of trade and the various controversial matters that have occurred during the last 12 months have pointed out the necessity that exists for some action being taken to give effect to the proposal to constitute a harbour board at Bunbury. During the Address-in-Reply the member for Claremont (Mr. Foulkes), who I regret to

see is not here to-day, stated that this measure would not have been brought forward had it not been for the fact that the member for Bunbury happened to be the Leader of the Government at the present time. That is an absurd statement, and it is about on a par with most of the generous statements which are characteristic of that hon. gentleman.

Mr. Bath: That is unkind; he is one of your supporters.

The PREMIER: I am making a few remarks as to the statements he usually is responsible for.

Mr. Taylor: Statements he makes about this (Opposition) side of the House.

The PREMIER: I do not know that his support is of any great value to any particular party in the House. I can only say that the remark was most absurd. The proposal for the Trust emanated in Bunbury some considerable time ago, and was supported not only by the Shipping Association, but also by the Chamber of Commerce, the municipal council, and the Lumpers' Union of that town.

Mr. Swan: A grand union that.

The PREMIER: A splendid lot of men. The Bill generally is founded on the experience of Fremantle and the other States. The fact that divided control exists there has, no doubt, caused a considerable amount of friction. At the present time the Harbour and Lights Department, under the Colonial Secretary, control a portion of the lighting and the pilotage; the Railway Department are responsible for the berthing of vessels, and also for the lighting of that portion of the jetty used in connection with the shipment of cargo; the Works Department are responsible for the works and maintenance in connection with the jetty; while the municipal council control the shore end of the jetty. Members will therefore realise, that with so much divided control, a certain amount of friction must occur. To secure responsible control is the object of the Bill, and the fact that there are so many conflicting interests in connection

with the export trade, the allocation of berths and other controversial matters incidental to the trade of a busy port, prompts me to endeavour to secure the approval of members to this measure, which I feel sure is in the best interests of the State and the port. With the construction of the new railways recently opened, and the completion of the Donnybrook-Upper Preston Railway, now being continued to Boyanup, it follows that the trade of the port must increase, while the expansion of the export trade in coal, which is finding favour for bunkering purposes, and which provides one of the most pleasant developments that have taken place in the last twelve months, will materially add to the volume of trade. In support of this statement I may say that in Bunbury on Sunday last, when I had the opportunity of visiting the jetty, and had one or two photos. of the harbour taken, so that members could see the condition of the trade, there were no less than nine vessels in the harbour, seven large steamers, and two sailing vessels, representing a total of something like 30,000 tons. From the fact that shipping facilities so far as coal is concerned are being improved, it will necessarily follow that more vessels will frequent the port. The question of despatch is a great factor in connection with the bunkering trade, and with the very primitive arrangements that have been in existence, it has only been possible in the past to bunker about 15 or 20 tons per hour, but with the erection of a gantry about 60 tons can be bunkered per hour. This would encourage vessels to go there for coal. During the last few years the export trade of Bunbury has assumed very large dimensions; the port being the natural outlet for the South-West. This development has been going on since 1897, when the first stone of the breakwater was tipped into the water. At that time the trade was practically confined to a few small barques which called in occasionally to take jarrah to South Africa and South Australia.

Hon. F. H. Piessé: What about the forest of masts?

The PREMIER: One gentleman—Mr. G. T. Simpson—who was then a member

of the Legislature, said on one occasion he felt sure that, with the construction of the railway in that district, it was only a question of time when there would be a forest of masts in the harbour. The photographs I had taken on Sunday last will enable members to realise that the time was not far off. When the first stone of the breakwater was tipped the export trade was only £16,478. Since then, thanks to the establishment of many mills in the neighbourhood through the construction of the South-West, Collie, and Blackwood railways, the trade went up in 1901 to £140,158; in 1904 to £366,879; in 1906 to £482,451, and for the ten months of this year to £477,897.

Mr. Johnson: They are getting on very well without the board.

The PREMIER: One can guess the congestion there, and realise what trouble there is for the vessels to get despatch. A good deal of the delay is caused by the fact that there are too many controlling interests. The sum of £477,897 represents the value of the oversea exports outside of Australia. In addition to this, however, there has been exported to the various States within the Commonwealth during the last twelve months timber to the value of £140,000; so that the export trade of the port at the present time is about £600,000. The value does not give one the fair idea I should like as to the amount of labour entailed in connection with the port, inasmuch as, although the actual figures as to the value of the trade do not compare with those of Fremantle, every load of timber put on board in Bunbury means that something like 5s. has to be spent in the handling. Practically two-thirds of the value of the timber is expended in wages in and around the district. Clause 51 of the Bill provides that the board, in addition to paying all working expenses, shall find interest and sinking fund on the original cost as well. I will give a few particulars as to the harbour works that exist there now, and which would eventually be taken over by the board.

Mr. Johnson: Supposing the board fail to earn that revenue?

The PREMIER: I can show you they will not do so, and can give you what the revenue now received there amounts to.

Mr. Johnson: What is the use of a clause like that?

The PREMIER: What is the use of a similar section in the Fremantle Act?

Mr. Johnson: No use at all, for the Trust do not earn interest and sinking fund.

The PREMIER: Certainly they do.

Mr. Taylor: They have only been allowed to this year.

The PREMIER: They raised the wharfage rates so that they could.

Mr. Angwin: It was because the Government took the matter into their own hands.

The PREMIER: The length of the original work at Bunbury was 3,215 feet, and the breakwater cost £120,422. The length of the subsequent scheme was 800 feet, costing £58,000. This contract was let in 1906, and finished last year. The length of the original design was 6,000 feet, so that at the present time, we have constructed 4,015 feet of work as originally planned. During last winter the value of this breakwater was fully realised, for vessels were able to lie alongside the jetty and load with very little discomfort, owing to the protection they received from the breakwater. The cost of the original breakwater, as I have said, was £120,422 and out of this sum £90,000 was contributed from revenue. The total cost of the breakwater to date is £178,422. Up to the end of July of this year, 186 vessels with a gross tonnage of 415,963 tons visited the port. I have already given the exports of the port during the time, but I would like also to point out in addition that harbour dues to the amount of £3,136 were contributed during the year, and that there was received from customs and excise £5,400. From particulars I have received from the Railway Department, it appears that the earnings during the twelve months ended the 31st October were: wharfages outward, £10,723 4s. 9d.; inward, £1,372 15s. 1d.; live stock, inward and outward, £231; berthage fees, outward, £724 0s. 10d.; inward, £43 1s. 7d.; total received by the Railway

Department alone, £12,865 6s. 4d. In addition to that, the harbour dues received by the Colonial Secretary's Department totalled £3,500. Some idea of the railway traffic of this port is shown by the fact, that during the twelve months ended the 31st October, the traffic of goods inward amounted to 350,657 tons; while the amount of railway freight paid on that trade is valued at £75,436. When this measure was before the House previously, I went into details in connection with the trade of the port, and I do not know that I should worry members at any great length on this occasion. I was indebted during the last discussion of this Bill to my friend the member for Mount Margaret (*Mr. Taylor*) for the assistance he gave me in getting the measure through. He had had an opportunity of making himself acquainted with what was required at the port, while he occupied the position of Colonial Secretary, and I am sure that on this occasion he will concur with me in the idea that this measure well deserves the attention of the House, and should be given effect to without delay.

Mr. Bolton: Are you of the same opinion now that you were then, that the lumpers should be given representation on that board?

The PREMIER: I said I would give a representative of the workers a place on the board.

Mr. Bolton: Are you still of the same opinion?

The PREMIER: Did you ever know me to alter my opinion?

Mr. Jacoby: And what will be the remuneration of the members of the board?

The PREMIER: As far as the remuneration is concerned the fee of the chairman will be £100 per annum, and the other four members will draw £50 each per annum; in addition, of course, it will be necessary to provide for a secretary. At the same time I may point out that the board will relieve some of the present officials of certain duties, and consequently as far as the cost of administration is concerned it will not be increased. Delays that often occur when there is any clashing between the

harbour and berthing masters will be obviated by the formation of this board. Altogether the business of the port will be considerably expedited and not only will the alteration benefit the port but the shippers as well. There are to be, as I have stated, five members to carry the Act into execution. The members are to be appointed by the Governor and one of the members is to be annually appointed by the Governor as chairman. I have already stated what the remuneration is to be. The property is to be vested in the board as Clause 20 points out. This clause states:—

“There shall be vested in the board for the purposes of this Act—

- 1, All lands of the Crown within the boundaries of the harbour, as described in the schedule to this Act, including the bed and shores of the harbour.
- 2, All wharves, docks, landing stages, piers, jetties, wharf sheds, and railways belonging to the Government and within the boundaries of the harbour.
- 3, All such other property as the board may acquire or the Governor may at any time think fit to vest in the board for the purposes of this Act.”

Clause 30 gives a certain amount of control to the Chief Harbour Master in connection with the erection of buoys and beacons. It was considered it would not be advisable for anyone but the principal harbour master to have control of the erection of these beacons, inasmuch as it would affect the regulations which are promulgated for the guidance of shipping masters visiting the port. Clause 30 provides:—

“The board shall not erect or place any harbour light, signal, buoy, or beacon within the boundaries of the harbour, or alter or remove the position of any light, signal, buoy, or beacon without the sanction of the Chief Harbour Master.”

I do not know that there are any other striking features in connection with this measure that I need draw hon. members' attention to at the present time. With regard to the other ports, Fremantle is

the only one which is under Commissioner control. We have altered the title of this Bill from that of “trust” to “board.” We realise that they do not want as much authority at Bunbury as at the port of Fremantle. In Sydney there is a harbour trust, but there they have three highly paid officers; the chairman receives a salary of £2,000 a year, and the other two members a salary of £1,000 a year each. In Melbourne there are 17 commissioners on the harbour board representing different electorates and various interests. In Queensland there is a board which has power to appoint boards to control ports. In New Zealand provision is made for subsidiary harbour boards by a special Act. The experience we have had here is one that leads me to think that if this measure is effectual it will be to the best interests of the State generally. The measure was passed on the voices on the previous occasion, and I feel sure that the only objection that another place had having been removed it will now receive the concurrence of that Chamber. An objection was taken to the Bill owing to the fact that it contained a clause which provided that the position of commissioner should not be considered an office of profit under the Crown. It was urged that this was a contravention of the Constitution notwithstanding the fact that it had been specially inserted in the Fremantle Harbour Trust Act to secure the services of Captain Laurie, who was then a member of Parliament. I do not think there are any members of Parliament resident at Bunbury who are very anxious to secure a position on the board, and consequently I do not propose to risk the Bill being thrown out by again including this clause. There might again be a difference of opinion as to whether it would be constitutional or otherwise to include such a clause. I have every confidence in recommending this Bill to the consideration of the Chamber, and I hope hon. members will see fit in their wisdom to give it their approval. I have pleasure in moving—

That the Bill be now read a second time.

Mr. ANGWIN (East Fremantle): The Bill is virtually the same as the measure which was passed in 1907 with the exception, as the Premier has stated, of the clause which has since been deleted. I merely rise to offer my protest against handing over the various departments of the State, which should be managed by Ministers, to various boards. We have too many boards coming into existence.

The Premier: What is wrong with handing over the East Fremantle Council to a board.

Mr. ANGWIN: I will only say if the Government managed their business as well as the East Fremantle Council, the country would be in a better position to-day. There has been a tendency, not only here, but throughout Australia, to hand over to irresponsible bodies all concerns that Parliament should have control over. We have the railways taken away from us, and the Fremantle harbour is controlled by a trust, which, I might mention, has not been that success that the Premier wishes us to believe. There is a good deal of dissatisfaction there. In looking through this Bill I find that while there are to be five members on the board we have the Premier's word that the workers will have a representative on it; but this Bill in all probability, when approved of, will be handed over to the Colonial Secretary to administer, and we know well what stand that gentleman takes as far as Harbour Trust Commissioners are concerned. I have a good deal of doubt in my mind whether the Colonial Secretary would agree to what the Premier has promised hon. members should take place.

Mr. Taylor: There would be trouble if he did not.

Mr. ANGWIN: The Premier has told us that the powers of the board will not be the same as those of the Fremantle Harbour Trust. I believe there is no intention as far as Bunbury is concerned to handle cargo at all; then what is the reason or necessity to hand over merely the control of the jetty to the board. The railway will have to be worked by the Railway Department as at present; the lights will be controlled

by the harbour master as at present; and taking everything into consideration there is the possibility of there being greater risk of friction arising than at the present time. To-day they can appeal entirely to the Minister, and having such an able gentleman as the Premier to represent them I am inclined to think that those who patronise the harbour are likely to get on better by appealing direct to the Minister than they will by appealing to the board. I merely wish to protest against handing over the management of the affairs of the State to irresponsible bodies.

Mr. JACOBY (Swan): I have listened carefully to the remarks of the Premier in introducing the second reading of the Bill, and I must confess that I have failed to satisfy myself that there is any justification for increasing the expenditure which will be bound to happen if this board is created. Under the present circumstances I intend on principle to object as much as I can to any extra expenditure that can be done without. If we look through the Estimates we will find in many important directions that the primary producers in the State are being handicapped because of the want of expenditure in order to give them the facilities that they require to carry on development. Under those circumstances I protest against expenditure in the direction proposed, and it appears to me that if we require to get rid of any inconveniences that may occur at Bunbury it should be sufficient to send along a Ministerial minute. The Premier tells us there is necessity for a board because friction occurs among the officers in charge of the jetty. Surely the department responsible can place someone in control in order to obviate friction. It seems to me that the method it is proposed to adopt will be the most expensive in order to get over the friction that is occurring at Bunbury. The result will be that the cost will amount to about one-third of the dues that we receive from the harbour. The Premier tells us that the extra expenditure involved in this Bill will be £300 for the payment of fees to the members of the board, and in addition that it will be

necessary to appoint a secretary, who will receive perhaps another £300 per annum. Then, in addition, it will be necessary to have an office and staff, and that will bring us straight away to an expenditure which may total £1,000. I think I am fairly within the mark when I say that I cannot see that the extra expenditure will add one penny to the revenue of the State. I am one of those who believe in developing in every legitimate way the outports of this State. My idea of helping Bunbury would be not so much in building up the port but in developing the country behind the port in order that that country may act as a feeder to the port. I object also to the duplication of boards. During the time I was addressing my constituents I pointed out that in many directions Ministerial responsibility had been handed to boards. Very often these boards overdraw their accounts and the amounts so overdrawn have to be made good by the Government, who, of course, are thus made responsible for the expenditure incurred by irresponsible boards. In the circumstances I cannot support the second reading of this Bill. I would prefer that we extend the powers of the Fremantle Harbour Trust—a body with all conveniences and organisation—that we should extend their powers to the port of Bunbury.

The Premier: You might as well let the municipality of Perth run the municipality of Guildford.

Mr. JACOBY: I have not yet heard that the port of Bunbury has suffered under Ministerial control. It appears to me that the Premier has but to write a minute to get over the difficulty of the friction between the parties interested. However I shall require to see full justification before I give my consent to further expenditure unless it be absolutely necessary.

Mr. HAYWARD (Wellington): I am surprised to find opposition to this Bill. I have taken part in the shipping business of the port of Bunbury for the last 40 years. I have taken the trouble to go through the Premier's figures, and on Monday last I went down to the jetty to

see for myself how matters stood, and as a result I can endorse all the Premier has said. It has been stated that the Harbour Trust in Fremantle could better conduct the business of the port of Bunbury.

Mr. Angwin: No one will believe that.

Mr. HAYWARD: Still, it was so stated. In all these things it is advisable to have home rule. The people who live in the place and the merchants of Bunbury are better acquainted with the requirements of the port than are any other people living outside.

Mr. Jacoby: They will be wanting similar boards at Albany and Geraldton next.

Mr. HAYWARD: Well, if it could be shown that they were necessary I think they ought to have them. The amount of tonnage in the Bunbury Harbour on Sunday last was 30,100 tons.

Mr. Collier: That has nothing to do with it.

Mr. HAYWARD: They were all taking in cargo. In connection with that it will be necessary for further facilities to be provided there in a very short time. The trust or board would be in a position to ascertain what facilities will be necessary. On Sunday there were two vessels lying in the harbour awaiting a berth at the jetty and one of these at least was waiting for coal. This waiting involves considerable expense and loss of time, and in this respect I may say it will be absolutely necessary for extra provision to be made at the port for the shipping of coal alone. Under these circumstances I cannot see any serious objection to the appointment of the board proposed in the Bill.

