

**THE COLONIAL SECRETARY:** That is my wish, and ought to be my duty.

Ballot taken, and a committee appointed comprising Hon. J. D. Connolly, Hon. J. W. Hackett, Hon. A. G. Jenkins, Hon. W. Kingsmill, Hon. W. T. Loton, Hon. Sir Edward Wittenoom, and Hon. G. Randell as mover; with power to call for persons, papers, and records, and to sit during any adjournment; to report on the 27th October.

#### ELECTORAL BILL.

##### SECOND READING.

On motion previously made,  
Bill read a second time.

**THE PRESIDENT:** *May* says:—

Sometimes a Bill is referred to a select committee to which other Bills have been committed, or to committees appointed to inquire into and consider other matters; or two or more Bills are referred to the same select committee.

Therefore a member can move that this Bill be referred to the same select committee as the Constitution Bill was referred to.

##### SELECT COMMITTEE.

On motion by **HON. G. RANDELL**, Bill referred to the select committee already appointed, with the same powers, and to report on the 27th October.

#### REDISTRIBUTION OF SEATS BILL.

##### SECOND READING.

On motion previously made,  
Bill read a second time.

**THE COLONIAL SECRETARY:** I do not think it is necessary for me to move that the President leave the Chair.

**HON. J. W. HACKETT:** Standing Order 246 is very clear.

##### SELECT COMMITTEE.

On motion by **HON. G. RANDELL**, Bill referred to the select committee already appointed, with the same powers, and to report on the same day.

#### ADJOURNMENT.

The House adjourned at 14 minutes to 9 o'clock, until Tuesday, 27th October.

## Legislative Assembly.

Wednesday, 14th October, 1903.

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

#### PRAYERS.

#### PAPER PRESENTED.

By the **PREMIER**: Return showing grants and subsidies to fire brigades, moved for by Mr. Holman. Report of Central Board of Health, 1902-3.

Ordered, to lie on the table.

#### QUESTION—WATER SUPPLY, CLAREMONT.

**MR. PIGOTT** asked the Minister for Works: 1, Whether he is aware that the Osborne Water Supply is to be shut off on the 10th inst. 2, What steps he intends taking in order to provide with water those people at Cottesloe and Claremont who at present are dependent on the Osborne Water Supply for drinking water, and whose premises are not yet connected with the new Government scheme.

**THE MINISTER FOR WORKS** replied: 1, I understand that the shutting off is to take place on the 16th inst. 2, Arrangements are being made to connect the Osborne system with that of Claremont, and pumping from one to the other will commence on 16th inst.

#### QUESTION—RAILWAY FREE PASS.

**MR. JOHNSON** asked the Minister for Railways: 1, On whose authority Mr. C. Temperley was granted a free pass in a reserved carriage on the goldfields line. 2, What special consideration led the Government to grant this unusual favour.

**THE MINISTER FOR RAILWAYS** replied: 1, The travelling pass was granted at the direction of the Minister for Railways. The reserved compartment was granted by the Commissioner of Railways; both in view of the important position held by Mr. Temperley as the joint managing director of the largest British company trading in Western Australia, and contributing largely by freight to the Western Australian Government Railways revenue. 2, Answered by No. 1.

**QUESTION—PRINTING OFFICE,  
CUTTERS' WAGES.**

**MR. DAGLISH** asked the Colonial Treasurer: 1, Whether he is aware that men employed as cutters in the Government Printing Office are being paid at a lower rate than those engaged in private offices, although they are working the same hours and under similar conditions. 2, Whether he will take steps to have the ruling wage paid to such employees.

**THE COLONIAL TREASURER** replied: 1, No. 2, Yes; if they are working the same hours, and under similar conditions, and doing the same work.

**QUESTION—GOLDFIELDS WATER  
PIPES, MINIMUM WAGE.**

**MR. DAGLISH** asked the Minister for Works: 1, Whether there is a minimum wage clause in the contract of Messrs. Hoskins & Co., Ltd, with the Goldfields Water Supply Department for the manufacture of pipes; if not, why not. 2, Whether it is correct that the firm in question is paying labourers at the rate of seven shillings per day.

**THE MINISTER FOR WORKS** replied: 1, Yes; there is a minimum wage clause in the contract with Messrs. Hoskins & Co. 2, No complaint has ever been made to me that the wages paid by this firm are below the current rate. The contractors have supplied the following figures as to the wages paid to men employed in making these pipes:—Foreman, £5 per week; 2 at 12s. per day, 20 at 11s. per day (when on 5in. and 6in. 12s. per day), 11 at 10s. per day, 6 at 9s. 6d., 3 at 9s., 6 at 8s., 10 at 7s. 6d., 1 at 7s.; 4 boys at 30s. per week, 1 at 28s., 3 at 25s., 1 at 20s., 4 at 15s., 1 at 10s.

**QUESTION—FREMANTLE DOCK, SITE.**

**MR. MORAN** asked the Minister for Works: 1, Whether the site for the large dock at Fremantle has been fixed. 2, If not, when it will be fixed. 3, Whether there will be any resumption of privately-owned land. 4, If so, whether the Government have any idea of the approximate cost of such resumption. 5, What will be the capitalised cost, approximately, of the dock when completed. 6, When it is calculated to be completed.

**THE MINISTER FOR WORKS** replied: 1, Not yet. 2, As soon as possible. 3, Impossible to say in absence of determination of site. 4, Answered by No. 3. 5, Dependent upon site and nature and extent of dock decided upon. 6, Answered by No. 5.

**QUESTION—ARBITRATION COURT,  
STATE SERVANTS.**

**MR. MORAN** asked the Premier: 1, Whether the recent cases in the Supreme Court and Arbitration Court in connection with the State's servants have received the attention of the Government. 2, Whether the remarks of Mr. Justice McMillan, that the Civil Service Act was in reality a nullity, as absolute power was by certain sections entirely vested in the Minister, had received consideration. 3, Whether the Government proposed to re-establish well-defined privileges and conditions of service not entirely dependent upon ministerial arbitrament, by an amending Act.

**THE PREMIER** replied: 1, Yes. 2, I am not aware of any such remarks. The power possessed by the Crown in this State is the same as that possessed in the other States of the Commonwealth. 3, It is not proposed to introduce an amending Bill this session.

**QUESTION—RAILWAYS, COST OF  
WORKING.**

**DR. O'CONNOR**, for Mr. Stone, asked the Minister for Railways: 1, Whether it is a fact that, while Government Railways cost 80 per cent. of their earnings to defray maintenance and working expenses, the Midland Railway only costs 41 per cent. 2, If so, what is the cause of the high working expenses of the State Railways as compared with the private line. 3, Whether the Government will take steps to provide a remedy.

THE MINISTER FOR RAILWAYS replied: 1, It is understood that the Midland Railway percentage was 41.88 for 1902, while the Government Railways was 82.58. 2, There are many reasons why working expenses are higher. No fair comparison in this respect can be drawn between a State-owned and a privately-owned railway. 3, Everything reasonably possible will be done to minimise working expenses consistent with efficient upkeep and public accommodation.

#### PAPERS—GOVERNMENT GARDENS, ALLEGATIONS.

MR. DAGLISH moved:

That there be laid upon the table a statement of the evidence taken by the Public Service Commission regarding the administration of the Government Gardens, and all correspondence and reports relating thereto.

He assumed that this motion would not be opposed by the Premier.

THE PREMIER: Why did the hon. member single out this particular matter?

MR. DAGLISH: The reason he moved in this matter was that he understood certain evidence was given before the Public Service Commission affecting the probity of an officer of the public service, and he had been made acquainted with certain facts or alleged facts some time before this evidence was taken, and had been requested to move this House for some inquiry. He had refrained from doing so because of the fact that the Public Service Commission was sitting, which Commission seemed to him an impartial body and one better qualified than a committee of this House would be to deal with any question of the sort. The Public Service Commission sat and took certain evidence, and he wished this House to be in possession of the evidence taken and any correspondence that might have followed upon it, because as an officer of the public service was reflected on in the statements made to him, either that officer should be vindicated or be openly condemned. As one charged with the duty of voting supplies for this department, he thought it due to himself to know how the business was conducted, and whether any allegations made to him were true or not. He did not wish to particularise these allegations, because he did not think it right, without having

some definite knowledge, to make public statements reflecting on an officer of the public service; and he had desired to even refrain from saying what he was now stating, but the Premier forced him to do so. The circumstances fully warranted the House in perusing the papers.