Mr. FOULKES (Claremont): I rise to make a few remarks in regard to this Bill. I can remember that it was introduced last session and that there was in that Bill a provision which I am glad to notice has been dropped from this measure. In the measure of last year there was a provision that members of Parliament could, if it were desired by the Government, have a seat on this board. I opposed that strenuously because I thought it was not right to have members of Parliament appointed to these

boards. Therefore I am glad to see that the clause has been dropped out of the present Bill. I am quite aware that a large export and import trade is done at Bunbury, but what I would like the House to consider is that if harbour boards are appointed in a district like Bunbury we shall have claims made to create harbour boards in other parts of the country. For instance, in a short time claims will be made to have harbour boards at Geraldton and Albany. I would like the House to consider the amount of trade done at these various ports. At Bunbury in 1907 the number of ships that came to the port totalled 150, while at Geraldton there were 171, and at Albany 444. They were ships coming to the port. Ships going out totalled, at Albany 441; at Bunbury 147; and at Geraldton 172. The tonnage of these various boats shows also that these two other harbours had a very much larger aggregate than had Bunbury.

The Premier: It is a question of handling cargo.

Mr. FOULKES: I will deal with that later on.

The Premier: You can do it by taking the wharfage returns.

Mr. FOULKES: The amount of tonnage inwards at Albany was 858,000 tons; at Bunbury 206,000 tons; and at Geraldton 223,000 tons. The outward tonnage was: Albany, 848,000 tons; Bunbury, 204,000 tons. and Geraldton, 253,000 tons. I will deal now with the value of the trade done at these different ports; hon. members will find it in the Statistical Return for October. The total value of the trade export and import at Bunbury was £461,000; at Albany, £885,000; and at Geraldton, £311,000.

The Premier: At Bunbury there are 250 lumpers, while at Albany there are 20.

Mr. FOULKES: At the present time I am dealing with values. I quite admit that at some places it is necessary to employ more labour in connection with export and import trade or with a certain class of export trade than it is at other ports. Still, dealing with the amount at stake it will be seen here that a very much larger trade is done at Albany than is

done at Bunbury. Even at Geraldton the value comes to within £150,000 of the value of the trade at Bunbury. The Premier mentioned the fact that something like 250 lumpers were employed at Bunbury in comparison with some 20 at Albany; but the mere fact that 200 or 300 men are employed is not in itself sufficient to justify the appointment of a harbour board at Bunbury.

The Premier: It is at least evidence that more cargo is handled.

Mr. Heitmann: That does not require any more management.

Mr. FOULKES: It means that a certain amount more cargo is handled, but the figures I mentioned just now in regard to the amount of tonnage and the value of these imports and exports show that these two other harbours have a very large amount of cargo to handle. Now, the question arises, who is it that handles this cargo? I am informed on reliable authority that at the present time there is no necessity for anybody to handle that cargo at Bunbury; the practice is to take this timber right down to the ship's side. There is no necessity for outside people to deal with this particular class of export trade. I am also informed that the timber company have never asked for this concession at all. It will be of no advantage to them to have an outside body appointed to deal with this harbour.

The Premier: There is the question whether the timber companies or the coal companies shall have the berths.

Mr. FOULKES: I tried to make it clear that what exists is this: the timber is brought by the Railway Department straight to the ship's side and therefore there is no necessity for an outside body to take charge of it. In Fremantle, I am informed, a large amount of the cargo brought there is dealt with by the Harbour Trust. It is stored in the goods sheds for varying periods of time; sometimes it lies for a day, sometimes for a week, and even for a longer time. But in respect to the timber at Bunbury there is no necessity for storage. It is brought down to the railway trucks and deposited at the ship's side and slung aboard the vessel, and there is no necessity at all

for an outside body to intervene and handle this timber. It is not a case where there is any necessity for a harbour board or outside body to come in and store these goods. I am also informed—and I hope the Premier will make inquiries in this respect—that the Railway Department is not anxious to have this change made.

The Premier: They are not anxious, because they are drawing £14,000 a year in wharfage dues on works which were built out of revenue.

Mr. FOULKES: So much the better for the State. The Premier seems to think that it is a wrong thing for the Railway Department to draw this amount.

The Premier: They do not provide interest and sinking fund.

Mr. FOULKES: I can quite realise the fact that the Premier is the member for Bunbury, but I would be glad if he would allow me to continue. The Premier says that the Railway Department draws something like £14,000 a year on account of this trade at Bunbury. What harm is there in that? Yet it is looked upon by the Premier as a crime, or an offence on the part of the Railway Department that they should earn this money. There is too much friction between our departments. It often happens that one department is trying to score over another department. One will make a very heavy charge in connection with work done for another simply through anxiety to show a good return. I do not say the Railway Department are opposed to this Bill; but judging from the Premier's remark, he has practically admitted that there is no desire on the part of the Railway Department to have a harbour board to deal with the trade at Bunbury. Just now we have the Treasurer trying to impress on us the need for economy, and he is right in telling us that, but here we are asked to saddle the State with a perpetual expenditure of £300 a year. That is practically what it means.

Mr. Heitmann: There will be a secretary; it will be nearer £600.

Mr. FOULKES: I presume that the secretary will merely take the place of the official who at present looks after the work. At any rate £300 at four per cent.

means practically a sum of £7,000, and I think the time has come when members should hesitate very much before they create a new department. I am not opposing this Bill in opposition to the district of Bunbury, because it is well known that there is a large trade done at Bunbury in connection with timber, but we have innumerable complaints—I do not know whether they are justifiable or not—in regard to the timber trade. We have the people carrying on the trade complaining continually that it does not pay them. The representative of one of the largest timber corporations operating in this State said the other day that his company hoped to pay dividends in two years' time, and the workers engaged in the trade complain that they are not getting sufficient out of it to get a living. So we have the employers and the employees complaining in regard to this trade, yet we are asked to put an additional impost on the people engaged in it; because we must bear in mind that whatever additional expense is created, whether we have a harbour board or not, this trade will have to bear it. There is great competition in all parts of the world with regard to timber, and in this State things have not been too satisfactory. It is unsatisfactory to note that none of the timber companies here are paying dividends. We all regret it; even the Labour members I am sure regret that this industry is not a remunerative one to the people who put their money into it; because it is all the better for us all that a trade should be remunerative to the people who put their money into it. For these reasons I hope the House will consider very seriously before they agree to pass this Bill. I am sure no harm will be done if the Bill is thrown out. I was told by the representative of the timber corporation that his company did not want this Harbour Bill, and we know that the Railway Department do not want it, and I will ask members to bear in mind that the trade done at Bunbury is of such a character that it does not require any person to intervene to handle it. It is not the same as at Fremantle where thousands of pounds worth of goods are

brought to the port and have to be looked after by the board there before being sent away, because at Bunbury the timber is put on the ships straight out of the trucks, and there is no need whatever for any outside party to intervene.

Hon. F. H. PIESSE (Katanning): There is an old saying that comparisons are odious. When we have comparisons made it is necessary that we should have knowledge in regard to how we may deal with these comparisons. No one gives second place to the port of Albany in its importance less than I do. I believe in that port and that it will be one of the future great ports of the State. It has natural advantages because it is in such a position that it will ultimately command the trade of that district which we know is going up daily. The great trouble always is, it appears to me, the jealousy that arises between the various ports and the various communities of the State. I believe in creating a spirit of emulation, but I do not believe in encouraging intense jealousy between centres that would, if they worked together, do so much for the common good of the whole community. No doubt the member for Claremont gave the true state of affairs in regard to the tonnage at Albany. Certainly Albany is only second to Fremantle, and I say it is going to be the second port in the State for all time in regard to its export trade, because it will deal with the great grain export that will come in the future. But the conditions ruling in regard to the ports of Bunbury and Albany are altogether different. Bunbury has a trade in low-priced products, namely coal and timber, both of which cost a good deal to put on board a ship for despatch. It is a trade quite distinct in point of value from the trade of the port of Albany when one comes to investigate it. The trade at Bunbury in low-priced products is one that means so much to us in regard to building up the country and in developing two great national industries. On the other hand the trade at the port of Albany has a tremendous value because nearly all our most valuable articles of commerce are landed at

that port and sent over the railway in order to get quick despatch, and no doubt the value of that trade is enormous when one looks into it. In saying this I have no wish to disparage Albany, because Albany is a port which I hold in high estimation and one that I will do my utmost to improve. The time will come when Albany will also require its harbour board. But when we come to look at the different conditions ruling in Bunbury where we have a coal the value of which is about 11s. or 12s. a ton, an article that requires some labour to deal with it, a product that means so much to the country; and when we consider the importance of the trade, we must realise that it is one that needs economical handling. So if we can render it any assistance by having a harbour board to deal with it on lines of economy we will probably save a great deal more than the amount we are called upon to vote in this House. There is no doubt friction exists. I have visited Bunbury from time to time and have had evidence of the fact that its trade is increasing and also the number of men employed, and my hope is that we may remove all friction and make things work easily. The Railway Department will certainly suffer to the extent of the loss of the sum mentioned each year; but the State will not suffer; that money will go to the revenue of the State in the same way as now, less the expenditure, which is said to be £300 for this board. I think the figure is too low. It cannot be done for that because there will be expenses for office, clerical work, and other things, but these items should not be very material and I should estimate the outlay at about £600 altogether, looking at it from a business standpoint. However I feel that if we can afford any facilities which will give to the people concerned in this trade a better system of working on more economical lines in regard to the handling of cargo, organisation in a way that will be such as to remove the existing friction—

Mr. Johnson: How is the board going to do that?

Hon. F. H. PIESSE: I know that the Railway Department have at no time been anxious to give up the management of jetties. When I had control of the railways I believed it was one of the most vital things, and we stuck to the Fremantle jetty as long as we could. Now the condition of things has altered, and I believe that under the vigorous management of the Fremantle Harbour Trust large sums of money have been earned. I know that the trust has done more than I ever expected it to do towards paying interest and sinking fund. We want to introduce into the control of our harbours a business element and men who understand the work. I do not charge any section with having obtained any undue preference, whether the timber people or those interested in the coal, but there is no doubt a harbour board that will hold the balance between these industries would certainly be an advantage. I admire the member for Swan for his straight out statement and agree with the principle he advocated as being on true lines, that while we are talking about economy we should not enter into any engagement that can be done without; and I agree also that every consideration should be given to the country districts that after all do so much to build up the trade of these ports; but I know the local conditions, and I have visited Bunbury, and I realise that the small expenditure proposed will be more than compensated for by the economy to be effected, and I am satisfied that in time we will see a very much better state of things. Therefore, though I am in accord with the hon. member that we should not spend more than there is actual need to do, I believe that there are matters which should receive the approval of this House even at the risk of the charge being levelled that it is creating additional expenditure. In the circumstances I am in accord with the Bill.

The TREASURER (Hon. Frank Wilson): Some members who have spoken in connection with this measure have taken rather a wrong view of the question. I feel sure from what the Premier

said on this occasion, and on the previous one when the measure was dealt with, his object in establishing a harbour board at Bunbury is not in any sense to increase the cost of working, but in order to establish a body to economise; not only this, but the board is appointed in order to devise cheaper methods of management in working, as the Fremantle Harbour Trust have succeeded in doing, and also to put the harbour into good working order. It seems to me that the success of Bunbury in the last five or six years has been phenomenal. It is the brightest spot in the shipping trade of the State. Anyone who knew the port 14 or 15 years ago when two or three luggers a year visited the harbour, and who know the port to-day, must realise the immense strides that have taken place there.

Mr. Johnson: Without a board.

The TREASURER: Exactly; that is just the point. Trade is built up at a port—and this applies to every country in the world—and where the place is some distance from the central point of control, then a board is constituted. In England the controlling bodies are called commissioners, who manage the harbours on the spot. There cannot be the slightest doubt as to the benefits to arise from decentralisation of this kind. There are men at Bunbury on the spot, conversant with the wants and requirements of the port, who would be able at a moment's notice to settle any matter as it arises. This must be a great direct benefit to the trade of the port. Time after time, as Ministers who have been in office know, wires are received in Perth from Bunbury as to the disposition of the shipping there, as to terms, asking for decisions in regard to numbers of other and minor matters which have to be delayed in consequence of inquiries having to be sent to the City. All these matters should be decided on the spot, in order that the full flow of trade might not be interrupted.

Mr. Jacoby: Put someone there who shall be in authority.

The TREASURER: There is a harbour master, but it is not advisable that the control should be placed in the hands

of one person at Bunbury any more than at Fremantle. When the Government found that trade at Fremantle had expanded to a considerable degree, then the harbour was placed under the care of a trust, and the result has been highly satisfactory. I am quite sure no member would like to have Fremantle revert to the old state of affairs.

Mr. Foulkes: The trade at Fremantle is different from that at Bunbury.

The TREASURER: The hon. member does not understand trade as well as he might understand law.

Mr. Taylor: Then he does not understand much about either.

The TREASURER: The member for Claremont (*Mr. Foulkes*) brings forward arguments that will not bear looking into. The trade at Bunbury and Fremantle is much alike; it is much on the same lines. The bulk of the trade at Bunbury is pretty well on the same lines as the bulk of the trade at Fremantle; the only difference being that at Bunbury the bulk consists of exports—a trade we want to encourage—while at Fremantle the major portion consists of import trade. Both have to be handled with similar appliances, and if anything, the trade of timber and coal which has been built up to such an extent at Bunbury, requires more management, more care in handling, and more control than the general trade at Fremantle. Comparisons between Albany and Geraldton and Bunbury will not bear inquiring into. Albany is a great port we know, and is visited by large steamers of heavy tonnage. One cannot, however, compare the tonnage of the vessels that call at Albany with that of the vessels calling at Bunbury. Take the White Star liners as an instance. They go to Albany and pick up some 20, 50, or perhaps 100 passengers and £100,000 worth of specie, and away they go. This trade requires no handling, but it swells up the tonnage of the port, and to some extent the shipping dues. In Bunbury the trade consists altogether of solid dead weight cargo going away. All members must agree, therefore, that there is more necessity for local control at

Bunbury than at Albany. Reference was made to the values of the trade. I have not the details before me, but the figures I have show that the total value of the trade at Albany for the year was £333,000. Of this, exports were responsible for £707,000, and imports for £126,000. Out of that £707,000, was, I should think, gold and copper matte. We know what that trade is. The member for Katanning (*Hon. F. H. Piesse*) knows well that there is very little timber exported from Albany now, if any at all. There used to be a large export timber trade from there, but now it is practically confined to mallet bark and sandalwood. The export trade there consists chiefly of gold and copper matte, so the values are easily accounted for. There is therefore, no necessity for a controlling body such as that suggested for Bunbury. Let members look at the photographs the Premier had taken at Bunbury last week? They will see that there are steamers lying at the jetty of 4,000, 5,000, and 6,000 tons burden. All of these vessels will be loaded right down with timber. Many steamers now call at that port in order to get their bunkers replenished with local coal. Last week alone three large steamers bunkered at Bunbury, and at present there is another bunkering there, while the photographs show nine vessels lying in the harbour. It requires going no further than that to demonstrate the great importance of the Bunbury harbour to the State and the necessity for placing it under some measure of local control, so that the hundred and one things that come up in connection with a large trade of this description may be settled promptly by a body responsible under Statute. The member for East Fremantle (*Mr. Angwin*), in speaking, referred to "irresponsible bodies." That is not the intention of the Act for the measure desires to create a responsible body there. I would imagine from the hon. member's remarks that he would like to have the Fremantle Harbour Trust done away with and the port revert back to the old order of things.

Mr. Angwin: He does not want that.

The TREASURER: I can hardly understand what he means. Take any country in the civilised world; take Great Britain for instance; and it will be found that every port is controlled by commissioners.

Mr. Troy: Do you compare those ports with Bunbury?

The TREASURER: Some of those ports are equal in size or trade to Bunbury. Perhaps the hon. member does not know them.

Mr. Troy: You are not accurate in saying that.

The TREASURER: I know the ports myself, and in many cases they are not as important as Bunbury. Again, take New Zealand. There are a number of harbours there which are controlled in this way.

Mr. Johnson: Do you compare them with Bunbury?

The TREASURER: Yes, some of them.

The Premier: The wharfage in some of the ports of New Zealand is only £530.

Mr. Johnson: If the Treasurer's knowledge of England is equal to that he has shown with regard to New Zealand, he is pretty far wrong.

The TREASURER: New Zealand is a very fine place, and I do not want to say anything against it. The hon. member is quite right to stand up for it, but I do say the example of New Zealand may be safely followed in Western Australia, and to our advantage. The member for Swan (*Mr. Jacoby*) in his anxiety to economise, and this desire on his part is of course received with much pleasure by me—

Mr. Jacoby: You did not show that desire for economy on the Estimates.

The TREASURER: Is the hon. member objecting because I have struck out one or two requests from his electorate?

Mr. Jacoby: Oh, no!

The TREASURER: I thought the hon. member might have referred to that, and I was going to tell him that I have done the same thing for most electorates.

Mr. Johnson: Did you act in the same way when you were dealing with Busselton?