THE PREMIER: The Public Service Commission had been sitting for the last 12 or 15 months, and no doubt they had taken a great deal of evidence in relation to various departments and various officers. Now for the first time a motion was made, singling out some particular statement on some particular issue, and the House was asked to agree to a motion to place the evidence on the table of the House. Members would ask how it was that this particular instance had been seized hold of by any member, for the purpose of having it brought to the attention of the House. He (the Premier) did not like these motions, and, in his opinion, if members wanted to make a charge against a civil servant they should make it specifically, for it certainly was not desirable to do it in this indirect manner. If evidence had been taken from both parties by the Public Service Commission, he supposed the report of the Commission would reflect it in the report; but if it was an *ex parte* thing that was referred to, was it fair to the man attacked to have placed upon the table of the House a mere statement of the charges made against him, and have the papers published to the world, as papers were published through being placed on the table, and to do that man what might be a very serious injustice? Members knew that when papers were placed on the table they became public property and got into the Press. [MR. MORAN: Not necessarily.] They always did, if they were of interest. If they contained a charge against persons, those papers got into the Press, and certainly they did so when moved for by way of a return like this. It was wrong to take this indirect manner of doing what might be an injustice to a public servant. If any member, by reason of complaints made to him, thought an inquiry ought to be held into the conduct of any particular person in the public service, and if the member failed to obtain satisfaction on applying to the Ministerial head, he could move in this House

and take upon his own shoulders the responsibility of making the charge. A member moving in this way ought to accept that responsibility, because so much harm could be done by making charges in this House or in the public Press against a public servant, which might subsequently prove not to be well founded. Every member of the House must have had personal experience of individuals coming to him to make statements about this or that public servant. That was most probably the experience of all, and certainly it was the experience of every member who had been in the House for more than one Parliament. If in connection with any matter there existed papers in the possession of the Government, and if a member liked to see those papers in view of allegations made to him—of course one assumed the hon. member would take care that they were allegations made on responsible evidence and were *prima facie* reasonable before taking steps—the Government would be glad to show him the papers and let him have whatever information was available. The hon. member would then be in a position to know whether farther action should be taken in the matter; but he should take upon his own shoulders that responsibility. It should not be the practice of the House to encourage the placing of papers on the table for such a purpose. If they were needed for the information of any member of the House, that member could obtain them at any time by asking the respective Ministers; but if the information was placed on the table in nine cases out of ten it was put there for the purpose of being published in the daily Press; at all events it got there, and as great harm could be done by reason of that practice, we should discourage motions of this nature. If the hon. member saw the papers it would then be competent for him to bring a specific motion, if he thought the matter of such importance as to justify a motion being moved for the papers to be placed on the table of the House; but this indirect way of escaping responsibility of taking action which might injure a public servant was undesirable. He hoped the House would hesitate before agreeing to the motion, which might do a great deal of harm to any public

servant whose conduct had been brought into question as suggested by the mover. If charges had been made before the Public Service Commission, and those charges were threshed out by hearing evidence on both sides, the Commission would have made a recommendation and have decided the matter. If there was no decision on the point in their report, one assumed that whatever evidence had been taken by the Commission was taken in the ordinary course of their inquiry to ascertain how business was conducted in the departments they examined. If this was not an inquiry with evidence taken from both sides, we should not make public *ex parte* allegations which might do great injustice to any member of the public service. The Public Service Commission were there for the purpose of hearing statements from public servants and other persons concerning the administration of the departments; and were we to give undue publicity and inflict injury on one or other officer who might not have had a chance of meeting those charges before the Commission?

MR. MORAN: The House would be somewhat surprised at the opposition of the Premier to the placing of any public papers on the table. This country had been put to the great expense of the Civil Service Commission, at the request of the present Government; and when a return was called for it was opposed by the Government. Without expressing an opinion on one side or the other, he had listened with surprise to the Premier's objection to lay papers on the table. If the papers were refused, the light of public discussion and Press criticism would not be thrown on the matter.

THE PREMIER: Would it be a public matter to make public an *ex parte* charge against an absent man?

MR. MORAN: Could it be right to cloak up an inquiry?

THE PREMIER: Then call for all evidence on that question.

MR. MORAN: We were entirely in the dark.

THE PREMIER: The Commission might obtain evidence from a dozen different sources, and much of it might be confidential.

MR. MORAN: But if confidential, it did not follow that it should remain

confidential and not be published. When the Premier was in Opposition, he was very active in calling for papers, and so were his party.

THE PREMIER had rarely called for papers.

MR. MORAN: We ought not to refuse a request of this kind unless on some grave consideration. He disliked the idea of refusing to produce evidence in a public matter of this sort.

MR. FOULKES: The Premier was quite right in refusing to have the papers produced at this stage. The mover stated that some allegations had been made to him—he did not say by whom or whether he knew those allegations to be true—with regard to the probity of some person connected with the Government gardens. Those words were vague. The mover departed from the wording of his motion and said that some allegations had been made to him with regard to the probity of some public servant. The Premier then offered to let the member for Subiaco see the whole of the evidence, so that the hon. member might decide whether he would move for that paper to be placed on the table of the House. The Premier also said it was not fair to have *ex parte* statements made public with a view of proving whether certain allegations made to the member for Subiaco were true or not. It was not our duty to find out whether persons told the truth at all times to the hon. member. It was the hon. member's duty to find out whether allegations made to him were true, and it was his duty to go to the Government offices and see the papers if he desired to do so. We were practically asked to support a "fishing inquiry," the common term applied to a motion before a Judge for an order for fuller evidence to be given by the opposing party. There was no refusal to provide the papers. The Premier had simply asked the member for Subiaco to go to the office of the Colonial Secretary and see the evidence for himself, so that when he had seen it he might come to this House and move that the papers be produced, if he then desired to give them publicity.

MR. DAGLISH (in reply as mover): The Premier seemed to think there was a desire to be unfair and a desire to sup-

port *ex parte* statements. The idea of the motion was to avoid *ex parte* statements going forth to the public. One would have assumed that the Commission would not have taken *ex parte* statements and stopped at that point; but it appeared they had done so without calling rebutting evidence. No greater condemnation of a Commission had been brought forward in Parliament.

MR. MORAN: Was the inquiry closed?

MR. DAGLISH: One had not the source of knowledge possessed by the Government.

THE PREMIER: The hon. member had the same source of knowledge as the Government.

MR. DAGLISH: The pigeon-holes of the Government were not available to members. He had spoken to the Colonial Secretary about the matter, though he had never put forward a distinct request to see the papers; but he had never been offered the opportunity of perusing the file. He would have gladly taken the opportunity had it been offered. He was under the impression, when he moved for the return, that he was fulfilling a duty to the public, and he still thought he was. The public and the House were entitled to see all papers of public interest; and there was no question more vital than the probity of the men who were drawing the pay of the State, and no question on which the House should have fuller information. It was to be regretted that the papers only gave one side of the case, and that the Commission had dealt with the civil service in the manner indicated. The Government should have checked their manner of procedure at an early date. It was to be hoped that at a later date the whole of the evidence of the Public Service Commission on all the departments would be furnished, so that we should know the grounds on which their various recommendations were based and be satisfied as to whether they were justified. In view of the attitude of the Premier it would be useless for him to press his motion, but he would accept the Premier's suggestion to peruse the papers, and in the meantime would ask leave to withdraw his motion.

Motion by leave withdrawn.

## RETURN--SUBSIDIES AND GRANTS TO INSTITUTES.

MR. JOHNSON moved that there be laid upon the table of the House a return showing—(a) The number of Miners' and Mechanics' Institutes and Art Galleries in the State; (b) the amount of subsidy received by each institution during the last financial year.

MR. HASTIE: This would be a very interesting return; but in view of the fact that no regular subsidies had been paid for some time, the motion should be slightly amended. He moved as an amendment that paragraph (b) of the motion be altered to read: "The amount of subsidy and grants received by each institution during the last five financial years."

Amendment passed, and the motion as amended agreed to.

## RETURN—RAILWAYS PROJECTED, COST, &amp;c.

MR. MORAN moved:—

That there be laid upon the table of the House a return showing the capitalised cost per mile of railways in this State up to date. What would be the approximate length of the following railways:—1, Jandakot-South-Western. 2, Malcolm-Laverton. 3 (a), Collieries Great Southern; (b) continuation of Collieries Great Southern to Yilgarn line. 4, Port Hedland-Nullagine. 5, Mount Magnet-Lawlers. 6, Duplication of present line to Eastern Goldfields. 7, Greenhills extension to Yilgarn line. 8, Goldfields-Norseman.

This motion might have been submitted in the form of a question, because it involved nothing that could not be done by the Minister or one of his officers in half an hour. Nothing could be conceived of greater importance to the State at the present time than a clear view of what was intended when hazy references were made to various public works that were projected; and nothing could be more calculated to keep the House on the track of financial success than clearly defining what was intended to be done in regard to a public works policy. Members knew that every one of the railways mentioned in the motion had been considered by the Government in one shape or another. At Greenhills the Premier gave countenance to a request that the Greenhills line, which his party so ardently opposed in earlier days, should be continued on

through unpopulated territory to the Yilgarn line. It was suggested by the Premier that what was necessary was to convince the Minister for Lands, for he (the Minister) could convince the House. Evidently it was not necessary to convince the Cabinet. One would have thought the Minister for Railways would have had a say. It could not be denied that the people took these proposals seriously. Hope deferred made the heart sick, and nothing was more calculated to make the people discontented than to hold out half-formulated promises to them, especially in regard to railways, and to dangle them over their heads for years. It was desired to have a clear and official exposition from the Government as to the length of the railways mentioned in the motion. One could then easily consider what the cost of the works would mean to the State, and could take the return into consideration along with the Treasurer's exposition of the Government policy, that in future nothing more than £750,000 of loan money would be spent each year, and arrive approximately at how many years it would take to carry out this policy. One could also ask the Government what lines they intended to make in the near future, and what lines were only promised for political purposes.

MR. JOHNSON: Could lines not be built out of revenue?

MR. MORAN: Then there would be no harm in obtaining the length and approximate cost. The policy of the Government did not lead one to believe that any great economy was to be exercised in expenditure by reason of which we might hope for a large expenditure on railways. He would follow the motion up this session, and, if he had the honour of being in the House next session by leading questions at suitable times to evolve from the Government at what particular stage their belief in this public works policy had arrived. We should not have this nebulous kind of public works policy. It was not so in the days of the initiator of the policy. Sir John Forrest was accused of being very profligate in reference to public works, but it was to his credit that he always meant what he said. When Sir John Forrest said he meant to do certain public works, he used his weighty experience to get

them adopted by the House, and he was not afraid of the responsibility of undertaking them, in most cases getting his way. One desired to know whether the Government were in earnest about the matter as Sir John Forrest was, or whether the works were mentioned with the view of dangling illusory hopes in the eyes of the people of any particular part of the State, or whether they were put forward with the idea of completion in the near future.

Question passed, and the return ordered.

MOTION—COMPULSORY IMPROVEMENT OF LANDS.

HON. G. THROSSELL (Northam) moved:—

That, in the opinion of this House, the time has arrived when the Government should, in the best interests of the State, introduce legislation providing for the compulsory improvement of all unimproved first-class agricultural land held by absentee owners; such compulsory improvements to be of a similar nature to those which now apply to non-resident selectors under the existing land laws of this State.

He said: In moving this motion I doubt not that members all round the House will recognise that it embodies a sound and righteous principle, that the ownership of land involves responsibility. This principle is sufficiently recognised by our existing land laws, which provide that the smallest holder is compelled by law to improve his holding and give its wealth to the State, or pay a penalty for not doing so. I seek to apply this principle to the unimproved first-class agricultural lands held by absentees, and I can see no reason why this principle should not be so applied. The Parliament of the present day, like that of the past, holds a mandate from this House. We have spent £200,000 in the repurchase of so-called large estates in order to attract population and settle them upon the land. Whichever way we turn under our land Act it is clear that lands are intended to be used. I have always maintained that it is unjust and unfair that while we apply this wise law to our own selectors, absentees may hold very large areas indeed and yet go scot-free; and I have a very strong conviction that if the present state of things continues we shall be simply defeating the object

of our own policy, which is meant to attract population and settle them upon our land. Too long, I maintain, have we permitted one portion of our State to remain a blank upon the map. I refer chiefly to the northern parts. I will illustrate what I mean by referring to a small return tabled the other day, at my instance, showing that the lands of the Midland Railway Company now held by absentees total 371,000 acres, and those 371,000 acres are held by seven holders, giving an average holding of 53,000 acres per holder. I confess that I know no resident in Western Australia, however long his standing may be in the State, who holds such a large area, and I have a right to assume that when the land was obtained by this company the worst land was not selected. The only object I have in view is to compel the owners to improve the first-class agricultural land under our existing law. As that land was selected directly from the State, the owners should have been compelled by law to have expended long ago a sum of £371,000 upon that land, exclusive of external fencing. Why in the name of justice and common sense, when the country is clamouring in all directions, should we allow this state of things to continue? This is not the first time I have referred to it in this House, but I hope for the credit of the State and for its benefit it will be the last, because I trust that this motion will be carried. Those 371,000 acres, as I said just now, should have involved that expenditure. It also means the settlement of 371 families on the land, giving each family 1,000 acres. There is not only one district affected by this, but there are other districts, including the Toodyay district, a considerable section of which is owned by one of these absentees. We know the state of the Toodyay district to-day, and we also know the state of the northern district. I do not think there is any necessity for me to labour this question, for it is so simple a matter that I believe I shall have the support of every member of this House who gives the subject serious consideration. I only use that 371,000 acres by way of illustration, for there are other large areas held by absentees which were not shown in that return; but the adoption of this fair and just law would

simply mean raising up for the disposal of the Lands Department and of the country generally a new province. We are making special efforts, and I am glad to recognise that such is the case, to induce people to settle on the land; and if we take the turn of the tide just now and let it be known that this land is to be opened for selection, we are bound to have a largely increased rush of people from the Eastern States. The result of this motion being carried will be that not only the absentees to whom I have referred, but all other absentees who hold unimproved agricultural land will get to know of our intention, and the land agent will be resorted to, the consequence being that land will be subdivided and selections of land for settlement will go on. If that be the result, then the object of my motion will have been secured. Long ago I said it was a stigma upon the old Government to allow such a state of things to continue, and I repeat that, and take my share of the responsibility; but I say that it will be a still greater stigma—recognising now the importance of this matter and the expenditure the country has gone to in making railways, and that we are settling our own lands—if we allow men in London and elsewhere to share the unearned increment. I consider they have had a pretty good innings, for during 12 or 14 years the land has been held, and as it was 14 years ago, so it is to-day. What is proposed being unlike special cash taxation of the land, we cannot be charged with any special legislation. Long ago it was said that if we legislated against absentees it would hurt our credit in London, and that is the bogey held up to us; but if we are charged with any special class legislation, the reply is a simple one, namely "There is no special legislation: the legislation which will be applied to your land has for years and years been applied to the selectors in Western Australia." I can only say I hope to have the support of members all round the House and the support of the Government, who are putting forth every effort to induce people to come on to the land. I especially reiterate the fact that at a time when we are making these efforts, at a time when we should be reaping the reward of our past loan policy, it is a great blot upon our administration

to have these blocks of land unoccupied and unused. I have pleasure in moving this motion, and I can only say in all seriousness that I have an honest conviction that if it be passed it will be one of the most important amendments of the Land Act ever carried in this House, and one also which will bring immediate results for the benefit of the people and the State generally. I beg to move the motion standing in my name.

MR. A. J. DIAMOND (South Fremantle): There is one point I am not perfectly clear upon. Generally speaking, I am in thorough accord with the motion, but I want to know why absentee owners are specified. Will this also apply to owners residing here who are holding large areas of unimproved land? If such be not the case, I would move to strike out the words "held by absentee owners." For many years I have been strongly of opinion that the absentee should, when the time comes for a land tax to be imposed, pay more than the local landowner. I think that is generally conceded throughout Australia; but apparently in this motion, unless I misread it, we are throwing responsibility for improvements on an absentee landowner which we are not throwing on the resident landowners. I say there cannot be any possible difference in the responsibility of a man, whether he resides in this State or out of the State, as to improving his land. When the time comes for us to distinguish between absentee landowners and the resident landowners we shall know how to do it. I suppose we shall put on a land tax, and perhaps make the tax on the absentee landowner higher than that on the resident landowner. It appears to me, however, that unintentionally the hon. member who has just moved this motion has made it somewhat indefinite. I for my part will not vote for any motion which will give to the resident landowner, as far as improvements are concerned, an advantage over the non-resident landowner. With these remarks, I hope the mover will accept my amendment:—

That the words "held by absentee owners" be struck out.