The TREASURER: Busselton does not appear much on the Estimates.

Mr. Taylor: It was very prominent last session.

The TREASURER: I welcome the anxiety of the member for Swan to economise, but I desire to point out to him this, that the cost of the board at Bunbury will be infinitesimal and if the men who are made members of it are worth their salt, they can save many times over the small fees they will receive. If the board costs £500 or £600 I would be very sorry if the five members of it cannot show a saving. I do not think I can, as Treasurer, take any exception to the constitution of the board on the score of economy. It seems that the whole hinges on whether we may not be giving too much power to a board, without perhaps the necessary experience. The Premier, however, has safeguarded that, in this measure, for the board have not the absolutely full power given to the Fremantle Harbour Trust. In any case it appears to me a step in the right direction to put men who are undoubtedly connected with the trade of a port in charge, men who had been in the trade and those who are working there in connection with it. These men bear a fair weight of responsibility, and as each port, Geraldton for instance, grows and becomes large enough to warrant the appointment of a board, it should get one.

Mr. Nanson: Geraldton is just as big as Bunbury now.

The TREASURER: Oh, no! That is not so. Let the hon. member look at these photographs. Has he ever seen a sight like that at Geraldton? Let us take the port of Geraldton; we find the value of exports there is £57,000 as against £440,000 at Bunbury. Then I take the total trade and find that it is £148,000 as against £489,000 at Bunbury. There is not much equality in those figures. Then at Geraldton wool is exported, and wool is of much higher value than timber for instance; it is the bulk that must be considered. Then again, we cannot compare a shipment of coal with a shipment of gold. I reckon there is no argument that can be advanced in comparing these two ports; Bunbury is far and away the most important export port in Western Australia, next to Fremantle. I do hope in the near future the little port south of

Bunbury will take its place with the other ports, and that it too will require a harbour board, but I am not going to ask for that on this occasion. I shall wait until it establishes a trade, and then I shall be seeking for a board for Busselton as well.

Mr. NANSON (Greenough): The Treasurer has been at considerable pains to make out a case for the establishment of a harbour trust at Bunbury, and he has endeavoured to persuade us that a port doing a trade worth something less than half a million sterling per annum wants the elaborate machinery of a board, to consist of five members and officials, in order to supervise that small amount of trade. Only a few days ago the Treasurer was delivering his Budget Speech and was pointing out to us the urgent necessity for economy in every department of the public service, and in order to understand that necessity it is brought home to us—perhaps more strongly by the Treasurer's words—by the actions which he wishes this Chamber to endorse. So desperate we are asked to believe is the need for getting revenue at any cost that the Treasurer is actually imposing new taxation in order to bring in an amount, in one instance of something like half of what this Bunbury Harbour Trust will cost us. We find that the cost will be £600 a year, an amount that would not be large in the days when the Government had plenty of money at their command, but it is an amount that seems large to those unfortunate portions of the State that find themselves denuded of expenditure in the most relentless fashion, in order, I presume, that the Government may launch out into new avenues of expenditure, for which I have not yet been able to find there is any very strong demand, or a demand of any sort from the public at large. We are face to face with this position, that in order to find funds for these new avenues of expenditure we have in some other part of the State to knock off expenditure to which the taxpayers have become accustomed and we create a sense of grievance in that direction altogether out of proportion to any sense of benefit that we create in that part of the State where we bring

about this larger expenditure by launching out in these directions. We have found out as far as there has been economy in the public administration, it is economy for which the Railway Department is largely responsible, and if that department has succeeded in reducing the cost of running the railways, then I think in the case of a port with the total trade worth under half a million sterling per annum, we might for the present at any rate entrust the harbour administration to that department, almost the only department in the State at present which has succeeded in making economies of any substantial value. If we do that we shall have time to see how far that experiment will succeed. I put on one side the arguments of the Treasurer as to what is done in other places, although I do not doubt that the hon. member speaks in the utmost good faith, yet I can hardly think if he were to inquire more closely into the conditions prevailing in England, he would find that there are many harbours with no more trade than that of Bunbury enjoying fullblown harbour trusts. Unless we hear some further arguments and reasons than have yet been advanced in support of the Bill I shall feel it my duty, mainly on the grounds of economy, to vote against the second reading.

Mr. TAYLOR (Mount Margaret): I am afraid from the turn the debate has taken on the second reading that this measure is going to have a somewhat rough passage through this Assembly. To me it is just as necessary to pass it this session as it was last session, and I am, indeed, sorry that it met with the fate it did in another place. I feel confident that when we take the economic side of the question, as advanced this afternoon, that it is one of the Bills passed last session through this House that deserves a successful passage through another place and should become the law of our State. I am confident the people of Bunbury, those who are trading there, and those who are employed there in handling cargo and dealing with the export trade, would have benefited very considerably if this Bill had been passed when it was first

presented. The Premier has dealt with the volume of trade at Bunbury, and there are no new arguments that can be advanced other than those that we advanced last session in support of this measure. We know full well, those of us who have had anything to do with the administration of the affairs of the State, that the Bunbury harbour administration has caused every Minister a deal of trouble and unnecessary worry.

Mr. Nanson: You must always have some trouble.

Mr. TAYLOR: But there is no necessity for difficulties as well, difficulties such as those which arose at Bunbury. We find that at Bunbury there are several controlling factors, and that if there is a dispute there is the necessity to wire from there to Perth or Fremantle to the harbour master, or to the Minister. It is clear that there is necessity for people on the spot to be able to cope with any difficulty that may arise. My experience is that there was for many years a difficulty at Bunbury between the wharf lumpers and the shipping companies. The whole thing was brought about through the extended lay days allowed to the companies. The companies could simply put their boats alongside and the lay days were so long that they could take advantage of the employees. Regulations were framed by the Government of the day—I do not know what Government was in power, I think it was the Forrest Government.

Mr. Johnson: Why did not succeeding Governments alter the arrangements?

Mr. TAYLOR: They would not tackle the question. If the hon. member has any doubt about the accuracy of my statement he can ask for the file dealing with this question, and he will find that it passed through the hands of many Ministers. When I was Colonial Secretary, the matter was brought up before me by the wharf lumpers, and at the request of the present Premier, who was then member for Bunbury, the member for Wellington, the secretary of the Wharf Lumpers, and the municipality and shipping people, I went to Bunbury myself and received a deputation. They laid the whole facts before me with the result

that I shortened the lay days and came to an arrangement then, which I believe has been satisfactory ever since. All the advice I had received from the department was not to shorten those lay days; in fact all the advice I got was contrary to the action that I took. I saw for myself and recognised that it did not require expert knowledge; it required merely common sense to deal with the question. When I went down the whole facts were put before me with the result that I took action and that action proved successful. I want to point out to the member for Guildford that I adopted this course after other people had declined to touch the subject. It is necessary in dealing with matters of this kind that somebody in authority should be on the spot. This question was of such a character that it affected a large amount of capital, the whole of the business people at Bunbury and the wharf lumpers. The latter were the people whom I desired above all to protect, and I knew by protecting them I would be protecting Bunbury.

(Sitting suspended from 6.15 to 7.30 p.m.)

Mr. TAYLOR: I was pointing out to the House that certain troubles had occurred at Bunbury, that they were settled after a visit to the scene of the disturbance, and that the work at the port so far as these troubles are concerned had gone on very smoothly ever since. That was nearly four years ago. I only put that forward as an argument for the necessity for some controlling influence on the spot. While it has been urged by some hon. members during the debate that the powers of the Fremantle Harbour Trust could perhaps be extended to cover Bunbury, it must be remembered that we would have the same difficulty of distance as we have now. It would not meet the requirements of the port of Bunbury. I believe if this measure were passed it would be beneficial to the port. It would, I am sure, facilitate the working; it would at least remove the control that is there now. There are too many controlling factors at that jetty and harbour to-day. The control is spread over two or three different parties, and it is most unsatis-

factorily and unsuccessfully exercised. I do not know that there is any necessity for any further remarks from me. I hope the Bill will pass the second reading; then if hon. members desire any improvements it will be possible to make them in Committee. The Bill is, I am told, exactly as it left this Chamber last session except for the elimination of the clause that was specially put in the Fremantle Harbour Bill to enable a certain member of the Legislative Council to take office as chairman of the trust. That clause was in this Bill last session, but as the result of objections which were raised to it in another place and which jeopardised the passage of the Bill, the Premier has seen fit to remove the clause, and so has removed some of the objections made to the Bill in this House. I am not one of those who believe in removing all power from Ministers and placing control in hands less responsible to Parliament than is a Minister. At the same time I recognise that local governing bodies are necessary. Existing circumstances at Bunbury are anything but satisfactory, and I believe that if this board were appointed it would provide a great improvement. It would provide an improvement for the shipping companies and, I am confident, for the employees also. For they would then be able to deal exactly with the position as it arises; they would be on the spot and would know the conditions. Now, if anything were to crop up they would have to telegraph to the Chief Harbour Master and to the Minister.

Mr. Collier: Does that not apply to all public departments?

Mr. TAYLOR: Not in the same degree as at Bunbury. There is a large volume of business done at Bunbury in timber and in Collie coal. The Collie coal industry is growing—that is, if we can believe what we have read in the Press about the value of that coal to the shipping companies. That trade will continue to increase, and we have already had from the Premier this afternoon a statement as to the necessity for further conveniences for handling the coal. At the present time they can only handle a few tons per hour, whereas under the increased facilities they will be able to handle 60 tons an hour. I

say it is necessary that there should be some control on the spot, and I would be pleased if there were some condition in the Act specifying the personnel of the board. The board is to be appointed by the Government, and I would like to see that certain interests will be represented on that board: that the interests affected will be represented, and also that the employees will have a representative. We know that the Premier intends that this shall be done. That is all very well as far as the Premier is concerned. If the Bill becomes law and the board is appointed I am sure the Premier will carry out his promises to this House.

Mr. Collier: They have refused to appoint one on the Fremantle Trust.

Mr. TAYLOR: That is so. When I was Colonial Secretary one of the members of the trust was away on leave of absence, and a request was made to me as Minister to appoint a representative of the workers. I did not do it.

Mr. Heitmann: Shame.

Mr. TAYLOR: Well, I am not going to give here reasons for my action. I gave them at the time. I held them to be valid, and I still hold the same. The member of the trust was only away temporarily, and to put a man on the trust for a month or two months would have been fair neither to the man appointed nor to the trust.

Mr. Heitmann: It would have been a bit of an apprenticeship for him.

Mr. TAYLOR: We cannot afford apprentices on a trust like this. When the Fremantle Harbour Bill was passing through the Chamber the Premier inserted a clause in the Bill which made it possible for a member of Parliament to be chairman of the trust. He pointed out that the first working and success of the trust, and the putting of it on a sound basis depended upon the particular knowledge possessed by a certain gentleman at that time. Parliament gave power for the Government to make that appointment, and I want to say the office was successfully filled.

Mr. Jacoby: Do they not propose to do that in this Bill?

Mr. TAYLOR: No, the clause has been removed.

Mr. Collier: I do not think the ratepayers are altogether in favour of it.

Mr. TAYLOR: The estimation of the ratepayers is not of great moment in a matter of this kind. I hope hon. members will deal with the subject on its merits. To anybody who knows the difficulties and troubles that have been experienced at the port of Bunbury in the past it will appear highly necessary that the harbour should be put under some local management. As to the cost, I venture to say that the Bill should not receive opposition in this House on the score of economy. When this board is appointed, if it carry out the functions intended by the Act it will more than compensate the State as a whole for the light expenditure which it will be called upon to pay. I have no desire to speak any longer on the subject but I have very much pleasure in supporting the second reading.

Mr. JOHNSON (Guildford): Being desirous of assisting the Government to the best of my ability to economise in administration, I wish to support the remarks of those hon. members who have expressed the opinion that this Bill is increasing the cost of administration. Those who are desirous of bringing about economies have no alternative but to vote against this Bill. A similar Bill passed this House last session, it is true. But it it to be remembered that the Bill was brought in at a very late date when there were other important questions occupying the minds of members, and it became an impossibility to give proper consideration to every measure introduced. The result was that this Bill was passed over, hon. members thinking that its importance was small in comparison with that of other Bills before the House. The fact that it was passed last session does not justify us in passing it at the present time; because hon. members have been back to their electors and received other instructions. Not that I have received instructions to oppose this Bill; but I have received very definite instructions and have given very definite pledges to do all I can to assist the Government to economise.

The Premier: Perhaps by sitting on the Meat Commission in an honorary capacity.

Mr. JOHNSON: I am in a very happy position in connection with that, inasmuch as I moved in this House for permission to get a select committee, acting in an honorary capacity, to inquire into the very question we are inquiring into now. But the Premier well knows how my motion was received in this Assembly; and some of the hon. members who are now loudest in their laughter at the Premier's sally were the very members who strongly opposed me when I proposed to do in an honorary capacity the work for which I am now getting two guineas a day.

The Attorney General: You could not have done it.

Mr. JOHNSON: I am of opinion that I could have done it.

The Attorney General: After Parliament rose?

Mr. JOHNSON: The motion was moved whilst Parliament was in session. Reference has been made to the increase in trade at the port of Bunbury, and I think hon. members will rejoice to know that the trade has so increased. But as a matter of fact that happy condition applies perhaps to every port in the State. I would like to point out that this increase is not due to any special administration or to the want of any special administration in connection with the Bunbury Harbour. The increase is due, it may be, to the general policy of the Government, or to the general improvement in the conditions of the State. For instance, the encouragement and assistance that has been given to the Colliery coal has enabled the coal companies to broaden out with the intention of increasing their market; by supplying some of the shipping companies which of necessity has increased the exports at Bunbury. Exactly the same thing obtains in connection with the timber trade. Special assistance was given to the timber companies in order to assist them to more successfully compete in the world's markets, and the result has been that exports at Bunbury have increased. But this does not justify

us in establishing a board. If the increase has gone on without any particular friction arising I cannot see that it should be advanced as an argument for the establishment of a harbour board at the present time. According to the evidence of the Premier we have increased to an enormous extent the importance of the port of Bunbury, and now the Premier will say, because of the increased importance of the harbour, we should give it some special reward, so to speak we should glorify it and say to the outside world that Bunbury is the port of second importance in Western Australia, that Bunbury is controlled by a board and the only other port in Western Australia that has that distinction is Fremantle. This singling-out Bunbury for special glorification would be all right provided it did not cost the State anything; but this Bill is going to increase the expenditure and so it is a matter of serious concern to the House. The Premier went on to say that the harbour at present is controlled by several different administrations, but he did not point out where there was any increased cost of handling owing to that dual control. If the Premier could draw comparisons in regard to the handling of certain cargoes, showing that it costs more at Bunbury than at Fremantle, possibly he would have some argument; but we find that no argument is advanced to show that the cost of handling cargo or the general cost of administration at Bunbury is more than at Fremantle which is under a harbour trust. The only argument advanced has been put forward by the member for Mount Margaret who says that we want local control in order to arrange differences that may arise between the shipping companies and the exporting firms. He says that at one time friction did arise when he was Minister, and that he went down there and with a slight wave of the hand, some alteration of the regulations, settled the dispute.

Mr. Heitmann: That is just why we do not want a board.

Mr. JOHNSON: I take it that the hon. member at first started to argue in favour of the Bill, but in concluding he clearly demonstrated that it was not ne-

cessary to have a board because he as Minister had shown that he could easily deal with the question. But how does local control affect the administration of the Goldfields Water Supply, a concern huge in comparison with the Bunbury harbour?

The Minister for Works: Stretching over hundreds of miles of territory.