MR. C. J. MORAN (West Perth): Whilst the late Minister for Lands (Hon. G. Throssell) was speaking, I had written out an amendment which I submitted to



him after he finished, bearing on the point mentioned by the member for South Fremantle, in somewhat different words. The hon. member's amendment will scarcely meet the question. There is any amount of first-class agricultural land in Western Australia held by nobody, and I propose to move that the words "alienated from the State" be inserted in lieu of "held by absentee owners," special notice being taken of absentee owners, if you like. For myself, I would not mention "absentee owners," but I would simply say "alienated from the State." I submit that legislation aiming at the absentee owner, and leaving alone the man in the State who owns more or as much, is special legislation; but if you legislate to carry your compulsory clauses of improvement into the realms of private ownership in estates long held in this country as well as into your ordinary land policy of smaller holdings, that is not special legislation. But I am entirely in accord with this motion. I think the amendment I suggest and that of the hon. member go together, and they make the motion complete. There is no doubt that a great blot in our system at the present time is the presence, right in the midst of our settlement, of a vast area of the fairest lands of this State held and allowed to remain waste. That appeals to us at once, the large areas held by one company; but throughout Western Australia, fronting our Eastern and other railways, large estates have been held for many years and not a pick or shovel put in them, and never a penny have these returned to the State. [MR. HASTIE: In other States too.] It is admitted in Victoria and Queensland that a great bar to the progress of those States is the large landed estates held unimproved. We do not want that system to grow in Western Australia. The capital value of these unimproved lands has gone up enormously, and if the owners are approached with a view to purchase, they want pounds and pounds per acre for land which they have kept idle and unimproved. Because some persons happened to have lawfully become possessed in the past of large estates, that is no reason why the land policy of this country should be barred for all time. Merely because some persons' land has been increased in value by no effort of

theirs, by the increase of settlement and the carrying out of improvements by others, no effort being made to that end by the owners of those idle estates, are we to allow them to still keep those large areas locked up and the railway running past them in many cases? That I say is bad policy. This motion if adopted will obviate the necessity for a land tax, for I do not think the time is quite ripe in Western Australia for instituting what is called a general land tax.

THE SPEAKER: The hon. member must not anticipate a discussion on a question which appears on the Notice Paper.

MR. MORAN: If we cast out this motion, I shall decidedly vote and work strenuously for some tax being placed on the general lands of the State. I do not think the big machinery of a land tax would quite pay at the present time in this State, and it would not be really in keeping with our policy of giving away our lands. I think the time is ripe for adopting the policy of the present motion, and it ought to be given effect to by a Bill to be introduced this session by the Government. We are not in need of extra revenue in this State, and therefore the object of the motion is not to make more revenue; the specific object is to make available for settlement lands which are now locked up in large areas. The mover has intimated to me that he is willing to accept the amendment I have suggested; and that being so, I do hope no objection will be raised to the motion. We endeavoured to get this principle carried in this House years ago; but it was then objected that there would be a breach of contract, or that some promise had been given to the holders of large areas that they should not be taxed. It has been found, however, that any promise so given was not put in writing; and a promise given years ago for a purpose of this kind cannot bind this country for all time. I will move my amendment when the other amendment for striking out certain words has been adopted.

MR. S. C. PIGOTT (West Kimberley): The object of the mover is thoroughly understood by all members of the House, that he is entirely in earnest and his one object is to benefit the State in general; but it is the duty of this House to postpone this question for some little time, because there is involved in it a question

that is beyond anything brought forward this evening, and that is: how far can we deal with lands that were alienated before responsible government was adopted in this State? It appears to me that there must be some doubt as to the position in regard to this question, and I should like to see this debate adjourned until a case that is now before the courts is decided. That case practically bears on the question now before the House; and I think that if members will agree to have the motion adjourned until that case is decided at law, members will then be in a much better position to express an opinion on the motion than they are at present.

MR. MORAN: How long will that case last? It may go on to the Privy Council.

MR. PIGOTT: We would be well advised to withhold our opinion on this motion, until we get a decision on the question now before the Supreme Court. With that object I move that the debate be adjourned.

Motion put and negatived.

MR. T. F. QUINLAN (Toodyay): In supporting the motion, I also agree with the amendment which has been suggested. I have long felt that some steps should be taken in the direction proposed by the member for Northam, and I think he said all that is necessary so far as the amount of land alienated is concerned. But not only is land held by the absentees referred to, but a number of persons in this State hold large areas of land on which not a penny has been spent in improvements. It is due to those who have expended money and energy and who have by their enterprise improved the holdings of their neighbours that these large holders should be compelled to improve their land; and I think the motion as amended will be in the right direction. Although I represent an agricultural district, I told my constituents some months ago that I intended to move in this direction. In Toodyay there are large areas unimproved, particularly the area mentioned by the member for Northam, 371,000 acres, a great deal of which is in the Toodyay district, and is held by a gentleman who obtained it through the Midland Railway Company chiefly.

MR. T. H. BATH (Hannans): It is gratifying to find members of all shades of opinion supporting a motion for compelling those who monopolise land to do something with it and contribute to the welfare of the State. This holding of land in large areas without making use of it, or permitting others to do so, has brought about great evils in the Eastern States, particularly in Victoria, also in New South Wales; and we see these evils in a lesser degree in this State of Western Australia. We must recognise that the agricultural industry is the backbone of the welfare of any State; that although gold-mining suffices to give great encouragement and to promote great development in any State, yet in the long-run it must give place in permanent importance to the agricultural industry. It is our duty as members to support any motion which has for its object either making those who hold large areas do something towards their improvement, or for compelling them to permit others who are desirous of developing the agricultural resources to go on these unimproved lands without undue restriction. I congratulate the mover on the diplomatic manner in which he has brought the question prominently forward, by introducing a motion which insists in the amended form that those who hold large estates unimproved shall comply with the same conditions as are imposed on persons who hold smaller areas. The passing of this motion will be a step in the right direction towards the development of our agricultural resources, for we know that the increase of settlement in the agricultural districts means encouraging every industry in the State. I have much pleasure in supporting the motion as proposed to be amended.

HON. F. H. PIESSE (Williams): I regret I was not in the Chamber when the mover spoke on this question. There is a great deal of difficulty in the way of giving effect to the motion. In applying the motion to first-class agricultural land, if you deal with that kind of land only the object of the motion will be defeated, because we know there are numbers of areas which are called second-class and third-class lands, and the difficulty will be in regard to classification. If you make improvements compulsory in reference to first-class land, you will find

in the certificates given as to classification that there will be more second-class and third-class land certified to than first-class, and the object of the motion will thus be defeated. As to the amendment suggested by the member for West Perth to make the motion apply generally, it will need very careful consideration before this House agrees to that; because notwithstanding that we are desirous of seeing the lands of the country developed, we should be careful how we seek to bring about that result. In adopting this motion, we shall be taking a course which may be questioned from a legal standpoint, for we are attempting to legislate in the direction which relates to lands that had been previously granted under conditions of sale and no improvements being asked for, and the Crown grant had been issued. To bring about the object we desire would be to bring about another which I see in a motion on the Notice Paper. I am as much in accord with the motion of the member for Northam as any member of the House, and as desirous of seeing the lands lying idle brought under development and made to return much of their latent wealth to the State which those lands are not returning at present; but while the object is good in theory, and meets with the approval no doubt of most members, yet to put it in practice is most difficult. The subject needs more consideration than is likely to be given to it at this stage.

MR. MORAN: A Bill will have to be brought down by the Government, if the motion is carried.

HON. F. H. PIESSE: That is quite so; but the subject needs much more consideration. No doubt it commends itself to hon. members because it is a course which many have suggested, for we have always been desirous of seeing the breaking up of large estates and seeing them developed; but we must be careful as to the methods to be adopted. I think the course suggested is open to very great difficulty, and I have pointed out one instance in which it will mean a great deal of trouble, the matter in regard to the quality of land and whether this principle should apply to every class of land.

MR. MORAN: We will support you in striking out the words "first-class."

HON. F. H. PIESSE: I am in favour of the matter being postponed for farther consideration, and I would support the suggestion of an adjournment so that the matter could be looked into by the Government.

MR. J. EWING (South-West Mining): I hope that, in the absence of the Minister for Lands, the motion will not be disposed of this evening; but I think the Government might give an assurance to the House that perhaps some time next week this question may be again discussed and a decision arrived at. With regard to what the member for the Williams has said concerning first and second-class lands, I think the motion is simply one notifying to the Government the wish of the House, and that when the necessary legislation shall follow the Government can bring forward a scheme comprising first-class and second-class lands. Therefore the form of the motion does not matter. With regard to the remarks of the member for West Perth, from my own knowledge there are large areas of first-class agricultural land accessible to railway lines and near centres. It is very necessary in the interests of the State that these lands should be fully utilised and thus to be settled. I have in my mind a very large estate in the South-West. It is not necessary to state the locality of estates, for they are well known to hundreds. I have always been in favour of the idea proposed in the motion. No injustice will be done by it, and I think if the motion is carried it will do away with the necessity of a tax on unimproved land values at the present time. Perhaps it is rather early for that step, but this motion will be a step in the right direction. In agreeing to an adjournment, I do so on the understanding that the Government will at an early date give us an opportunity of deciding the matter one way or another.