Mr. JOHNSON: Then I will take Kalgoorlie. If any differences arise in Kalgoorlie—and there the opportunity for difficulties to arise is ten times greater than in connection with the Bunbury harbour—the Minister controlling the scheme or the secretary to the scheme situated in Perth has to be consulted. But it works out all right; there are no great complaints from the goldfields because of that fact; yet we have it advanced as an argument that because we do not get local control it is hampering with difficulties the port of Bunbury. Perhaps the argument will be advanced that if we place this harbour under a board a clause in the Bill calls upon the board to pay interest and sinking fund in addition to working expenses. But what guarantee have we that the board will do anything of the sort? Because we place a clause in the Bill how can we expect the board to carry it out? As a matter of fact the Fremantle Harbour Trust did not pay interest and sinking fund until this year, and according to their own report it is not due to any superior administration on their part that they are now able to pay interest and sinking fund in addition to the working expenses, it is solely due to the fact that there has been increased trade at the port. Exactly the same thing will take place at Bunbury. The board cannot possibly reduce administrative costs; because there is special provision made in the Bill for the harbour master to still continue a certain amount of control. We do not do away with the harbour master; he will still have his representative at Bunbury: so we will still have that expenditure. Again the Railway Department will still be there; they will still be operating on the wharf even when the board is established; so there will be no economy there. Exactly

the same conditions will obtain after the board is appointed as obtain now. If we could by the establishment of this board reduce administrative costs and get an absolute guarantee that we would get interest and sinking fund paid, I would be prepared to consider the proposition; but we have no such guarantee at all, and that is clearly demonstrated by the concluding portion of the clause, where it says that if the board fail to do this the Government can step in and show them how to do it by increasing the wharfage dues etcetera. It was exactly the same at Fremantle. The trust failed to do their duty, they failed to pay interest and sinking fund, and the Government stepped in and dictated to the board and told them that they must increase the harbour dues and do other things. These were done at the dictation of the Government, and consequently there was increased revenue. Profiting by this experience, realising that the board cannot or will not do this work, the Government have provided in the Bill that they can step in and tell the board how to do it. Can any stronger argument be advanced against the need for the Bill? The clause clearly demonstrates that the Government have their doubts as to whether the board will be a success or not. I appeal to members to realise the condition of our finances. Let members view the Estimates laid before them and they must come to the conclusion already advanced by the member for Greenough that we cannot in the existing condition of affairs even go to the extent of establishing a new administration that is going to cost at the least admittedly £600. It is a small item in comparison with our general revenue, but it is to these small items that we will have to turn attention if we desire to bring down the cost of administration in this State. Consequently I appeal to members to realise that this is going to be increased expenditure, an increased burden on the shoulders of the taxpayers of the State; and so, carrying out the general policy of all parties expressed at the last general elections, we have no alternative but to oppose the second reading of this measure.

Mr. O'LOGHLEN (Forrest): I rise to support the Bill and to briefly give my reasons for so doing. In reply to the member for Guildford I may say that he has stretched the point a good deal in regard to the usefulness of a board should one be appointed and in regard to the possible inability of a board to meet interest and sinking fund charges. I have no desire at any time to magnify the importance of one port over another, and I agree that there is a good deal of jealousy existing between our ports, so that I was somewhat surprised to hear the Treasurer lauding Bunbury to the skies in the manner he did, in view of the pledges he gave at the recent elections. I venture to say that during the next few days when the report of the Treasurer's speech is circulated throughout Sussex, a lot of the hon. member's constituents will be thinking for themselves. However that is his own concern.

Mr. Johnson: Do they put Busselton ahead of Bunbury?

Mr. O'LOGHLEN: I do not desire to do so, but I certainly say that every industry should have its natural outlet. Bunbury is the only outlet for a great portion of our timber and for Collie coal which I suppose is the second most important industry in the State, though at present it is only in its infancy. I am not here as a special advocate for Collie coal, but I say that next to the gold mining industry the Collie coal mining industry should receive some little attention. It has only just come into prominence, and I venture to say that if a harbour board is appointed and it will prevent the smallest amount of friction in the handling of cargo or the berthing of steamers it will fully justify its existence and I think the appointment will be a profitable one. I was pleased at the remarks of some members regarding the expenditure on this board. I was pleased to hear the almost unanimous opinion that the House should exercise economy in every respect. I certainly hope that economy will be practised in every Bill or in every act of administration that will happen along, but I do not think the

Bunbury Harbour Board is going to cost the large amount some members think it will. Provision is made for the appointment of a chairman at £100 per annum and for the appointment of other members of the board at £50 each per annum. That totals £300. We have the Premier's assurance that the secretary who will have to be appointed will probably be taken from the staff at present employed on the Bunbury harbour works. So I do not think the expenditure including the upkeep of the office that will be necessary and the payment of the members of the board will mean over £500. Then, again, look at it from the broader standpoint. Certainly the amount is not large; but if the board can prevent any friction, or if they can bring about a more systematic handling of cargo, the appointment will be justified. To the personnel of the board I certainly hope some special attention will be given by the Government; because in creating a board of this kind it is necessary to look around to the various interests that will need to be represented. In the Bunbury district there are men with long commercial experience, men who are master mariners, and very advanced townsmen from the ranks of the workers. I trust attention will be given to all these interests if the Bill becomes law, and that special attention will be given so that too many shipping agents are not placed on the board, because I think it might possibly be detrimental to the best interests of the speedy despatch of vessels or of Bunbury itself if we have on the board too many shipping agents who are perhaps interested in different steamship lines. I do not intend to take up any more time. Possibly if the Bill gets into Committee, which I hope it will, there may be some improvements made. I certainly will be prepared to support one or two amendments should they be forthcoming. I do not support the Bill so much for the timber industry, which I admit is the most important industry in the South-West and which has mostly made Bunbury the port it is to-day, but if we look ahead we must recognise that we will have to look a little further than

timber. Every day our forests are becoming depleted, our supplies of timber getting exhausted. We know that it is only a matter of time when the timber trade must go back. Consequently if it starts to go back it is our duty to foster and encourage it and if this harbour board will do a little in that direction—

Mr. Johnson: How can it?

Mr. O'LOGHLEN: Although the member for Guildford (*Mr. Johnson*) says that the usefulness of the board will not be very great, I think if it is appointed it will have the effect of so concentrating work and control as to bring about a much better system than exists at the present time. I know the present system is not very satisfactory, although some members try and make out that it is. With a board, more encouragement and better facilities will be given to the exporting of products of the South-West. The member for Guildford also pointed out that owing to the action taken by the then Minister, the present member for Mt. Margaret, the appointment of the board was not justified. *Mr. Taylor* went to Bunbury when there was a dispute, but he is not like *Tennison's* brook; he does not go on for ever; he is out of office now and possibly on that account there has been very little friction in the past. Members of both sides of the House will, I am sure, accept the statement that if any trouble should arise there in the future, it is better that it should be left to a body of five strong men to deal with rather than to one man, even though he might be a Minister of the Crown. A couple of evenings ago I heard members who now oppose this Bill state, when speaking on the Early Closing measure, that it was necessary the people in the metropolitan area should deal with it, and that those persons living outside of the area knew nothing about the measure, and should not express an opinion or give a vote. Let that argument be carried to its logical conclusion. I hold the opinion that the people of Bunbury, the workers, the traders, the commercial interests, the chamber of commerce, and the municipal council all having asked for this board, stating that they desired the

reform, for so it is called, should have that measure of attention paid to their request which the people of the metropolitan area have who have asked for a reform in another direction. It is our duty as members taking a broad view and recognising it would be a benefit to the locality, to record our votes in favour of the proposal to pass the second reading of the measure. There are some amendments which should be made, and I trust they will be introduced in the Committee stage.

Mr. BUTCHER (Gaseoyne): I with other members regret I cannot see my way to support the measure. The Treasurer is out for revenue on every possible occasion. When I cast my eyes on the Table and see our old familiar friend, the Land and Income Tax Bill, it reminds me of what took place in this House last year, and indeed I consider it behoves every member to assist the Government to use and at the same time to exercise that economy in administration which is absolutely necessary for the State. Holding these views, I cannot see my way conscientiously to support any measure which has for its object the increasing of our administrative cost. I have made comparisons, many of them, between the different ports of the State, and find that if we allow a board to be formed at Bunbury, other ports having equal, if not better, claims for boards will be wanting to be served likewise. When is this matter going to stop? I do not think that from any point of view the action of the Government in this instance is justified. It has been shown conclusively that the cost of administration is going to be something over £600; but like all Estimates with which we are familiar, it is more likely to be considerably over that sum than under it. Then there is the question of dual control which some of those who advocate the passage of the Bill think the board will abolish. Let us see how it would be possible to get away from this dual control. To my mind the only result will be to remove the trouble a little further away. I have been reminded

that the municipal council at Bunbury now have the control of the approaches to the jetty. If a board is appointed the result will be merely to remove the control to the approaches approaching the present approach. That only makes a further complication. Then the Railway Department. If we are going to remove their control, all that will be done will be to shift their sphere a little further away and confine it to the railway yards. The result will be that the Railway Department will then charge haulage to the jetty, and there at once is an additional tax on the timber industry. I can see no advantage in that. The Harbour Department now control, and will in the future have the control of a certain portion of the harbour. Again, we merely shift the sphere of control but do not alter the dual system. In the annual report of the Railway Department we find that the Commissioner is prepared to meet and improve the conditions of the Collie coal industry, and do all that is possible to assist it in the direction the member who last spoke desires. The report deals particularly with Collie coal and looks forward to the day when the industry will be a very important one. The Commissioner in his report says, "In order to facilitate the export of Collie coal and to encourage its use for shipping purposes, in connection with which favourable reports have been received, special appliances are being constructed for the transport of the coal from the mines to Bunbury and for quickly and economically loading it into ships' bunkers." That shows that the Railway Department grasped the position and saw the necessity for effecting economies and for giving facilities for dealing with Collie coal.

Mr. O'Loughlen: They have not started to do the work yet.

Mr. BUTCHER: Everyone recognises that the Railway Department have effected necessary economies in administration, and we should not in any instance endeavour to take from that department the control of any branch of business in which they might effect further economies. By transferring the control of the harbour to the board, the effect will

not be to reduce the cost of administration. On looking over the Estimates I find there are other instances of unnecessary expenditure which I cannot discuss now, but when I am given the opportunity I shall take the same stand as I am doing now in connection with this measure. I am out for economy, the same as the Treasurer is out for revenue. Where revenue is necessary and he can get it, I shall do my best to assist him so long as the industries which he seeks to tax are able to bear the burden. I will assist the Government in every possible direction to effect all economies within their power. I intend to oppose the passage of this Bill.

Mr. WALKER (Kanowna): If I felt disposed to take private revenge or to allow my feelings of resentment to govern my vote, I would undoubtedly vote against this measure. It is perfectly true that we are in a critical state as far as the finances are concerned. It is appallingly true that the Government in many other directions are just as cheese-paring in saving money, which in the course of their duty to the State should be spent. I have already drawn attention to the way they are treating the hospitals in my district. They cannot find money for the sick and the maimed, and yet they are finding money for this harbour trust. That I can claim the right to object there is not the slightest doubt. Other constituencies are in the same position as mine. Deliberate promises have been made. promises made in writing by the Government to expend certain moneys absolutely needed. When the Estimates are under discussion, I shall have again to speak on that question. The Government have deliberately violated their pledges, going back on them and deceiving the country. When the Government are so bad that they cannot keep their written word, on account of the financial position, it makes one hesitate to vote for any new venture; but I take another view than that, for I would allow no resentment of mine against a Government's conduct to influence me in the consideration of what I believe to be for the good

of Western Australia as a whole. I take this view of it. Our harbours are one of the most valuable assets nature has given to us, and looking upon the policy that has been pursued in the past, this concentration of everything in Perth and Fremantle to the utter, or almost utter neglect of the interior and of the other harbours, when I see the consequence of that, the slow development of the country, the neglect of opportunities, I am compelled to say it is time we had a change. If a Government came into power, or even if this Government change to that extent and supported decentralisation I would support them. What is needed is a Government who will attend to the other centres of the State and assist in a policy of decentralisation as against that of centralisation. I have, I think, benefited somewhat by my travels in New Zealand. I had there an object lesson of the benefit of attending to all the harbours around the coast of both Islands. The result of that policy is, that there are no great centres of civilisation such as there are in Australia namely, Melbourne, Sydney, Adelaide, and Perth, but there is a large number of flourishing towns, equally important, and all engaged in the work of opening up and developing the interior. If we could do that for Western Australia, by any means we would be conferring an advantage that would have its reward in the future. I rejoice therefore, that attention is being paid to the development of the Bunbury Harbour. It will tap a district that is bound to be beneficial to this State. The member for Swan (Mr. Jacoby) shakes his head. At the present moment I have in my mind the position of the bulk of the labourers in the State. I will ask the member for Swan what the position is when any of those men in Perth get out of work. Where can they go? At what town or centre outside of the City can they seek work? Will not a judicious administration of the affairs connected with the harbour and the better arrangement of business at Bunbury provide something towards the development not only of the harbour, but also of the industrial conditions generally.

Surely he must see that by giving the power to a board to control the harbour of Bunbury, much good will be done towards the ultimate development of the port and of the various industries utilising it. Surely the hon. member must see that. The hon. member surely knows that a country advances in proportion, as it gets the local management of its own affairs. If you do away with all your roads boards and municipal councils and attempt to administer the affairs throughout the country from, say the office of the Minister for Works—I am not speaking disparagingly, I do not care who the Minister might be—you would find it really could not be done. If there is one thing that would make me vote for the Bill it is that at the present time harbours and rivers are under the control of the Colonial Secretary, who is not responsible in any sense to this House where all public expenditure is, or should be, regulated. The Colonial Secretary, attending to the Bunbury harbour, is getting his experience from the Saturday half-holiday trouble; he is getting his experience at Rottnest, picnicing. These are the people who govern Bunbury, Geraldton, and Albany. It is a farce when we come to think of it. We know that gentleman's capacity, and we know it is impossible for him to pay that attention which is requisite for the development of a harbour. I am proud to think—notwithstanding it is the birthplace, the great centre which has produced great men, great in size, intellect, and statesmanship—that Bunbury has developed into a port, that it is no longer a mere pleasure resort; that there is business and enterprise and development connected with it. This is all due to the fact that great industries in that neighbourhood are being developed. It is due to the Collie coal, to the timber industry, and it is due to the larger area of agricultural lands being brought into fructivity. All this is helping to make the port grow into importance. If we want to keep it a port let us give to the citizens there a chance of looking after their own affairs in the same way that municipal councils and roads boards are assisted to develop the lands within

their boundaries. It is a question whether we are to have this port of our great State administered from the Colonial Secretary's Office—

Mr. Johnson: Or from Rottnest.

Mr. WALKER: Or administered down at Bunbury; that is the question and I do not think it requires much argument.

Mr. Johnson: Why not give them a local Minister for Works?

Mr. WALKER: Why not talk commonsense. I submit there can be no question of the advisability—if there is to be local management of that port if the necessity requires it—of appointing a local board, which would be the wisest appointment for administrative purposes. That after all is the object. And it is not because it happens to be the second port that this policy ought to be carried out; it should be carried out with regard to all our other ports. It is our duty to spend some money for the purpose of opening up the estuaries, of attracting more attention to Albany, to give greater facilities to Geraldton and the ports further North. It is not for the ports that I would vote for this Bill, it is because I want to see the country go ahead simultaneously; it is because I want to see population distributed, and every port we open and improve and to which we give greater facilities, will be a sure inducement to settlement away back from its neighbourhood. It will attract population to the interior, and will do a great deal to relieve the labour market in the congested centres. And that is one of my objects to-night for voting for the Bill. I do not want a man to confine his hopes to about two centres in the State. I want to see Bunbury flourishing, as well as Albany and Geraldton, and all the other ports, even to Esperance. It is all this parochialism that has kept Esperance back so long, and keeping back that port has deterred the development of the mineral resources from Esperance to Kalgoorlie, and has prevented the opening up of country, not only for mineral purposes but also for pastoral and agricultural purposes. If by conduct of this kind, by giving the people living in the State a pride in the place,

if we can link their hearts with the development of the State they live in we are doing good to the country at large. There is no room for jealousy in a country that is growing. It does not matter what part of the State is going ahead, the whole State will benefit, and therefore if Bunbury flourishes it is no argument that Geraldton wants just as much. We say, let them have all they can get, but because they cannot get just at this particular moment all that they want, is that any reason why we should prevent Bunbury having some assistance in this respect?

Mr. Jacoby: That argument has not been used on this side.

Mr. WALKER: If anything is to be taken from the English language it has been used by the member for Greenough.

Mr. Nanson: I never used the argument.

Mr. WALKER: Not in that language perhaps, but what did the hon. member wish to convey to the House by reading figures as to the tonnage of vessels at Geraldton and the tonnage at Bunbury.

Mr. Nanson: I did not read those figures; it was the Treasurer who read them.

Mr. WALKER: The hon. member was pitting Geraldton against Bunbury, but I do not want to misrepresent him if he denies it. It seemed to me that his inference was that Bunbury got this while Geraldton did not. I am glad the hon. member has corrected me; I should be sorry to misrepresent him; but an argument of that kind is not justified. The policy is to see that the means of ultimately opening up an export trade are given, and we have the possibility of it, I am glad to say, in the neighbourhood of Bunbury. We have those promising mines, and we have at the present day that which I am not so enamoured of, the timber industry, whilst we also have a large agricultural settlement within a radius of many miles. We cannot foresee the possibility of the development at Bunbury, but we can say we shall give to Bunbury all the facilities possible for making the greatest use of its natural resources, and the board will be merely an adjunct, a part of the

machinery of it. They will not be able to do everything, even as the member for Guildford cannot do everything. He does his share, but I will back the local man for knowing what is required in Bunbury against the knowledge of the member for Guildford. Even if he were in the position to rule in Perth as Minister I would back the local man every time against his judgment. All that is being done now is to request local government for the management of the harbour, and on that score my sympathies are towards the development of the State as a whole, and I can see no harm, in fact I can only see good, in trying to assist Bunbury to further its own natural resources.