MR. C. HARPER (Beverley): I think everyone must agree with the principle urged in the motion of the member for Northam (Hon. G. Throssell), and that it is very desirable in the interests of the State; but we must not shut our eyes to the fact that it is not so easy to attain. However, I do not think many people will object to it. We all realise we want our land developed at a reasonable rate consistent with the progress of the people

settled on it; but there happens to be a statute governing this matter to a considerable extent, which no one seems to have taken into consideration. I will read it. It is in Subsection 2 of Section 4 of the Constitution Act, and reads as follows:—

Nothing in this Act shall affect any contract or prevent the fulfilment of any promise or engagement made before the time at which this Act takes effect in the Colony of Western Australia on behalf of Her Majesty with respect to any lands situate in that Colony, nor shall disturb or in any way interfere or prejudice any vested or other rights which have accrued or belong to the licensed occupants or lessees of any Crown lands within that Colony.

In the face of this, I think it would be absurd for this House to pass any resolution of a directly contrary nature until we have the decision of the Supreme Court with regard to it. Any person reading this subsection in a literal sense would understand that persons who purchased land previous to the Constitution Act were protected in their rights and could not be touched by this House.

MR. EWING: Can we put a land tax on them?

MR. HARPER: That is not the question. I am not prepared to give a legal opinion on the point, but merely quote to the House this statute. The question has been brought before the Supreme Court lately, and the Judges have not yet given their opinion on it. It would be wrong for the House to give a vote in apparent conflict with that section until we know its interpretation.

MR. R. HASTIE (Kanowna): We have now come to another constitutional difficulty. Those people who bought land before we had Constitutional Government bought that land under certain conditions which we cannot alter. If that is so, then all our roads board taxation is illegal, and not only our roads board taxation, but all the laws passed by this House and imposed on these people have been illegal.

MR. HARPER: Are you a legal authority?

MR. HASTIE: Undoubtedly, on constitutional matters I claim to form an opinion as well as any other member of the House. This question may be before the Court, and the Judges may decide as has been indicated, for the simple reason that there is no Act of

Parliament later than that law; but I think it has hitherto been understood that all the States had supreme authority over all the land they had got. If this State has power to enforce the laws, it has also power to amend its Constitution. The Constitution has been amended half-a-dozen times, and if it is necessary for us to put through another amendment in order to make a change like this beyond any doubt, surely Parliament is able to do it. Parliament is absolutely useless unless it has control over all the lands of the State. Up to a few moments ago I always looked upon the member for Beverley (Mr. Harper) as a champion for the rights of the State, but apparently he has become a backslider at the instance of the member for the Williams. I hope he will look into this question, and see if my interpretation of a constitutional matter is not very much better than his own. What we want the hon. member to realise is whether it is necessary to amend the Constitution in order to make a law such as the member for Northam asks us to pass. One question incidentally raised is that, in order to effect this reform, we may do an injustice to the individual. It seems to me, if there is anything in the matter, the position is whether it is better to do a supposed injustice to the individual by changing the policy of the State, or to continue a gross injustice to the State in general by giving the individual these privileges. We are not asking for any of the privileges of the individual to be taken away except one, and he is a most important individual I admit. According to the member for Beverley and others, the individual who bought land from this State before responsible government was endowed with the privilege of preventing any work being done on a large territory of the land of the State. The motion asks for that power to be taken from this individual, and for him to be treated as all other people in the State are treated. I hope whatever rule is applied it will be applied all round. The man who lives in Claremont and holds a large piece of land unworked is very nearly as bad as the man who does the same thing and lives in London. We have to watch the Claremont people just as much as we have to watch the stranger outside our gate. It seems that the House is at one

with the idea that every part of the State should be worked, and that we should always recognise the land belongs to the people within the State, that the people should get facilities to work it, and that no man should be endowed with the arbitrary authority, even if it is old-fashioned or if it is in the Constitution of the State, of preventing this land being worked. I also hope the suggestion to make the motion apply to second-class land is adopted, so that every part of the State may be worked, and so that people may not be able to hold even second-class land without working it, and so that we may not be forced to have large territories in this State unworked. These are not altogether held by absentees, but are held by many good people in the State. We see these territories when going from here to Geraldton and on towards the Murchison—large portions of fairly good land not a third of which is worked; and much of it is held by people who have been in the State for 30 or 40 years, whose principal duty seems to be to hold the ground to prevent the bulk of it from being worked. I hope that a measure such as has been indicated will come into law at once, so that people may be stopped from holding ground in this State and preventing it from being worked by those willing to use it.

MR. F. ILLINGWORTH (Cue): I have every sympathy with the object of this motion. I only wish that it was a practical one, and that we could carry it into force; but it is useless to talk of theories in the face of facts. First of all true ownership should be based on occupation and improvement. The present occupation of land is based upon Crown grants, and I know no power that can alter the position of a Crown grant. Parliament cannot do it. Parliament can only enforce conditions upon the land by way of taxation, because the Crown reserves that right; and only because the Crown reserves that right has Parliament the capacity to do so. The amendment proposes that certain words be struck out, and it is intended to insert in lieu, "alienated by the State." When we sell certain lands to a selector, and take his 6d. per annum per acre, we are then in possession of the land, and we have power to enforce any conditions we

please; but when the State, as a State, alienates land by a Crown grant, I am at a loss to know what power the State has to enforce any conditions whatever. I wish it had. I wish we could devise some scheme by which we could reach these people who hold land whether in town or country, and who refuse to improve it whilst other persons are willing to improve theirs. [Interjection by MR. DIAMOND.] A land tax is of course possible. I have already observed that the Crown reserves to itself the right to tax, consequently taxation is within its power notwithstanding that there is a Crown grant. This, however, is not a question of taxation, but of enforcing certain conditions of improvement, or in other words instructing the owner how he should use the land demised to him by the Crown.

MR. DIAMOND: It is done in South Australia.

MR. ILLINGWORTH: No.

MR. MORAN: You can take it altogether.

MR. ILLINGWORTH: Yes; you can take land by Act of Parliament, but there is always the question of dealing with the owner and giving him some kind of compensation. You can do as you please, but you must admit that the individual who owns the land has something to say on what you propose to do.

MR. HASTIE: Do we not impose conditions in regard to a Crown grant?

MR. ILLINGWORTH: You cannot compel a man to build a house upon the land.

MR. MORAN: What about the Factory Act?

MR. ILLINGWORTH: I want it distinctly understood that I have a strong and earnest feeling on the lines of this motion, if the object can be attained, but there are a few difficulties in the way which I want to point out with a view of having them remedied, if possible. This is an abstract motion, and there is nothing to prevent us from carrying it, nor is there anything to prevent the Government from taking the necessary steps to legislate as far as possible to carry out the principle of the motion; but the first thing that will have to be done is to alter the Constitution, and when you have altered the Constitution, you have to treat with the question of Crown grants.

MR. MORAN: Supposing we let the constitutional authorities settle that point—the Attorney General and others?

MR. ILLINGWORTH: Any Government which propose to carry this motion into effect will have to face the difficulties lying in their way, and one of the difficulties is an alteration of the Constitution and dealing with questions of Crown grants. My knowledge is limited, but I know of no power that can interfere with the rights of a man who has a Crown grant. I may yet have to learn this, as I have to learn many things, but as at present advised I know of no power that can interfere with the vested right to any piece of land in the British dominions that has been granted by the Crown. If we can devise some scheme by which the motion can be carried out, I would like to see it done. I am pointing out the difficulties in order that members may indicate how we can surmount them. Can you go to the owner of a thousand acres of land and say, "You have no right to own it unless you fence it in or improve 10 acres the first year and 50 acres in the second"? If you attempt to do that, he will order you off the premises and tell you he has a Crown grant.

MR. MORAN: You can impose a land tax.