The PREMIER (in reply): It is quite refreshing to listen to the statesmanlike utterances of the member who has just sat down after having listened to the narrow parochial speech of the member for Guildford. Here is a member who, notwithstanding the fact that he has one or two grievances against the Government, is prepared to put them on one side when he can see that measures brought forward are in the interests of the State as a whole. All that he asks is that a measure of home rule shall be granted to the people of Bunbury, that they shall have the opportunity of managing their own affairs, and I maintain they can manage them much more economically than could any department in Perth. We know well that in the case of any disreputable officers very often have to be sent down to report and inquire into the trouble, with the result that expense is heaped on to the administration, whereas if a few capable men were on the spot they would be able to settle the difficulty without trouble. The member for Claremont has stated that he has been informed by Millar Bros. that they were not in favour of the trust. Possibly they are not, but I maintain that as far as the export trade is concerned they are not the only pebbles on the beach. There are other timber companies; there are co-operative societies and various collieries to get prompt despatch. The trouble is that

there is only limited berthing accommodation and only some two berths where they can accommodate vessels drawing anything over 22 feet, with the result that very often a lot of friction arises owing to the fact that the Government are desirous, as far as possible, to work up and develop a bunkering trade in Collicie coal. The outcome very often is that the Government have to tread on the corns of Millar Bros. by asking that one of their vessels should be hauled off to give place to a vessel bunkering coal, which vessel it is necessary should have the promptest despatch. That is one of the troubles that arise in connection with the administration of the port. I can only say that I am honestly satisfied that the establishment of this board will lead to economy. It is necessary we should do all we possibly can for the expansion of trade, and with the provisions of this Act this can undoubtedly be brought about. This is no novel idea. In New Zealand there are something like 30 harbour boards, and only seven of these have a bigger revenue than has the Bunbury jetty at the present time. Surely if the system has worked so satisfactorily there where people are prepared to manage their own business it will work satisfactorily in Bunbury. As my colleague reminds me, these boards have been going in New Zealand since 1878. As a matter of fact, in Geelong they have a harbour board with three commissioners who are empowered to borrow up to a considerable amount. In the case of produce and of the storage of wheat, men who are on the spot and in touch with the exporters are in a much better position to advise as to what should be done; and the member for Claremont is in error when he says that the timber comes straight from the mill to the jetty. If he would look at one of the photographs that have been passed round, he will see that there are thousands of tons of timber stacked there awaiting shipment.

Mr. Foulkes: I have the authority of Millars' Company for the statement.

The PREMIER: Well, where they can arrange it, naturally they do. But where you can only handle something

like 1,000 loads of timber and there are, say, six vessels alongside the jetty belonging to different companies, and some of them are in for coal, it follows that you cannot bring train loads of timber down to each particular vessel. They are not all taking timber nor are they all taking coal; they have to take specific orders. Then again, one train perhaps can only bring in timber of a certain quality.

Hon. F. H. Piesse: They might be waiting for different marks.

The PREMIER: Yes, and some of the vessels are possibly taking coal from the different companies. I have no wish to detain the House any longer. I can assure hon. members that if other ports can show that they are able to provide working expenses and interest and sinking fund on the money to be expended in harbour improvements, and if they have suitable men to carry out the functions of a board, I shall be only too pleased to grant the request for the constitution of such a board when the trade should warrant it.

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

Ayes	31
Noes	9

Majority for .. 22

AYES.

Mr. Barnett	Mr. Mitchell
Mr. Bath	Mr. Monger
Mr. Bolton	Mr. N. J. Moore
Mr. Cowcher	Mr. S. F. Moore
Mr. Daglish	Mr. O'Loughlin
Mr. Davies	Mr. Osborn
Mr. Gourley	Mr. Piesse
Mr. Gregory	Mr. Price
Mr. Hardwick	Mr. Scaddan
Mr. Hayward	Mr. Taylor
Mr. Holman	Mr. Troy
Mr. Hopkins	Mr. Underwood
Mr. Horan	Mr. Walker
Mr. Keenan	Mr. P. Wilson
Mr. Layman	Mr. Gordon
Mr. Male	(Teller).

NOES.

Mr. Butcher	Mr. Johnson
Mr. Collier	Mr. Nanson
Mr. Foulkes	Mr. Swan
Mr. Gill	Mr. Hudson
Mr. Jacoby	(Teller).

Question thus passed.

Bill read a second time.

ANNUAL ESTIMATES, 1908-9.

In Committee of Supply.

Debate resumed from the 24th November, on the Treasurer's Financial Statement and the Annual Estimates; Mr. Daglish in the Chair.

Vote—*His Excellency the Governor*, £1,148:

Mr. BATH (Brown Hill): It was very gratifying to find the Premier just now complimenting members on this side of the House on their capacity to take a broad-minded view of the questions which come before them for consideration; and I will be glad if the Premier and his colleagues will attribute precisely the same capacity on our part to discuss this question, not from the standpoint of mere party bias but with the full recognition of the gravity of the position and with the desire to look beyond even the advantage of party with the view to the advantage of the State itself. It is all the more necessary because in the course of this discussion on the Budget I anticipate that not only from members on this side of the House but from any member who has given serious consideration to it, there cannot but be a great deal of censure on many of the items which go to make up that Budget and also on the general question of the administration of our finances. With remarkable fluency and without any apparent care the Treasurer the other night referred to this as his third Budget. And there are a great many in the State—probably supporters of the Government; I do not think there are many of those who support the Labour party in politics—who have been looking forward to still one more Budget delivered by the Treasurer for something new, for something entirely different from what has been given to the House by that hon. gentleman. But so far as this Budget is concerned there is nothing new, there is nothing in advance, nothing suggestive of a better condition of affairs. On the other hand there is all that is degeneracy in the conduct of the financial affairs of this State. For a long while

we have been asked to be patient; we have been informed in an off-hand way that if we will only wait things will right themselves, that they are going to be better in the long run, and that there is no cause for alarm. And probably some have accepted that view of affairs and thought that if sufficient time were given there would be an alteration in the administration of our finances. I say that sufficient time has been given long before this for the Government, and especially the Treasurer, to carry out those pledges that have been given so far as the administration of our finances is concerned; but instead of having these expectations realised, we have from the Treasurer and those who support him—not the least being those important journals which should be the first to safeguard the interests of the State—that the one cure for all these difficulties that concern us is to be optimistic. I say that optimism is no doubt a splendid spirit for anyone to have.

Hon. F. H. Piesse: If one can afford it.

Mr. BATH: It is only by hope that one rises to a higher condition of affairs or attains to greater prosperity. The man who becomes hopeless soon drifts down to the bed-rock of despair. But it seems to me there are very many varieties of optimism, judging by the expressions we hear, and the optimism counselled by those who stick to the Treasurer through thick and thin is only a cloak to cover up most slovenly incompetence. It is always an unpleasant task for one to be critical, for one to probe into the financial affairs of the State and to point to what may be called the darker aspect of affairs. The man who looks on the bright side dismisses everything with an airy wave of the hand and is held as the saviour of the particular institution to which he belongs; but just as the physician who is going to cure some sore in the body physical has to use his lancet, so the critic who desires to be courageous and patriotic and to get to the root of ills that are a menace has to use the political scalpel to lay bare the sores in the body politi-

cal. I attribute our financial position to a number of causes. I attribute it partially to our boasted borrowing policy; secondly, to the misuse of loan moneys in our State—especially by the present Administration; thirdly, to the lack of a definite well-understood policy of taxation; fourthly, to the failure to economise in the administration of our departments; fifthly, to the postponement of remedial measures; and sixthly, to an absolute disregard of the first principles of honest commercial management of our affairs. So far as our borrowing policy is concerned, the view that only by borrowing, and repeated borrowing, and borrowing yet again, we can bring prosperity to Western Australia, has become almost a fetish in the minds of a great proportion of the population. It certainly seems to obsess the minds of a great many members of this House; but I am pleased to note that throughout the country, among those who have the time to spare and the inclination to study these affairs, there is growing up a deep-seated belief that it is to some policy other than borrowing, other than pledging the credit of the country, that we must look for salvation in our financial affairs. Now, while we may make a comparison between years that are close together, if we really wish to get an idea as to what has been the result of our financial policy, whether it has been to borrow to a greater extent, or to put the brake on the raising of loans and their expenditure on public works or in other directions, it is only by taking a lengthened period during which that particular policy has been in progress that we can get any clear idea as to what the result of that policy has been. I have taken the trouble to make a comparison between our position in 1908 and the position of the State 10 years ago, in 1898. And as a part of that comparison, the year 1898 was in no sense an abnormal year, because just at that time the Forrest Administration were compelled to exercise economy in the administration of affairs. A considerable amount of expenditure was cut off in that year owing to the decline in the rev-

enue on what they had received in the preceding year. So I am not taking an abnormal year to compare it with what might be regarded as our worst financial year in recent times. Taking the revenue in that year as compared with the revenue in 1908, and taking a comparison between the payments for interest and sinking fund, it will be found that whereas in 1898 the interest and sinking fund only absorbed 12 per cent. of our revenue, in 1908 it required 27 per cent. of our total revenue from all sources to pay our interest and sinking fund charges; while, if we may accept as correct the estimates of the Treasurer—and I am going to point out where in my opinion they are more than is justified by our existing position—the interest and sinking fund charges for the current financial year will require 28 per cent. of our revenue, which 28 per cent. of our revenue is going outside the State to pay the demands of our foreign bondholders. If we take from revenue the amount paid for these respective years for interest and sinking fund; and in order that the comparison may be an absolutely fair one and to meet the argument that may be advanced that the amount received from customs revenue was much greater then than it is now, I have also deducted from the revenue, not only the interest and sinking fund payments in the respective years, but also the net amount received from those sources of revenue that have since been handed to the Commonwealth, customs and excise, post and telegraphs and defence, and deducted the expenditure from the revenue. I find that we had a surplus of revenue for local purposes in 1898 amounting to £9 3s. per head of population, whereas in 1908 it only amounted to £6 7s. 4d. per head of population, or £2 16s. 2d. less. The main factor in reducing that surplus amount of revenue we have for local requirements, for the construction of public works, for the expenditure which goes directly to provide employment for our own citizens, is in the main attributable to the borrowing policy we have pursued in these ten years. If in 1898 we had been content to say, "We have half a million which we are able to divert from

revenue to expenditure on public works for the employment of our citizens," and if we added to that a moderate estimate for the increase each year, the amount that would be available by pursuing that policy without borrowing a penny would have been ten million pounds, and we would not have increased our indebtedness one penny or added one penny to the burden of our interest and sinking fund. That is the difference between what is called a magnificent borrowing policy and what would be the result if we were to stand on our own resources and be absolutely self-reliant and content with that gradual development of revenue consequent on sound financial methods. The position we are faced with at present, owing, of course, mainly to the increase in our interest and sinking fund charges, is that, instead of being able, as we have been in the past, to expend from revenue large sums in the erection of State batteries, in the provision of water supplies, in the construction of roads, in the development of mining and agriculture, even in the constructing of railways, we have reached that position in our finances where, after paying our interest and sinking fund and for the cost of administration, we have less than £100,000 of the whole of our revenue to expend on public works; and even on the figures advanced by the Treasurer as his estimate for the current year, at the end of 1909 I am satisfied that, unless circumstances of the most fortunate character over which the Treasurer has absolutely no control arise in Western Australia, we will have reached a position where it will require the whole of our revenue to pay interest and sinking fund and the ordinary cost of administration. It will then mean that we will have to resort to precisely the same practice as other States have done and have found to their cost to be unfortunate. For any expenditure outside these channels we will have to rely entirely on loan moneys, or we will need to have a complete reversal of the methods now ruling in the administration of our finances. The second cause to which I attribute our present position is the misuse of our loan moneys. Perhaps the Treasurer might not be directly chargeable—I do not for

one moment contend that he is—for the fruits of our borrowing policy, yet he is directly responsible for the effects flowing from the misuse of loan moneys in this State, because he was a member of the Ministry when the policy was instituted by Mr. Rason, and he not only persisted in the bad departure initiated by Mr. Rason, but he has made it worse ten-fold by the course he has adopted. We are told that there has been great economy in the various departments of the State; but I say emphatically, and challenge any member in this House to deny it, even including the boasted economies in the Railway Department, that these economies have been accomplished, not by economy in administration, that is reduction in expenditure, but by postponing expenditure which should be carried on now in order to maintain the capital value of our assets intact; or it has been by practically transferring from consolidated revenue to loan funds. Let us mention a few of the headings where this has been done by the Treasurer. In the erection of State batteries, taking the last year in which provision was made for the erection of State batteries from revenue, I find that in 1904-5 we expended £37,000 from revenue in putting up State batteries; but if we carry out the policy to which the Minister for Mines declares we are committed, and if we are not to expect these batteries to pay interest and sinking fund, if we are not to even expect them to pay working expenses in view of the assistance they give to mining development, there will be no claim on the ground of honest financial administration for the erection of batteries from loan funds. Whatever batteries have been erected by the Government have been built from General Loan Fund. The Mines Development Vote, previously provided from revenue is now wholly provided from General Loan Fund. Then there is the question of replacing obsolete stock. We heard the Treasurer trying to justify the provision of this from General Loan Fund on the ground of the condition of the finances, but if one reads the report of the Commissioner of Railways he will find that the gravest objection is taken to this departure from the practice of the past years by the de-

partment itself. Then we have provision from the same fund for the construction of roads, bridges and public buildings, for the transfer from the Railway Estimates of a vote always found before 1906 in the general Estimates called "Minor Works and Improvements." These are works which do not increase the capital value of the railways, but they are now being provided for from General Loan Fund. We also find that the Treasurer has now adopted the departure of even providing a portion of the Railway Estimates out of General Loan Fund, having transferred some £10,000 of the ordinary salaries and administrative cost to that fund. Last but not least we have that use of trust funds known as the Sale of Government Property Trust Account which I have previously characterised as dishonest finance and which I again characterise in the same category. If one portion of the assets which has been purchased by the expenditure of loan funds is disposed of, the capital value of that asset should remain intact, and that amount of money be spent in some other work in that particular department. This would keep intact the capital value of that particular asset as a set-off against the loan indebtedness to which the people are committed. But we find that instead of this being done, the Treasurer, in his effort to square the finances, in his failure to face the situation courageously and honestly, has appropriated this money—the results of sales are being used as ordinary revenue. It is a method which can never be defended. Even the *West Australian* could not defend it, although they said that probably in his present position the Treasurer was justified in doing it. If the Treasurer is wrong, no circumstances will justify him in doing such a thing. This is in no sense meeting financial difficulties, but merely postponing them and increasing their intensity in a few years to come.

The Treasurer: Has not Parliament sanctioned it by law?

Mr. BATH: Supposing a gang of burglars were able to hold sufficient power to legalise burglary, would that make it more moral and honest? Because the Treasurer had a majority prepared to

justify the action does it make it moral, something you can look up to and respect?

The Treasurer: Yes.

Mr. BATH: I say "No," and so long as we have a Treasurer who says that such things are justified so long will we fail to improve our financial position. Then we have another method that is always adopted by the man who refuses to face a position, the man who has not the courage, or if he has the courage, has not the ability to deal with it; we have the Treasurer doing what many anticipated he would do, and that is tampering with the sinking funds of the State. In the year 1906 when the Premier outlined his policy speech at Bunbury, some such proposal as this was made; but there was such an outcry in the State that very precipitately the Premier repudiated anything of the sort and said his remarks had been misinterpreted or misunderstood. I was satisfied then that it was coming, and to-day the only proposal the Treasurer can put forward is that we should reduce the amount of the sinking fund. I was sorry to hear that sentiment applauded by the member for Swan (Mr. Jacoby), for as a matter of fact that very school of political opinion to which the Treasurer belongs, in their campaign against municipal enterprise in the old country, declared emphatically that the municipalities were pursuing absolutely the wrong methods because they did not, in addition to providing ample sinking funds for the ultimate reduction of their debts, provide also a very considerable amount for depreciation and wear and tear of assets. That was the view urged among the municipalities at Home, and if they were to suggest for one moment that they should abandon their sinking fund, the political school, to which as I say the Treasurer belongs, would be loud in their denunciations. Yet to-day in this State, whose undertakings perhaps are not of the same magnitude as some of the county councils of the old country, the suggestion is put forward without a blush.

Mr. Jacoby: We maintain our railways at a greater value than the amount spent on them in loan money.

Mr. BATH: We should do so, but if the hon. member labours under that delusion let him read the Auditor General's report; he would then alter his opinion. As a matter of fact no State or no administrative body controlling any undertaking in which borrowed money is expended, need have any fear of the sinking fund ever interfering with the squaring of the finances, so long as the fullest possible care is exercised in the expenditure of money. True the sinking fund will grow, but if the money is rightly expended on reproductive works the income will grow, and while the gross amount of interest and sinking fund charges will increase, it will always bear the same percentage to the income or revenue received from those works. If it is argued, as it may be, that in expending loan moneys on these works we cannot expect them to be reproductive immediately, it is well to bear in mind that we make provision by which the sinking fund is not to be paid until four years after the loan has been contracted.

The Treasurer: It dates from the first issue of the loan.

Mr. BATH: We give time for the work to get into working order and prove its ability to pay. If the expenditure is wise there need be no fear by any community as to the provision for the payment of sinking fund in addition to the interest, which of course they must pay.

Mr. Jacoby: What rate of sinking fund do you approve?

Mr. BATH: I think our sinking fund of one per cent. is low enough. We are told by the Treasurer that if one-half per cent. is provided on future loans it will mean we shall hand over our assets intact 60 years hence to posterity. This idea of posterity getting such great advantages from a present borrowing policy has exploded, as is shown by the experience in Australia. We are the posterity of the loan policies of the past, and we have to pay, and pay very largely, for that policy. We also have to bear this in mind, that those great assets, the lands of the State, which were held up as the people's security for the loans contracted, are speedily passing out of the hands of the people, and in a very

short time in Western Australia we will be in much the same position as they are in the Eastern States, with the result that posterity will have the duty and the burden, but will find that the heritage which should come to them, the security held up as the reason for borrowing, has departed from them.

Mr. Hopkins: That only applies to a small portion of the South-West.

Mr. BATH: We know we have a very large area of land in Western Australia, but will the member for Beverley tell us that it is all suited for agriculture?

Mr. Hopkins: The best of the land has never been touched yet.

Mr. Scaddan: Hundreds are looking for that best land.

Mr. BATH: Many people in Western Australia would like to find it. I receive very many applications from people in the country for land within reasonable distance of a railway which should be available for them now, but I cannot find it. People travel through land contiguous to railways but they find it is all alienated, and it is that perhaps which inspires the feeling that there must be a change in the methods of administration if the country is to progress as it deserves and as its resources warrant.

The Treasurer: How will giving a title interfere with the asset?

Mr. BATH: Immediately the people part with the land, that is, immediately the Crown, acting on behalf of the people, part with the land, they have precious little title in it. Certainly the land cannot be taken away; but when the State wants to get even the least percentage from this asset the greatest possible difficulty is experienced in obtaining it. Where the State alienates land they alienate the asset on which they were supposed to borrow money.

Mr. Jacoby: No.

Mr. BATH: Members seem to imagine the land still belongs to the State.

Mr. Jacoby: The power of taxation does.

Mr. BATH: I hope members will be as amenable to the Treasurer as they now profess to be when an endeavour is made by means of taxation to secure

some of this asset which they say is still in the hands of the people. If all members opposite are with the Treasurer in this respect, that Minister need have no fear whatever about the financial position.

Mr. Jacoby: What is the security for the British national debt?

Mr. BATH: The security for the national debt of Great Britain and the security for the national debt of Western Australia is the patient acquiescence of a great many people in the injustice under which they have laboured, and in their willingness to submit to a form of taxation which places the heaviest burden upon those least able to bear it. Not only have we the Treasurer telling us he intends on future loans to reduce the sinking fund to one-half per cent., but he would try to assure us that we cannot continue to make provision for the amount of sinking fund we have previously paid on our existing loans. Nominally, we have to keep the obligation, but I submit the Treasurer has already got behind our sinking fund provision and has nullified it to a great extent. When I came into this House, as an unsophisticated member, the then Colonial Treasurer (*Mr. Gardiner*) was explaining to the House in a lucid fashion the safeguards which he had provided for maintaining the sinking fund and keeping it safe from piratical Treasurers—

Hon. F. H. Piessé: He did not provide that—

Mr. BATH: I know the sinking fund was provided by his predecessor, but *Mr. Gardiner* provided the safeguards.

The Treasurer: What were they?

Mr. BATH: Investment in the hands of independent trustees, and his proposal to embody it in the Constitution. Anyhow at the time the then Treasurer was outlining to the members of this House those safeguards, the then member for West Perth (*Mr. Moran*) interjected, "Any Treasurer would be able to get behind them and render them useless." I thought that was an absurd interjection, and that such a thing would be impossible from what *Mr. Gardiner* had assured us. I am a good deal wiser now, and I see that the present Treasurer has got behind

our sinking fund provision to a considerable extent. He has got behind it by using loan moneys for roads and bridges and public buildings; he has got behind it by the failure to provide that £30,000 for the replacement of obsolete stock; he has got behind it by using the proceeds of the sale of Government property bought from loan fund; and he has got behind day by day, year by year by these abominable methods now adopted for the expenditure of loan funds. I am going to refer to a few of them from the report of the Auditor General. We find on page 149 that funeral expenses, doctors' fees, and hospital charges were paid by the Government in connection with an employee on the rabbit-proof fence and charged to the loan vote. We find on page 196, details of expenditure from loan funds under the heading of "Development of agriculture." There is a grant to the W.A. Dog and Poultry Society of £250, being a special grant in addition to the amount provided for the society on the revenue Estimates. In connection with the producers' conference, we find still under the heading of the "Development of Agriculture," the expenditure of £223 13s. 11d. for fares and entertainment of the delegates to the conference. We find also that for *Dreyer's* pamphlet on dairying the sum of £50 was paid to *Mr. Dreyer* for its production.

The Treasurer: Finish reading about the Producers' Conference. Read the paragraph right through.

Mr. BATH: The paragraph says, "Arrangements have been made to transfer the amount to Revenue and Credit Loan during the year 1908-9," but that does not detract from the fact that it has been done. It is the fact that the Auditor General has had to call attention to this use of loan moneys, that has led to the rectifying of it. Under the heading of inspection of land, travelling expenses in connection with inspecting country prior to selection for a settlement for the unemployed there is an expenditure of £39 18s. 11d. from loan money. On the dairying industry £122 19s. 1d. was spent. This represents the travelling expenses of the dairy expert, the purchase of horses and harness, and half-cost—

£37 10s.—of the yearly ticket for Macfarlane & Company in connection with the development of the dairying industry. I am told that the representative of this company is travelling even now on that annual ticket and purchasing goods in connection with his own business. Even if the expenditure were justified there is no justification for placing it to the debit of loan. It is a scandalous state of affairs, and it shows to what depth we descend to the use of loan moneys. Hon. members will find that this report is full of references to this kind of thing, the use of loan money in this direction, the use of loan money for burying the dead, for entertaining delegates, etc. Where is the reproductive nature of such expenditure? So long as it continues, so long will it be impossible for this State to retrieve its financial position. We will get deeper and deeper in the mire. The dinner to the delegates to the Producers' Conference which was held at the Palace Hotel, comes under the heading of "Development of Agriculture." Could that be said to have been for the development of agriculture?

Mr. Scaddan: The Minister for Agriculture made a good fellow of himself on that occasion. The delegates thought he entertained them.

Mr. BATH: Another cause of our present position is that there has been a lack of definite policy of taxation in this State. When the Treasurer was introducing his land and income tax proposals last year, there were many inquiries from hon. members on both sides as to the incidence of this tax. I say the first consideration in any scheme of taxation should be as to how it is going to affect the people of the State, because there can be taxation which will not penalise industries, taxation which by its effects on monopoly may assist to relieve an industry from the encroachments of monopoly, and there is taxation which when imposed will hamper industries and commercial effort at every turn. But when the Treasurer was asked for information as to whether he had studied the incidence of those taxation proposals, he told us with an air of the most profound resignation that he had not done so. He said we would

have to pass the taxation, and in resigned tones added, "what is to be will be." It seems to me that since then there has been no effort made by the Treasurer to place this House in possession of that information it should have, information which is made available in every State where they give consideration to this matter as to how taxation affects the various classes of the community, such as people owning varying areas of land and in receipt of varying incomes, but it should not have been necessary for me as a private member to move for the information that I have moved for in regard to the incidence of land taxation in this State. That information should have been in the possession of members of this House before we were called upon to re-enact the Land and Income Tax which was passed last year. We have an attempt though to fasten the whole of the blame for the present position of Western Australia on the Federal Parliament, but it is only necessary to point out, although the Treasurer has been disappointed to the extent of over £50,000 in the revenue expected to be derived from the Commonwealth, that the deficit for the past four months is over £80,000 more than that deficiency in the return from the Commonwealth; and surely we cannot attribute that to any failure on the part of the Commonwealth to return as much money as we expected. As a matter of fact every member, and no one more than the Treasurer, should have been able to predict exactly what our position would be at this stage under Federation. It was the representatives of Western Australia who secured the insertion in the Commonwealth Constitution of the provision for the sliding scale extending over five years. They fixed the term at five years, and they knew that when the five years had expired, the State would have to deal with a declining revenue from the Commonwealth, and preparation would have to be made for it. It is useless to say because we have reaped the natural result of the loss of that special tariff, that today the blame is attributable to the Commonwealth. What should have been done was to prepare for that day and so adjust taxation in Western Australia, as to meet

the inevitable position that was about to arise. In my opinion it afforded a splendid opportunity in Western Australia for doing what every Government imposing taxation should do, that is, to readjust the taxation in the State according to the capacity of the people to bear it, and it is the first and fundamental principle of any taxation proposal that its burden should be proportionate to the capacity of the taxpayers who have to pay it.

Mr. Jacoby: It was a difficult proposition.

Mr. BATH: It was not a difficult proposition in New Zealand, and I fail to see why it should be difficult in Western Australia. Even when the Treasurer or the Administration of which he is a member introduced his taxation proposals there was an effort to try to accommodate themselves to all the conflicting interests which went to make up their support in the House. The result was that instead of having a definite scheme, one easily understandable to the people, we had it cut and mutilated in every direction; so as to try and meet the susceptibilities of the different classes of supporters on the Ministerial side. In New Zealand after their years of loan expenditure they were faced with bad times; they were faced with a declining trade, commercial depressions, loss of population, and excess of departures over arrivals. What did the Vogel Government do on that occasion to try and stem the tide? They imposed a tax on property, and the natural result of the imposition of that tax was to intensify the financial position which they had sought to cure. It meant that the emigration of people went on even faster, and the financial position went from bad to worse. What was the result when the Ballance Government took over the reins of office? They went into this question; they had certain ideals in regard to taxation and they did not increase the burden, but adjusted it in a different way. They imposed a tax on the unimproved value of land and a graduated tax on incomes with the result that within 12 months the tide had turned, the revenue was square and population began to flow in. And the reason was that whilst the tax did not press heavily on those carrying on

industries and tilling the soil it compelled the holders of big estates, such as the Cheviot estate, to open up their lands. The railways running through hitherto unpopulated country increased their returns, and they were able to reduce the freights and to reduce taxation on the great body of the workers. And although they had increased revenue the amount of taxation per head decreased and at the same time the burden was distributed over the people in proportion to their capacity to bear it. If the same course were to be pursued here I feel confident that it would be attended with like results.

Mr. Nanson: The tide had turned before the Ballance Ministry came in.

Mr. BATH: I refreshed my memory only yesterday on the question and I must insist on my statement being correct. What I say is that the turn of the tide was coincident not with the advent of the Ballance Government, but within 12 months of their taking over the administration of the affairs of New Zealand. The member for Beverley the other night referred to hon. members on this side of the House as if they were desirous of imposing burdens on the men developing the soil of the State. I say that nothing is further from the thoughts of hon. members on this side of the House. We advocate an ideal because we believe it is right. We believe that by bringing about the development of our resources, by the development of the lands along the existing railway system, we can have increased revenue and more people to use the facilities and institutions of civilisation already provided; and we believe that by having more people to use them we will have more business, greater commercial activity, more taxpayers, and a greater amount of revenue while the burden will not be quite so great. And I am satisfied that once this policy is understood by the people they will recognise that it is for the benefit of the State of Western Australia. I do not wish to be 'destructive in criticism' without suggesting remedies. I believe that we could well carry that land tax through with greater simplicity, with less mutilations, and

that we could have raised some £80,000 from that tax without injury or without hampering the efforts of one man engaged in any industry in Western Australia.

Mr. Hopkins : I agree with that.

Mr. BATH : And what I criticise the Government for is that before they imposed the tax they had not made sufficient provision for seeing that it was imposed with equality on all people throughout the State.

Mr. Hopkins : You could not do it without valuations.

Mr. BATH : The machinery was imperfect and although the amount of the tax is supposed to be the same even now it is pressing with inequality on the people throughout the State. And while the small man, the man whose income is easily get-at-able by the Commissioner—while he is taxed to the full, I am told that it is the boast in Weld Clubdom that certain prominent men have been able to get at the Treasurer so far as the income tax is concerned. And I believe the Treasurer is being deprived of revenue by these very men who, I am told, boast about it and still are escaping now. I believe the Treasurer, in looking round for sources of taxation, could very well have increased the death duties in this State. I believe he could double the revenue receivable from this source by increasing the graduated scale of death duties which are imposed under our Administration Act; and it seems to me to commend itself as one of those methods of taxation which are less open to the accusation that we are placing a tax upon the energy and enterprise of the individual. Because whatever energy or enterprise that individual may have shown we see instances the world over where, perhaps a man of weak intellect, an idiot, a man who is of a most dissipated character, or foolish disposition suddenly enters into large accumulated wealth. I believe we could, without hardship on any individual, increase the death duties and so largely increase the revenue.

Hon. F. H. Piesse : You would have to classify those men.

Mr. BATH : There is no need to classify them when they are dead.

Hon. F. H. Piesse : No, but when they are living.

Mr. BATH : I believe too that we could increase the amount receivable from the income tax without making it a burden on those who are in a bad position to bear it. I am not an advocate of income taxation, except as a last resource but I believe that if ever there was a time at which a last resource should be availed of in Western Australia we have reached that time. And I believe that by a graduated tax such as that in New Zealand we could raise larger revenue and might have a chance of getting at some of those gentlemen who have figured so prominently in connection with the meat ring in this State. There is another point in regard to the policy of the Government, and that is in connection with the railways. The Government complain about the personalities which were indulged in at the recent elections, but if there ever was an untruth told in the course of that election it was told by the members of the Ministry when they accused myself and others of being opposed to agricultural railways. At the very outset when these proposals were submitted to the House I said to the Minister that if he were prepared to bring in a betterment tax in conjunction with these railways I would support every one that had a decent claim on the members of this House. But what is the result at the present time? We have, according to the figures given in the railway report, a loss of £8,000 a year on these railways. I am not complaining of that, because I recognise that we cannot build railways and make them pay from the jump. Still the people of this State have to find the £8,000, and those who are using the railways, those who are developing the lands have to pay a special rate for traffic on those lines in addition to what is being found by the taxpayers. And yet there are numbers of landowners in this State who are reaping as much as 50 and 100 per cent. profit by disposing of their lands at enhanced prices as the result of these railways having been constructed.

They are in pocket by the expenditure of public loan money and are profiting by the extra imposition placed on those who are using the railways. Now under a betterment tax those land owners would have to contribute to the revenue some of the value which has been placed upon their lands by the construction of the railways.

Hon. F. H. Piesse : There is a bit of theory about that.

Mr. BATH : Nothing of the sort. I have been in the vicinity of these railways recently and have been told of instances where land has been sold. I can give an instance in respect to the Collie-Narrogin railway, of land belonging to the estate of the late Mr. George Lansell having been sold at a greatly enhanced price. Again, the Bolgart Railway will enhance the value of the Midland Company's lands. The company are about to hold a sale at Northam and they advertise as a special inducement to persons to buy those lands that the Government have decided to construct the Bolgart Railway near these lands. I have been told of innumerable instances of land being sold at enhanced prices since these railways were constructed. But when we get down to what has very well been characterised as the drag-net taxation proposals we reach burlesque; we arrive at comic opera. It is amazing to me that in all these searches for £100 here, £200 there, and £500 somewhere else the Treasurer has forgotten to license boot blacks, newsboys, washerwomen, bottle merchants, and the fish-oh man.

Mr. Scaddan : They will be in the next year's Budget.