MR. ILLINGWORTH: Now we are getting at something like a reasonable proposal. If you want to reach this man in the way in which we all desire to reach him, the power which is at our disposal and is in our hands, and to which there is no hindrance, is to put a tax on the land. You can tax what you like. Years ago when a proposal was made in this House to put a tax on certain lands in this State we carried a motion in Committee that a certain tax should be put on all unimproved lands, and that those lands should include the Midland Company's lands. But what happened? Members on the Government benches talked for an hour after a decision had been arrived at, until a sufficient number of members was whipped up for the purpose of defeating the motion. That is the nearest approach we ever had to getting a reasonable land tax, and that motion was lost in order to defend the Midland Railway Company. It was done for that purpose. The very

people of all others who should have been dealt with under the Bill were excluded, and I stood in this House for hours, and other members stood with me, endeavouring to carry that motion, and to make it apply to the Midland Company as to all other land companies; but that was lost for the purpose of protecting the Midland Company's land, the very land proposed to be dealt with by the motion of the hon. member. We must come to a reasonable common-sense view of things, if we want to do this, and I hope we all do. I do. The only way we can do it is by way of a land tax, and a motion with that object already appears on the Notice Paper. If we propose to carry this motion, we can do so, but let us not go away with the idea that we shall effect the object in view by carrying the motion.

MR. MORAN: It will have a far-reaching effect upon certain people if we carry it.

MR. ILLINGWORTH: It may, and if the motion is put I am going to vote for it, although I see all the difficulties in the way. It is very desirable, if the motion be carried, that it shall apply to all classes of land. The character of the improvement is a matter for consideration. There is no reason why third-class land should not be improved as well as second-class land, and no reason why second-class land should not also be improved. The application of the improvement idea should have reference to all lands, and I would ask the hon. member who moved to strike out the words "held by absentee owners" to withdraw temporarily his amendment for the purpose of having first dealt with the question of first-class land. I should say "unimproved land," without reference to first-class agricultural land. If the hon. member would consent to withdraw temporarily his amendment, I would move that the words "first-class agricultural" be struck out, for the purpose of making the motion read "improvement of all unimproved land."

MR. MORAN: The idea is agricultural land.

MR. ILLINGWORTH: If land has been alienated and held for pastoral purposes, there is no reason why pastoral land should not be improved. At any rate it is clear that if we want to reach

the land we should strike out "first-class agricultural."

MR. MORAN: You might strike out "first-class" and leave the other.

MR. ILLINGWORTH: To test this I move that the debate be adjourned, in order that we may have time to consider some of the points raised.

MR. MORAN: That is one way of defeating the motion.

MR. ILLINGWORTH: I do not want to defeat the motion.

Motion (adjournment) passed, and the debate adjourned.

#### MOTION—MIDLAND RAILWAY AND LANDS, TO PURCHASE.

MR. T. F. QUINLAN (Toodyay) moved:—

That the time has arrived when, in the best interests of the State, the Government should purchase the Midland Railway and the lands of the company; and to this end the authority of the House be given to the Government to enter into negotiations with the company or its representatives in this State for the purchase upon terms to be agreed upon.

He said: In moving the motion standing in my name, I desire at once to say I hope and trust that the wording of it will not be regarded by the Government as a mandate altogether for the purchase of this concession. My reasons for placing the motion before the House are, first that I have held for a long time that some steps should be taken with a view of obtaining the concession held by this company; and secondly I am pledged to this particular motion, as I promised my constituents a few months ago to introduce it, and I am entirely in accord with them in acting in support of their views. Although I know there are contrary opinions held as to the wisdom of this course of action, I feel at any rate justified in introducing the motion. For the information of a few members who perhaps are not aware of the circumstances in connection with the Midland Railway Company's affairs, I may be permitted to refer somewhat briefly to the principal points in connection with the value of this concession. In the first instance in 1886 a concession of 3,324,000 acres of land was given to this company, or in other words 12,000 acres per mile for 277 miles of railway. Some time later the Government advanced or became

responsible for the small sum at that time of £60,000 for this company, subsequently making the country responsible for £500,000—[MR. MORAN: It was against the Constitution too!—the Government holding as security for that guarantee 2,400,000 acres, of which the company have since sold so far 55,000 acres. I may here remark that probably it will be said by some member of the Government that the sale of these 55,000 acres has not been approved of; but I am given to understand, and I fully believe it notwithstanding the opinion which is held I think by the Government, that the Government will have to consent to the sales which have been made by the company. I admit it is contrary to the policy of this State to have sold large tracts of land such as the company have sold; but from what I have been able to gather—and I am informed indirectly by a legal opinion—I believe the company acted within its rights in selling that quantity or any other quantity of land, provided they complied with the conditions so far as the proceeds are concerned, by paying in the amount received, less 5 per cent. It will be in the recollection of members that the large area named in the return produced the other day at the instance of the member for Northam (Hon. G. Throssell) passed to Messrs. Mendal and others—371,615 acres. This is part of the parcel of land formerly held by the Midland Company. The company still hold, apart from the portion secured to the Government, 368,963 acres, and the balance has been sold to various purchasers. I contend that although there may be a difference of opinion among members as to the wisdom of this course, yet the time has arrived when these two parties should be brought together. We know it often happens that when persons are desirous of obtaining a particular property, they are somewhat loth to make the first approach in regard to its purchase. I wish the Government to take the initiative in this matter, and see if a purchase can be made on reasonable terms; but let it be a purchase of the lands as a whole, and surely not the railway only without the lands. I would prefer that the Government should hold the whole concession; and although a sum was said to have been fixed by the company two or

three years ago, when they were willing to sell and when the member for Northam was Premier for a short time, that sum being about £1,200,000, I am given to understand that the company have enhanced the price since then. I think a very fair basis could be fixed between the Government and the company at the present time. The object would be primarily for the opening up of the lands by the Government, and by settling people on these lands there would be farther means of traffic to the railway. The Government would be able to give terms in regard to resale of the lands that would be better than the terms offered by the company at the present time; and everyone will agree that it is preferable, taking it all round, to have such terms as the Government can give for promoting the settlement of the land, and such as the company have not adopted in the course of their sales. We know they have sold blocks of land for various sums, and they usually sell on condition of the payment of a portion on deposit, the balance remaining on mortgage at 6 per cent. A few persons have been able to purchase by this means, but the smaller class of settlers are unable to afford the terms which the company demand. Together with the revenue which is derived from the traffic on the railway, there would be the proceeds of any land sales, as well as rents from areas of mineral land owned by the company and worked by individuals. I may be permitted to remark that the company have certainly not, so far as the mineral advantages are concerned, given any encouragement to persons desirous of working the minerals within the company's concession. I know there are minerals of various kinds on their property; but the company have always placed great obstacles in the way of persons working them, demanding a share of any products obtained by those who work the minerals. I need only instance the course taken in respect to the Great Southern Railway when it was purchased by the Government some years ago. We know there was even a strong opinion at that time against the purchase of that concession by the Government; but what has been the result? Immense settlement has taken place on the lands all along the Great Southern Railway,

and to-day it is a thriving and populous district. I believe also that the Government have made a profit by that transaction; and I see no reason why the same should not follow in regard to the purchase of the Midland Company's railway and lands. I believe I am justified in urging that if we have to pay even a trifle more than its fair value, the indirect benefits to the State will more than make up for that small sacrifice. I know the company are in bad odour, and have been so more or less ever since the concession was first obtained; but however we may differ in regard to the methods of the company and of those who originally took up the concession, and while there are many things which could be said with great truth in respect to those concerned, yet all this is beside the question. Suffice it to say that the debenture holders are entitled to do the best they can for themselves in dealing with the property under present conditions, and no doubt they will try to exact the best terms they can from the Government in purchasing it. Those who took up the concession volunteered to do certain works, and they obtained a concession on certain terms. They have carried out their undertaking generally, and so far as the present condition of the railway line is concerned I need only refer to the reports made by two engineers who inspected the line some years ago, when requested by a joint committee of both Houses of Parliament to do so. Mr. Hargrave, M.I.C.E., of Perth, and Mr. Ower, district engineer for the Railway Construction Branch of the Government service, proceeded along the line to thoroughly inspect and report on it as requested by that committee. The examination was exhaustive and critical; and on the report they made the joint committee came to the conclusion that the line was in good order, as will be seen from the following passage in the report which the committee presented to Parliament:—

This railway, which has a length of 277 miles, is in the first place subject to the restrictions made as to the laying of the permanent way, has apparently been built in a most faithful manner, both workmanship and material being of the best description, and this no doubt to a great extent accounts for the generally good condition of the line at the present time.



A subsequent report was made by the Chief Engineer for Existing Lines, Mr. Dartnall, to the Government on the 13th January last, from which I will read an extract:—

Since my last inspection, a great improvement has been effected in the condition of the railway as a whole, but especially on the last 170 miles, which has been very well maintained. The whole of the line may be said to be in fairly good running order; the sleepers are in very good order throughout the line, and practically there is no creep in the rails on the line.

So far at any rate we have the opinion of three engineers, one reporting on behalf of the Government; and one of the other engineers, who has considerable standing in the profession, certifies as to the construction of the line, and no doubt his report will be fully considered by the Government in view of negotiating for the purchase of the property. The traffic on the Midland Company's railway is not restricted as is the case on some other railways in this State, particularly in the case of a railway which chiefly carries timber. The traffic on the Midland Railway consists very largely of passengers, stock, and various kinds of traffic; although the Government have taken a step which may have restricted the company's profits, by placing a vessel to run between Fremantle and Geraldton carrying at through rates, and in this way have entered into competition with a company which made a certain contract with the Government of this State many years ago. The Government may have deemed that a proper thing to do; and although I supported the motion for that purpose when moved by the member for Geraldton, I admit now that I do not think it was a statesmanlike course for the Government of this State to enter into competition with the Midland Railway Company. I acknowledge that in this matter the Government are entitled to their own opinion; but I feel satisfied it is not a wise step, and that it will not look well in the eyes of capitalists in London. With regard to the revenue received from the railway, I believe the returns are available for members to see, and they will show that for the year 1902, the net profit was £49,402; so it will be seen that from the start there is a very good profit to be made by proper management of the line. I am aware the

Government are not likely to be so economical in managing the line if they take it over as the Midland Company are under present conditions; but it is reasonable to infer from what has been done that a fair profit can be obtained from the start, and this is some encouragement for the Government to move in the direction of purchasing the whole concession. With reference to a portion of the company's contract not having been carried into effect, such as fencing and the provision in regard to importing so many immigrants within a certain time, the Government of the day are said to have waived the condition so far as immigrants were concerned, because I understand the Government at that time were not desirous that a large number of people should be brought into this State at a time when the circumstances of the Government did not enable them to properly provide for those people. Therefore those terms having been waived, any question in regard to them should not be entered into now in negotiating for the purchase of the railway and lands. I am reminded that the Government did encourage the Great Southern Railway Company in promoting immigration to a certain extent; but the company were afterwards asked to stop the immigration. With regard to the Midland Company consenting to sell their railway and lands at the present time, I may briefly say I believe that if the Government do not come to terms with the company, they will be able to raise the £500,000 from another source, and if the company do that, I do not think the Government will gain anything by objecting to the sale at the present time. There is the contract which we entered into years ago, and although the company are not free from blame in many directions, yet they are entitled to fair consideration at our hands. One suggestion has been made, that in the event of our agreeing to purchase this concession, the Government would do well to work this railway separately from the other Government railways, so as to see how far they can work a line more economically than is the case with other Government lines. Though there are contrary views on the question, and though it may be said that this motion may cause the company to raise their price, yet I cannot see any objection to a

reasonable motion asking that the Government and the company should meet and endeavour to arrange fair terms. If the company demand such a price as the Government would not be warranted in giving for the property, taking into consideration the direct and indirect benefits to the State, then the Government would be justified in refusing to purchase. I feel confident that now is the time for action. We know that some debentures are being offered in London for a very low figure. I am informed that recently six per cent. debentures have been offered at a trifle over £30 in London. This being so, if the company demand an exorbitant price for the property when the Government endeavour to arrange terms with them, they would be justified in refusing; but I am confident this motion is in the best interests of the State, and I commend it to the favourable consideration of the House.

DR. M. O'CONNOR (Moore): I second the motion.

At 6:30, the SPEAKER left the Chair.

At 7:30, Chair resumed.

On motion by the MINISTER FOR WORKS, debate adjourned.

#### MUNICIPAL INSTITUTIONS ACT AMENDMENT BILL.

##### SECOND READING.

MR. W. M. PURKISS (Perth): I beg to move the second reading of this Bill. It is intended to correct what now appears to be an obvious oversight, or a manifest error, or what I may call a technical error. Under the existing legislation power is given to a municipality to acquire a quarry or quarries; and not only to acquire such a property as that, but to borrow money for the purpose of acquiring it. Power is also given to acquire a plant for the working of the quarry, and to borrow money for the purpose of that acquisition. While these powers are given under the existing law, there has been no power conferred upon municipalities to devote their income or any portion thereof to the working of the plant or to the working of the quarries, nor is there any power given to utilise the profits of the quarry in respect of their own particular prop-

erties, or to enable sister municipalities to purchase from the municipality that possesses a quarry to the furtherance of the needs of the sister municipality. Pre-existing legislation before the Municipal Institutions Act came into force enabled a municipality to acquire a quarry. The Municipality of Perth acquired a quarry, and dedicated a large portion of its funds in opening up that quarry, a large expense being incurred in respect of developing that particular quarry, known probably to nearly all members as the Parkerville Quarry. A considerable sum of money was dedicated and devoted to the purchase and establishment of a plant at the quarry; but while for years the municipality has devoted funds out of its annual income towards the working and developing of the quarry and towards the application of its produce to the streets of the municipality, and from time to time for years past it has assisted sister municipalities with stone, yet a municipality such as Perth, being a creature of statute, has no more power than that with which the statute clothes it. The powers conferred upon a corporation of this character are to be construed and looked at in the light that the corporation has no inherent power. What the Municipal Institutions Act gives to a corporation is all it has, and no more. Trading corporations are distinct, for such corporations have been held to possess many powers incident and corollary to the object of such commercial corporations, while a corporation such as the Perth municipality has no more power than that with which it is literally clothed by the statute under which it came into existence. It must be obvious to hon. members that there must be an omission, and that something has been forgotten simply because certain premises were taken for granted. It must be admitted that it is absurd, if a corporation has power to borrow money to buy a quarry and plant, to let it stop there. It would be absolutely absurd if a corporation could acquire a quarry and plant, and not be able to utilise its funds to the development and utilising of the stone towards its own need, and towards assisting kindred corporations and others. It is manifestly essential that an absurdity which exists on the statute-book, and which has not been discovered until

lately, should be rectified. The Perth quarry is not a thing of yesterday. It has been worked for years. It was assumed that the corporation had power to develop it, and to utilise the stone and sell it to sister municipalities, and to devote the corporation's income towards that end, bringing in fact the development, the user, the working of the quarries into a debit and credit account in the same way as it would the ordinary revenue for footpaths and so forth. This is manifestly simply one of those omissions, one of those things forgotten, simply because it was taken for granted, no doubt on the face of it without looking narrowly into it, without putting on microscopical spectacles, that the power to acquire a quarry and erect the plant carried with it the right to obtain revenue for the development of the quarry. In reference to private individuals and trading corporations, it would do so; but this was not a trading corporation; the powers possessed are only those given by the statute. This omission crops up, and unless the defect is remedied we shall have this extraordinary state of things, that there is a quarry which, as far as the city is concerned, is a very convenient one, and a very valuable and expensive plant is absolutely locked up, and cannot be utilised. There has simply been an omission in the Municipal Institutions Act, and to cure that I propose the second reading of this short Bill. There are two clauses, the first of which is only a formal one as to short title. The second clause states:—

Every municipal council shall have, and shall be deemed to have had from the passing of the Municipal Institutions Act 1895, power—

(1) To work quarries acquired by the council, and to employ persons, and to provide machinery, apparatus, horses, and plant in and for such work; (2) To defray the cost and expenses of and incidental thereto out of the ordinary income of the council, and (3) To use the stone or other material obtained from any quarry for the purposes of the municipality, and to sell or contract for the sale and supply of the same to any person or public body.