Mr. BATH : It seems to me the Treasurer is neglecting his duty in omitting to tax these people. But, speaking seriously, it really does seem that these methods of taxation of the Treasurer's show the straits to which he is reduced, and show that he has not the courage to face the situation and evolve some statesmanlike scheme to meet the difficulty. Another charge I have to make is the failure of the Administration to economise. And the Treasurer, as the

Minister who is directly charged with the control of the finances, is more responsible than the others; because he should hold the Ministers and their administration in check. He should be the one vigilant to supervise the expenditure of the departments and point out where the position of the State and the financial position also could be improved if better methods were adopted; but outside the boasted economy in the railway administration of this State there is no instance whatever of economy having been effected. As a matter of fact, if there is any opportunity to save money, it should be in those administrative departments where a large number of civil servants have been employed, and where establishments have been built up. It is in those departments where economy should have been effected, but where we come to the Railway Department and the claim that a saving has been accomplished, we find that the bulk of that saving has been effected in a department which makes it evident to me that the Commissioner of Railways has merely postponed necessary expenditure on the railways of this State. In the figures given in the report we find that the economy has been effected in the expenditure on maintenance of way, works, and buildings; and that is after all the most important item of the expenditure on the railways of Western Australia, the item on which we cannot afford to be parsimonious to the danger of the travelling public. It was one of the recommendations, one of the most urgent needs the late Commissioner noted when leaving office, that whatever economies should be effected in the department, there should be no attempt to reduce the efficiency and safety of the permanent way in this State. Yet the Government have in the last few years, between 1904-5, when it was brought to a high state of efficiency, and 1907, gradually reduced the expenditure on that item, and the amount they have saved on it is £115,000, which practically makes up the whole of the economy effected in the Railway Department of this State.

Mr. Bolton : And that is notwithstanding the increased mileage.

Mr. BATH : In my opinion economy in the maintenance of our permanent way, which impairs the efficiency of that permanent way, which makes it necessary in a few years, as has been found in the Eastern States, to spend an increased sum to bring it up again to a state of repair, is not economy in the true sense of the word, but is only postponing the difficulties, is only making them more intense in a few years to come.

The Treasurer : The Railway Report does not bear that out; it says that the lines are in very good order.

Mr. BATH : Naturally the report would say that. A man staking his reputation on his ability to economise in the railways is not likely to put the public in possession of the true state of affairs. It is only necessary to quote the figures to show that the economy is not true economy, and that we are building up a very unsafe condition of affairs in connection with the railways of the State.

Mr. Nanson : The report says that the railways are in a better condition now.

Mr. BATH : The member for Greenough should have sufficient knowledge to know that the gentleman responsible for the Railway Department is not likely to tell the public of Western Australia that in obedience to the commands of the Administration to save money he has gone beyond the margin of safety in the maintenance of the permanent way: he dare not do it. But I am satisfied it is being done, though the Treasurer probably imagines that he will not have to trouble in a few years to come. Still, even holding that opinion, he should look beyond the immediate present and have regard to the possible prospects in a few years to come.

The Treasurer : There will be no trouble in a few years to come.

Mr. BATH : I have referred to the postponement of remedial measures; I am not going to traverse the criticisms that have been frequently offered in this House as to the attitude adopted by Mini-

sters. In 1906 we were promised an adjustment of the finances, sound financial administration, and year by year criticisms have been urged against the Ministry for their failure to carry out these promises. It appears to be useless to point to the way in which the Government have failed to carry out their solemn pledges to Parliament and the country; and in merely stating that much of our trouble is due to the fact that the Government have postponed the evil day since they came into office, I am stating what is one of the causes to which we may attribute our present position. But there is another matter which is more serious, and to any member of this House who peruses the Auditor General's report it will be at once apparent that at the time when the Treasurer should be vigilant and alert, when all his efforts should be more pronounced than they have ever been since he has been in the office, instead of the first principles of commercial safety being looked after, the Treasurer appears to have taken up the hopeless position of saying, "I can do nothing, the position is beyond me, let every department, every Minister, every officer go as he pleases and do exactly as he pleases." That appears to me to be the attitude taken up by the Minister, and it is borne out by scores of references I could read in the Auditor General's report. In fact, I can only say that the condition of affairs disclosed by that report proves conclusively that the financial administration of affairs in Western Australia at the present time has grown to be a public scandal. And while we have the Auditor General who is responsible to Parliament, who is beyond the reach of victimisation by any Minister for speaking his mind, it is a regrettable fact that for the past two or three years while he has reported the condition of affairs and has asked the Treasurer to effect remedies, his recommendations on the matters he has brought under the Treasurer's notice have been absolutely disregarded. I am going to read a few of the methods that characterise those who occupy Government positions in Western Australia to-day. These are things that should have been looked after by the Treasurer, and should be impossible in

departments run on decent lines. We find under the heading of Agricultural Immigration on page 128 that a sum of £113 14s. was paid to Mr. F. S. Brockman, Chief Inspecting Surveyor, for expenses in Great Britain and Ireland in connection with agricultural immigration, and charged to this vote. With the exception of £13 14s. 10d., the details of this expenditure were not supplied, the amounts being merely described on the vouchers as, "expenses while travelling; details not retained." Then we find the most beautiful piece of financing I have ever come across in my life, the sort of financing that in London would land Whittaker Wright before Judge Darling. We find that at Nangeenan a good deal of loan money has been expended, but they sell certain produce from the farm. While the value received from the sale of the produce is paid into consolidated revenue, the expenditure is paid out of loan funds. If that is not beautiful financing under the aegis of the Treasurer then I want to know what is. Then we find that under the heading of "State ceremonies, Ministerial expenses and visits" these items are paid out of three different votes: there are items under the heading of "Miscellaneous," "State Ceremonials" and "Ministerial Visits," while sometimes they are paid out of "Incidentals." I want to refer to this "Incidentals" vote. I have totted up the total amount provided in the Estimates for what are called "Incidentals" (postages, stationery, and telegrams), and I find that it is £130,000. It seems to me there is room for inquiry into this item, room for a considerable reduction, if economy is to be effected and if our departments are to be run on anything like an economical scale. Then we find in connection with the Tender Board defalcations, on page 134 the Auditor General says it is evident that the reports of the Auditor General which are made by law to the Treasurer should receive more attention, because if definite action had been taken in this instance there was no reason to believe that a shortage would have occurred. It says that the Treasurer is now aware of the condition, and has directed that an inquiry should be held. Hold an inquiry

after he has been warned, and after the stable door has been opened and the colt has been stolen! Then we find under the heading of the Mines Department, page 135, the following paragraph:—

"An engineer of State Batteries was appointed at a salary of £10 per week. A portion of the expenditure has been charged to the Revenue Item "Temporary Labour" under "Salaries," and £232 4s. 6d. of the amount has been debited to Loan Item "Erection of State Batteries." The expenditure occurred during the previous year, but the query raised was not satisfied in time to be reported. No transfer has been effected. Similarly during the year under review a temporary "Mechanical Engineer and Fitter" has been appointed and paid at a salary of £33 6s. 8d. per month. His salary is allocated to the Revenue Item for "Temporary Labour" and that provided under Loan for "Erection of State Batteries," according to whether he is employed on repairs or construction work. Under the method adopted an officer may be employed from year to year in what is equivalent to a permanent position without his salary coming under the purview of the Parliament."

Then there is another instance illustrating the loose methods adopted in the departments.

The Treasurer: That is not a loose method you have just referred to.

Mr. BATH: There is also an item here in regard to the control by the departments of properties that belong to the State.

The Treasurer: Where is that?

Mr. BATH: I cannot find the page. In this instance the property had been retained at the home of the officer and was returned by him, but the department had absolutely no knowledge of his possession of the property, and if he had not been honest and had not returned it, the department would have suffered the loss of the property without knowing anything about it.

The Treasurer: What was the property?

Mr. BATH: On page 168 appears the following:—

"Attention has been drawn in the previous reports of the Auditor General to the necessity for property records in all departments. During the year the want of such records has been exemplified in two departments. In one instance an officer was leaving and the department was unaware of the fact that he had certain property of the Government at his private house (kept there, it was said, for departmental use), and if he had desired to be dishonest and retain it, possibly it would never have been found out."

"In another instance some animals were lost sight of for a period of about three years, and the fact of their existence only came to light through the receipt of an account for agistment. It may be added that as the animals were of very little value to the department, and should have been sold when the work on which they were engaged was completed, the State was the loser in having to pay for their upkeep for this period."

Mr. Swan: They lost a locomotive at one time.

Mr. BATH: Also a number of trucks. It is evident from the methods adopted in connection with the administration of affairs, that the Treasurer has lost all interest in and all thought for that economy and proper care so necessary in connection with the finances of the different departments.

The Treasurer: This sort of thing went on in your time just the same.

Mr. BATH: If so the Auditor General did not report upon it.

Mr. Angwin: The present Leader of the Opposition was not a Minister for three years.

Mr. BATH: We now have the Minister for Mines claiming that his return for the constituency of Menzies is a vindication of his administration of the Mines Department.

The Treasurer: So it is.

Mr. BATH: Then I want to know what the return of Opposition members for all the other mining constituencies represents.

The Treasurer: The Labour vote.

Mr. BATH: If the Treasurer wants to know, and he should, the return of the Minister for Menzies is not a vindication of the Mines Department, it is the result of the use of poisonous methods by bringing religious bigotry into that election.

The Treasurer: Not on this side, but by you.

Mr. Gourley: The Minister sank to the very lowest depths.

The CHAIRMAN: Order.

Mr. BATH: I got the first word of this when I landed at Mulline after the Colonial Secretary and Minister for Mines had been there. I was given a specific instance of it, and on the platform I took the first opportunity of disclaiming and denouncing such methods. If the Treasurer wants to find out what won the Menzies election he will get plenty of evidence to support what I say if he goes to the district. It was nothing but the introduction of religious bigotry.

Mr. Troy: That is so.

The CHAIRMAN: Order.

Mr. Hopkins: This was not the first time it was trotted out. Ask my friend Mr. Scaddan.

The CHAIRMAN: Order. I have called for order several times. Interjections must cease.

Mr. BATH: If anyone wants to know the condition of the Mines Department let him look at the financial returns. If he does this he will see that the revenue has been decreasing year after year. If we take the record of revenue since 1901-2 it will be found that the revenue received has declined from £53,000 in that year to £31,434 in 1907-8. While the revenue has been decreasing however, the expenditure—the purely administrative expenditure—has been going up year by year until to-day, when we are not finding one penny for mines development as in previous years, or for the erection of State batteries, or for anything except bare administration the department controlled by the Minister for Mines is going from bad to worse. Instead of the expenditure from General Loan Fund assisting in raising a larger revenue in order to recoup us

for some of the expenditure, the position is as I have said, that the revenue is steadily but surely decreasing, while the cost of obtaining that revenue is getting larger and larger. The Mines Development Vote has been administered in a partial manner to confer favours, not on the deserving prospectors and leaseholders, but in such a manner as to cause the worst possible reflection on the administration of the department. One has not to go a step further than the case of Moxon and Wilson, in which case the most indecent haste was shown to grant a loan. It was not a question then of that red-tapeism which was given as a reason for the failure on the part of the department to give a loan to a leaseholder at Boogardie. No. In the case I mentioned urgent wires were sent and within a few months of the application, although no development had been done by the applicant, a battery and machinery were on the station at Yalgoo. But the applicant had not enough money to take it from there to his lease so he applied for an additional sum to cart it to the prospecting area.

Mr. Troy: A scandal.

The CHAIRMAN: The hon. member for Mt. Magnet must cease these interjections.

Mr. BATH: There is one matter which I think even the Minister for Works will recognise as one of considerable gravity. That is in connection with the Goldfields Water Supply and the condition of the pipe line to the fields. I do not want to exaggerate or to raise alarmist statements. I have given notice of motion, which I can say candidly I have not moved in any antagonism to the administration of the water supply, but because I believe that the time has come when there should be some comprehensive investigation into the administration of the department with a view of having complete control rather than the piece-meal system we now have. It is not the fault of those administering the department, but the fault of the different conceptions held as to what the scheme is for. Sir John Forrest brought it forward as a goldfields scheme. The member for Katanning (Hon. F. H. Piesse)

shakes his head; but the whole evidence points to that.

Mr. Taylor: You did not read his speech at Beverley about it.

Mr. BATH: Sir John Forrest has after-thoughts, such as the desire to get back to a Ministry after resigning. Supplies of water are given to York, Beverley, and Northam and the towns en route, and to agricultural areas; but we have no complete administrative control of the scheme. I do not believe we should have one board to control the whole department. The Government or the administration should contract to supply at the reservoir on the fields a certain quantity of water, say a million gallons a day at a specified price: one and a half million gallons a day at a lower price, and two millions gallons a day at a lower price still; and give the people there an opportunity to form a trust to administer that particular area, to take the water at the reservoir, take over the reticulation on the goldfields area at a valuation, and have complete control in their own area. They should have a right to fix a price for various classes of consumers, and in fact have local government of the supply. I believe this would give satisfaction, and it would place on the people there the responsibility of proving their contention that the cheaper the price the greater would be the consumption. The Government could supply the water at a certain price, sufficient to pay working expenses and interest, and perhaps a small sum over for contingencies; but on the local people would be thrown the responsibility of administration. This would meet with the satisfaction of the local consumers and would serve to encourage the various interests concerned. So far as the agricultural areas are concerned I believe there is need for an alteration in the system of guarantees now obtaining. I note that men shirk their obligations, and that while others are prepared to put forward a guarantee, the benefit of the water supply is given equally to all. When there is a limited supply, then preference is given to those who provide the guarantee; but I do not know of a case where persons

through whose property water runs have been unable to get a supply. I believe if we had a rating on the unimproved value, by which a man would pay according to the area he holds, the problem would to a great extent be solved, for by that means all would contribute. Water could be laid on and the Government be indemnified against loss, while sufficient revenue would be secured for all purposes.

The Minister for Works: There is no authority under the Act to do that.

Mr. BATH: Well, I am in favour of giving the Minister authority under the Act. I hope when the select committee go into the matter this suggestion will receive their consideration. The Treasurer has referred to the great advantage the Savings Bank is to the State. I agree with him, and would point out to the Minister for Works, who exposed his ignorance on socialism the other night, that there we have another instance of a collective institution working for the benefit of a large number of people. I am glad to see how progressive the institution is. As a matter of fact the Savings Bank is securing an increase of depositors at the expense of the private banks in the State, because the deposits in the private banks have declined to a greater extent than those in the Savings Bank have increased. The expenditure both in the Savings Bank and the Agricultural Bank has increased, and the question now arises, why should these institutions not be amalgamated? The Agricultural Bank draws on the Savings Bank for the money it uses to develop agriculture: while the Savings Bank depends upon the Agricultural Bank for the interest which it returns to depositors. Why should they not form one institution with extended functions and greater scope than to-day. The Treasurer has referred to the use of Savings Bank funds for the purpose of depositing money in the London and Westminster Bank to protect this State against the increased discount rate. There is no doubt that the functions of the bank could be extended with very great advantage. I did not intend to occupy the time of the House at such

length as I have done, but it seems to me the position is one demanding that members should rise above party considerations in order that the true position should be brought home to everyone. I do not want to be too severe upon, or too critical of, the Treasurer, but I must speak the truth. In my humble opinion it is his careless neglect, his indolence, and his failure even to recognise the first principle of honest finance, that has landed us in the present position. In my opinion, and I have held it since the Treasurer presented his first Budget to this House, we cannot look for relief, for sound financial methods, so long as he occupies his present position. I say that only by having someone else with a greater sense of duty filling that chair, can we ever have financial salvation in Western Australia.

Progress reported.

BILL—LIMITED PARTNERSHIPS.

Second Reading.

The ATTORNEY GENERAL (Hon. N. Keenan), in moving the second reading, said: The Bill which it is my duty to explain to the House is entitled "An Act to establish Limited Partnerships." The object of the Bill is this. Everyone is aware of the fact that those engaged in business in a large way can easily procure financial assistance from large financial institutions which are at their command, or if they do not want to resort to these institutions, they can convert their undertaking into a limited company and then invite subscriptions from the public. In small ventures, however, neither of these resources is available. People in a small way cannot obtain assistance from financial institutions owing to the fact that they have not the assets upon which to obtain advances from financial institutions which will not consent to take a risk. On the other hand, in the smallest of ventures, it is absurd to suppose that they can be converted into a limited company by an appeal to the public at large. The object of the Bill is to provide assistance in cases of that character. It was first brought

forward by the present Liberal Administration in the Imperial Parliament and went through the routine then of being submitted to the Board of Trade, which has a committee which inquires into all Bills of a mercantile character. It was scrutinised by the commercial community of Great Britain and the societies that represent that community, and on all hands it received some measure of support and became law, and the result as far as records go is most favourable. Universal opinion is apparently that the measure has supplied a long needed want by enabling small business men to get that help which it was not previously possible for them to obtain. I would like the House to grasp what perhaps I may not have made very clear, the distinction that does exist between men of small business concerns and men who are in a large business way. Under this Bill the small business man can obtain an advance from a man who goes in with him in the risk, which is a proposition which would never be entertained in the ordinary sense of financial assistance. Banking concerns want security over assets. It is not open to the small man to ask for general support from the public as is generally done when a company is being formed. Hon. members will find on looking at the Bill that the limited partner only shares in the profit resulting from the risk. He has no voice whatever in the management but simply finances the concern, and his return is derived from the success of the venture. He stands apart altogether from the management of it in the same way as any other person who might have advanced money to a large business concern. He undertakes to finance it, and to that extent he is liable, but he has no voice in the management or in the carrying on of the business. Provision is made that on any occasion when a limited partner attempts to interfere in the management he becomes liable as a general partner for all debts and obligations incurred. In order that these firms may be placed on a proper basis, machinery is provided in the Bill. They will not arise unknown in our State, but will be properly registered, so that anyone may be in the position to know in what way they exist and

to what extent any parties in the State are interested in the venture. The registration will supply information of every character that is requisite. If during the continuance of the partnership any change occurs in the firm's name, in the general nature of the business, in the place where the business is carried on, or in the character of the partnership, all these changes must be notified to the registrar and must be recorded and notices inserted in the *Government Gazette*. There has to be a notification also if any partner ceases to be a general partner and merely becomes what we in Australia term a "backer," namely a person who finances the concern but is not interested in the general management. If hon. members will read the measure they will see it is essentially one which will be useful in this State. It has been found useful under the conditions of established communities such as the Home country. Western Australia is essentially a place where men of small means may make a commencement, and where they can rise to a much greater extent than they can at Home. I believe it will be a most useful measure in this country, as it will enable many businesses to be established which to-day cannot be put on anything like a footing. I would submit with confidence that if any place is favourably situated for carrying on partnerships of the character set out in this Bill, that place is Western Australia.

Hon. F. H. Piesse: How long has it been in force in England?

The ATTORNEY GENERAL: About two and a half years.

Mr. Walker: What about Clause 17? Does that not render it necessary for the Bill to be introduced by Message from the Governor?

Mr. Scaddan: The Speaker has already ruled that in such Bills a Message should be presented before the second reading.

The ATTORNEY GENERAL: If the hon. member reads the Constitution Act he will find that it states there that the Message may come along "before the passing of a Bill." This Bill has not for its object the bringing of revenue to the Crown. It contains provision for making rules for the purposes

of registration, not rules for the purpose of bringing revenue to the Crown. One might say a Companies Act might be introduced by Message from the Governor, or any Act dealing with the registration of firms. We know well the Constitution Act relates to actual revenue, not fees paid on the registration of a document, and after all it is only the payment of fees that is referred to in this measure.

Mr. Walker: What are the fees but revenue?

THE ATTORNEY GENERAL: There is a well known line of demarcation between fees paid as under this Bill and under Acts such as the Companies Act and those particular statutes which are entitled to raise revenue by taxation or by some means analogous to taxation. However, I am not dealing with that. I hope I have said enough to commend the Bill to the favourable consideration of the House. The conditions existing here are far more favourable to a measure of this character than the conditions existing at Home. It will enable small business men to get on their feet, whereas to-day owing to the fact that they have not the means of financing their concerns they cannot obtain assistance except on terms which are not acceptable to them. I move—

That the Bill be now read a second time.

Point of Order.

Mr. Walker: I do not think we should get into a loose habit of conducting business in the House. The point has been raised repeatedly as to whether a Bill of this kind should be introduced by Message. I believe that on the last occasion that it was submitted it was realised that the point taken was good. The matter was debated then at length. The Constitution Act provides that all Bills dealing with revenue or with trade matters shall be introduced by Message. This Bill has not been introduced by Message and therefore it is improperly before the House. I do not think it needs any argument at the present juncture to support that point. The word-

ing of the section dealing with the matter is perfectly clear.

The Attorney General: Section 67 of the Constitution Act to which the hon. member refers reads as follows:—

"It shall not be lawful for the Legislative Assembly to adopt or pass any vote, resolution, or Bill for the appropriation of any part of the Consolidated Revenue Fund or of any rate, tax, duty, or impost to any purpose which has not been first recommended by Message from the Governor during the session in which such vote, resolution, or Bill is proposed."

Now it must come strictly within the words of that section, and within the time laid down in that section. It is clear first of all that the time at which it is not lawful to take this action is when you pass any Bill. And there is a distinct time in the procedure when that is reached. A Bill is not passed at the second reading stage, or even when it goes into Committee. It is not passed until it is put to the House that it be passed. Apart from that I submit there is nothing of the nature of an appropriation from Consolidated Revenue Fund in a Bill of this kind. Neither is there anything of a tax, duty, or impost. It is simply a Bill enabling certain agreements to be registered and providing for a fee to be paid to the Registrar. One might as well introduce a Companies Bill by Message from His Excellency; and if hon. members will refer to the records they will find that no such Bill was ever so introduced into this House. There is nothing in this Bill which requires a Message from His Excellency.

Mr. Walker: The point was raised once before. We had a long debate on it when dealing with the District Fire Brigades Bill, and at the conclusion the Speaker said:—

"I rule that it can be brought down according to precedent at any stage. Perhaps the wiser course in the future will be to adhere to the word "first," but I am following the precedent that has been adopted for years past, and I think I am putting the proper con-

struction on it; unless a Message does come forward before we reach the second reading stage."

There was another case where the House had a discussion on the question of the betterment principle.

The Attorney General: To impose a tax.

Mr. Walker: I will show the hon. member what it was. It was during a debate on the Preston Valley Railway Bill. The Chairman had given a ruling and the Speaker said:—

"I must uphold the opinion of the Chairman of Committees. This new clause involves a question of taxation and under our Standing Orders must therefore necessarily be preceded by a Message from His Excellency the Governor obtained either by the mover or by a member of the Ministry."

The Attorney General: It was to impose the betterment tax.

Mr. Walker: There was a clause in the Bill which had imposed a tax, but it was only a subsidiary feature in the Bill. It was precisely on all fours with this. I merely want the House to proceed orderly with the conduct of business. Section 67 of the Constitution Act reads: (section read). The recommendations must come first. We have not had this recommendation from the Governor, and yet Clause 17 of the Bill under consideration states distinctly that the Governor may make rules with respect to fees and that the fees are to be paid to the Registrar. Here clearly is an imposition, a duty if you like, upon those limited partnerships which will be created under this Bill. It is obvious to everybody. The point is, there are fees to be paid by subjects. These fees go to the general revenue and the amount here is limited to the sum of £2 in one instance and in the other 5s. If that is not imposing a tax or a rate under Section 67 of the Constitution Act, there never was an instance of that kind.

Mr. Jacoby: As our Constitution is a written Constitution and is contained in

an Act, it is always safer to proceed with the greatest caution in passing measures that may be considered by the Court to come within the operation of Section 67 of the Constitution Act. Bringing in a Message is a very simple matter and makes it absolutely certain that measures that may come within the operation of this section are legal. Otherwise they may be illegal and not worth the paper they are printed on if they do not conform to the statute. It is different in the House of Commons. Their Constitution is unwritten and any failure does not invalidate the Bill. Here we act under an Act of Parliament, and as Mr. Speaker cannot always be a legal authority, I submit it is safer for the protection of Mr. Speaker himself and for the protection of the House that where there is any doubt a Message should be insisted on. With regard to the time when a Message should be submitted, in previous Parliaments we have followed the practice of the House of Commons where a Message is considered to be in sufficient time if it reaches the House before we are in the Committee stage. I submit that we are in order in proceeding with the second reading of this Bill provided we have a Message from the Governor before we reach the Committee stage. I think we are justified in following the practice of the House of Commons here.

Mr. Speaker: As to the ruling of last session referred to by the member for Kanowna (Mr. Walker) with regard to the word "first," I admit on that occasion I said a Message should be received before the first reading, but I have since consulted legal authority, and I find that it applies in any case so long as the Message is brought down before the passage of the Bill, even before the third reading. Already a case has occurred this session in which a money Bill has been introduced, and I took the precaution to advise the Minister in charge to see that a Message should come in during the early stages of the Bill. Strictly speaking, and according to my reading, and according to the advice I have had, a Message can be received at any stage, but I consider and agree with the member for Swan that it

is advisable it should always reach the Assembly before the Committee stage. I venture to think that if the member for Kanowna will re-peruse Section 67 of the Constitution Act he will find, as I have already expressed it, that it shall not be lawful for the Legislative Assembly to "adopt or pass" any vote, resolution or Bill for appropriation. Neither of these events can happen until the third reading. Therefore I contend that the word "first," raised by the member for Subiaco on a previous occasion does not apply. It is perfectly right for a Message to be here before the third reading, but it is advisable that it should be here before the Committee stage. Already I have so advised a Minister in charge of a certain money Bill, and I intend to do the same whenever there is occasion to do so.

The Attorney General: I should like your ruling whether a Message is necessary on this Bill.

Mr. Speaker: It is apparently an appropriation.

The Attorney General: If we adopt the practice of bringing down Messages for all these Bills we should flood the floor of the House with them. I am satisfied there was no Message from the Governor before the Companies Act, 1893, was passed, nor before any of the amendments to that Act were passed, nor in connection with the Legal Practitioners' Act. There is scarcely any Bill brought forward creating any form of business relationship between people that does not compel them to register.

Mr. Walker: You must not forget that the Crown Law officers in a recent case pleaded that an Act was illegal because no Message had come down preceeding the passage of the Bill.

The Attorney General: I venture to say there is no experience of a measure providing for a registration fee being paid or a document being entered into by people being treated as a money Bill.

Mr. Bath: But if we have done wrong in the past—

The Attorney General: We have not done wrong in the past, we have done right, and I do not want to do wrong now. If we need Messages for Bills like this we would need to be ringing up the Gov-

ernor every day. The object of Section 67 of the Constitution Act was only to protect the Crown from a liability arising from serious appropriation, or to protect the subject from liability arising from taxation, but in regard to this Bill it is not to be imagined that when people need not enter into an agreement at all, or if they enter into an agreement need not file it and so avoid paying the fees, a Message recommending appropriation should be necessary.

Mr. Speaker: The Attorney General is strictly correct, because Section 66 of the Constitution Act says:—

"All Bills for appropriating any part of the Consolidated Revenue Fund, or for imposing, altering, or repealing any rate, tax, duty, or impost, shall originate in the Legislative Assembly."

Mr. Jacoby: That is correct, but that section does not refer to Messages. My contention is that it all depends on a legal interpretation of the meaning of Section 67, and to get that interpretation we need to go to the Supreme Court. In the circumstances, if there is any doubt the simplest thing is to get a Message: it does not take five minutes; I saw the process in operation to-day. It would protect the House and Mr. Speaker, and Mr. Speaker should insist on a Message on every Bill concerning which there can be any doubt.

The Attorney General: Merely on the matter of a registration fee?

Mr. Jacoby: Yes. Reading it as I do I think there is some danger in passing this measure. The Attorney General cannot say what would be the Supreme Court's judgment on this matter.

Mr. Speaker: Perhaps I may be more explicit. This is not an appropriation, and I have no hesitation in saying, as a layman, that Section 66 of the Constitution distinctly provides that a Bill of this nature must originate in the Legislative Assembly.

Mr. Walker: Pardon me; the two cases are entirely distinct and deal with entirely different matters. Section 66 is dealing with the place where money Bills of all characters shall originate. The Legislative Assembly is the anti-

thesis of the Legislative Council. Ordinary Bills that do not affect monetary matters, imposts, duties or any appropriation of any sort, may originate in either House; but Section 66 says that money Bills, that is to say, all revenue matters, all things affecting rates, taxes, duties and imposts, shall originate in the Legislative Assembly—they cannot and must not originate in the Legislative Council. But it does not mean, nor does it deal with the subject at all, that money Bills shall originate without Message in the Legislative Assembly. It does not treat with the matter at all. Section 67 deals with that question. It is set out that money Bills must originate in the Assembly and be introduced by a Message from his Excellency the Governor.

Mr. Speaker: Section 67 applies. As the hon. member has rightly pointed out, all money Bills must originate here, and Section 67 points out that a Message from the Governor can be received at any stage prior to the Committee stage. I rule that the Attorney General is in order in proceeding with the measure at this stage.

Mr. Scaddan: Some doubt still exists as to whether this should be considered a money Bill or not. Does it require a Message from the Governor?

The Attorney General: I understand the Speaker rules it is not necessary to introduce it by Message from the Governor. The member for Swan (*Mr. Jacoby*) has said, "Let us be safe and obtain a Message from the Governor." The hon. member appears to be extra anxious that no mistake should be made, but we do not want to be extra anxious for every Bill that is brought before the House: if so, it would probably be found necessary to introduce every measure by a Message; for instance, it might be necessary to introduce the Bunbury Harbour Bill in that form.

Mr. Jacoby: It is necessary that it should.

The Attorney General: Yes, I believe that in that case there was some provision for expenditure. I have submitted, and I think clearly, that this is a Bill which does not impose any tax or impost or ap-

propriate any part of the Consolidated Revenue. It is only in connection with such imposts that Messages are required. If we adopt here the practice suggested by the member for Swan, we might as well say at once that all Bills must be introduced by a Message from the Governor.

Mr. Bath: The best way out of the difficulty will be to let the matter stand over.

The Attorney General: I wish to ask for the Speaker's ruling on the question.

Mr. Bath: It is a fine point so let us get the best authority on it.

The Attorney General: Where does the fine point come in?

Mr. Bath: Let the question stand over, and the Speaker can consult the Crown Law Department.

The Attorney General: That would be me.

Mr. Bath: That is so, and judging from previous advice we cannot stand too much of that. If a man were to put money on the opinion he would go down every time.

The Attorney General: That is not very nice of you.

Mr. Bath: I do not think we should debate this point at great length to-night. Let us get the best authority on the question.

Mr. Jacoby: It is a purely legal point that lawyers should decide.

The Attorney General: Assuming this measure to be preceded by Message, the ruling is that that Message must be brought down before the Committee stage. I suggest to members that if they think fit we shall now proceed with and pass the second reading.

Mr. Bath: What chance have we had of looking into this matter. Surely you do not want us to pass the second reading to-night?

The Attorney General: If the Leader of the Opposition thinks that there should be more time allowed before the second reading is carried I am quite prepared to meet him. Surely, however, the measure is of the simplest and plainest purport, and there is no reason why the second reading should not be carried to-night. However, if any member really

thinks the measure is one that requires further and more careful consideration, I do not want to stand on any rights and claim that the second reading should be proceeded with now.

Mr. Walker: You are aware that in the case against the Fremantle Council the Crown pleaded that no Message had been presented. That was in a case for the recovery of certain fines.

The Attorney General: In that case there was an appropriation, and a Message was necessary.

Mr. Walker: If the Crown take advantage of a thing of that sort what will a private subject do?

The Attorney General: In the Fremantle case it was contended on the part of the Crown that there had been an appropriation from revenue; that being so, there should have been a Message from the Governor. Here there is no such thing at all. Members, however, are now mixing up different matters. I wish to meet the wishes of members, but unless they see fit to object, I will take the Bill through the second reading to-night.

Resumed.

Mr. DRAPER moved—

That the debate be now adjourned.

Mr. SPEAKER: I understand that the Attorney General wishes to reply.

Mr. Walker: Not to the second reading debate?

The Attorney General: There has been no debate to reply to. I hope the member for West Perth (Mr. Draper) will not press his amendment, for the second reading might well be taken through to-night.

Mr. Scaddan: On a point of Order. Has not the member for West Perth already moved the adjournment of the debate?

Mr. SPEAKER: I asked the Attorney General if he had replied, or if he desired to.

The Attorney General: Surely I can ask the member for West Perth to withdraw his motion.

Mr. SPEAKER: Has the Attorney General replied?

The Attorney General: No.

Mr. SPEAKER: The motion of the member for West Perth is therefore in order. Does the hon. member desire to withdraw?

Mr. Walker: He cannot withdraw without the consent of the House, and I object.

Motion put and passed; the debate adjourned.

House adjourned at 10.59 p.m.

Legislative Council,

Tuesday, 1st December, 1908.

	PAGE
Address-in-Reply, presentation	497
Papers presented	498
Questions: Manufactures, bonus system	498
Abattoirs, Kalgoorlie	498
Bills: Constitution Act Amendment, 1a.	498
Health Act Amendment, 2a. withdrawn	498
Permanent Reserves Rededication, 2a.	501
Supply, £365,579, 1a.	501
Midland Junction Boundaries, 1a.	501
Early Closing Amendment, 1a.	501
York Reserve, 2a., Com.	501
Employment Brokers, 2a.	502

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

ADDRESS-IN-REPLY—PRESENTATION.

The PRESIDENT reported that the Address-in-Reply to the Governor's opening Speech had been presented to His Excellency, who had returned the following answer in writing:—

“Mr. President and Honourable Gentlemen of the Legislative Council: I thank you for your Address in reply to the Speech with which I opened Parliament, and for your expression of loyalty to His Most Gracious Majesty the King.

Fred. G. D. Bedford, Governor.
Government House, Perth,
1st December, 1908.”