This is a Bill practically of one clause, and it seeks to cure, as will be obvious from Clause 2, what was an oversight, simply an omission. It would be absurd for a corporation having a quarry and having opened it up at considerable

expense and erected plant at great cost, to stop there and not be enabled to work it. The time is coming round no doubt when the municipal council will have no occasion to take stone in large quantities from its own particular quarries, but the sister corporations may require it; consequently if the quarry in respect of which these large sums have been invested is to lie idle simply because the municipality in respect of which the quarry has been established has no need of the stone at a particular time, it would seem an injustice. It would be unjust if the municipality could not dispose of stone to the sister municipalities which have not acquired quarries, and Subclause 3 would enable the municipality to do so. Subclauses 1 and 2 give power to work quarries and to defray the cost and expenses, and Subclause 3 enables the municipality to use the stone and to supply kindred bodies, neighbouring municipalities or persons. I submit that there should be no objection to that on the part of members. There certainly can be no objection to the first subclause, neither should there be any objection to the second, that the council shall defray the cost of working. At any rate there should be no objection in this year 1903, when we talk so readily and freely of the municipalisation of various public works. Many municipalities possess their own gas works and their electric works and various other works, and the trend of modern feeling seems to be in that direction. I cannot for one moment believe there will be any serious opposition to giving the municipality power to dispose of the surplus stone from the quarry when the municipality itself has no particular need for it. There is an ebb-and-flow in these things, and sometimes the municipality can absorb the stone from that particular quarry, but there are other times when perhaps it does not require such a quantity. In the meantime it is well, proper, and fitting that the quarry should go on working, seeing that there are so many sister municipalities in the neighbourhood which have not quarries and not plant to work quarries, but simply have to depend upon some private quarry, or as in this case, to look to a municipality which has a quarry for the source of their supply. I therefore commend the

passage of this Bill to the earnest consideration of the House. If this Bill be not passed, an obvious injustice will be done, and the position will be really ludicrous. To think that people have the power to acquire a quarry and to borrow money for the purpose of obtaining plant, and that they cannot work the quarry and bring the revenue from the working of it to the ordinary account, or defray the cost of expenditure incidental to the working of it, and cannot dispose of the stone or utilise it, really brings the position to a *reductio ad absurdum*. The object of the Bill is so simple that it will not require a lengthy speech from me to explain the measure, and I therefore move the second reading and trust that it will commend itself to members.

MR. W. ATKINS (Murray): I rise to oppose certain parts of this Bill. In the first place with regard to the quarry, I always understood that this council acquired from the Government a piece of land to do their quarrying for their own purposes. Therefore, if I understand aright, as far as the second clause goes there is no occasion for this Bill, because I understand the council have all the rights and title they require to get this stone for their own purposes, that being what the quarry was obtained for. It appears to me that the whole gravamen of the thing is in the last two lines.

[MR. MORAN: In the tail.] The sting is in the tail. The council want to use the stone and materials in the quarry for other municipalities. They want to sell it to "any person or public body." What it actually means is that the council have obtained the quarry, for which I believe they paid nothing, but on which they have spent and wasted a good deal of money—there is no doubt about that—and now they want to compete with private people who have paid their way all the time; and I say that is not fair. The Bill is a good deal like one introduced last session, which was not supposed to do any harm to anybody at all. That measure was not to do anything that was wrong, but it was really to override two decisions of the Supreme Court. Now the council come again and ask this House to legalise an illegal action they have done. I say that advisedly, because the council have been selling this stone before asking for this measure, and have done

what they say they had no right to do. They knew when selling that stone, and not using it for their own purposes, they were doing wrong, and why come to this House and again ask for their illegal action to be made legal? It is not right to do so for that reason, and it is not fair to compete in the public market. The other evening there was a discussion here about gaols, and it was contended that stuff made in gaols must not be sold. In the same way, why should stuff made by the corporation be sold outside?

MR. DIAMOND: Corporation labour is paid and gaol labour is not paid. That is all the difference in the world.

MR. ATKINS: The two things are on all-fours. Why should a thing like this, which has been subsidised by the Government, come into competition with a private individual? It seems to me clear, and if it was not right for the council to do it, why should the council do it? The council first did it, and then said, "We had no right to do it." If a private individual did that, what would people say about him? He would be called a swindler at once. It is, I repeat, not fair to bring this quarry into competition with private individuals. It would be perfectly unfair to do what is proposed, and I shall certainly move an amendment, when the Bill gets into Committee, to strike out the last two lines and a half.

MR. J. EWING (South-West Mining): I think it would be better to adjourn this debate, after what the member for the Murray has said in objection to the Bill. We have not the facts before us, and at present I am inclined to agree with the member for the Murray in the objections he has stated; but if there is a desire to continue the debate, I will not move the adjournment.

MR. S. C. PIGOTT (West Kimberley): This quarry was given to the Municipal Council of Perth by Sir John Forrest, at a time when the metropolitan district was going ahead fast, and there was a difficulty in getting metal for road-making on account of the great competition among purchasers in the metropolitan district. The Perth Council have had the quarry from that time; they have worked it when it suited them to do so, and at other times they have let it lie

idle; but I must confess there is a lot of force in the arguments used by the member for the Murray with regard to giving power to a municipal council to enter into open competition with any person or persons owning or working quarries in this State. It will be most unfair for this House to give to a municipal council the right to compete with any privately-owned quarry, in such a way that if the council took it into their heads they could undoubtedly cause all privately-owned quarries in the district to close up. Members will see that the municipal council are seeking an amount of power that no private owner of a quarry can have; and if the municipal council are given this power of competing with any privately-owned quarry, they can arrange the price of stone in such a way that no privately-owned quarry can compete successfully against them.

MR. DIAMOND: Would that not be a good thing for the community?

MR. PIGOTT: It might be a good thing for the community, but it would not be a good thing in the eyes of the public of Western Australia. Whatever we do in this House, we should always see that fair play is dealt out to all people alike, and we should not give rights to any public body that will militate against the rights of private individuals. If the member for South Fremantle had a quarry of his own, I am sure what his answer to the Bill would be, especially if that quarry were situated near the municipal council's quarry. If this matter has not been thought out by members, it will be well to adjourn the debate; but if members have considered the question, then the Bill can be dealt with on its merits—not in the way the member for Perth suggests, but the Bill should be thrown out. I think there can be no doubt that if it is necessary that the first two clauses of the Bill should pass to enable the Perth Council to work the quarry for their own purpose, I know of no objection to that portion; but as to the latter part of Clause 3, which gives power to the Perth Council to work their quarry in competition with all privately-owned quarries, that will not meet with my approval. I hope the Attorney General will give his opinion on the matter.

THE PREMIER (Hon. Walter James): The position is a simple one. Under the Municipal Institutions Act, municipalities have power to borrow money for the purpose of quarries. This quarry has been carried on legitimately. Two questions have cropped up. Objections have been raised to the present methods of the Perth Council. One objection is that they could not carry on the work at all; that although they have power under the Act to purchase and establish a quarry, they have no power to carry it on with municipal funds. The second objection is that even though they have power to carry on a quarry, the Council have no power to crush stone except for their own specific purposes. It may be a question as to whether on the second point there is not good ground for contending that the Perth Council when crushing the stone must do it for their own purposes only, and not sell to other persons or bodies. The Municipal Council of Perth want to get a Bill passed for making the law clear on these two points. So far as the law can be made clear on the first point, the House will no doubt agree to the Bill in order that the Perth Council and other municipal corporations shall have power to establish and maintain quarries and stone-crushing works for their own purposes if they so desire. The second point arises whether they shall have the power which they seek in the Bill, to sell the product from the quarry to other persons or bodies. If you concede that it is only a fair thing to give the power in the first instance, it necessarily follows that you must give the power in the second instance; because you actually make the first power useless if you insist that a municipal council shall for their own purposes carry on a factory sufficiently large to supply their own wants without a fair margin; and if you say that although the council have a plant sufficiently capable of turning out a larger quantity than they can use, they must not turn out that larger quantity but only a quantity sufficient to meet their own requirements, and must either get a small and expensive plant, or if they have a large plant they must use it only for a certain limited time to supply their own requirements. Members know that to work a business of this kind economically, there

must be a large output. The City Council have found that if they are allowed to sell to other persons or bodies, they can produce from their quarry in excess of what they require for their own use, and are thus able to reduce the cost of production; but if they are compelled to produce for themselves only, the cost of production will be increased. Therefore I submit that there can be no reasonable objection to giving to a municipal council the power they ask for in the Bill; and if this House does not give it to them, the House will so limit the area of the council's work that it will be too expensive to carry on.

MR. PIOTT: If you do give the power, what will be the effect on private enterprise?

THE PREMIER: Either they will sell at the same price as the privately-owned quarries, or they will sell at a lower price. If they sell at the same price, the private owner of a quarry cannot complain; and if they sell at a lower price, the consumer cannot complain. We are not here to protect the private owner. When the City Council find they can produce stone at a lower cost, it may be said they are using municipal funds to produce an article at a price that enables them to undercut the private quarries. If the hon. member (Mr. Pigott) is so solicitous for the preservation of municipal funds, would he compel the City Council to go to the private quarry to obtain stone, or compel them to work a small plant and so increase the cost of their output as compared with that what it would be under other conditions?

[MR. PIOTT: No.] As the hon. member disagrees with me on that point, I imagine he would disagree if I said the Municipal Council ought to be allowed this power. Councils and roads boards, being the constructors of public roads, are the purchasers of nearly all the stone that is quarried and crushed for road purposes; and being the main consumers because they are the road-makers, why should they not be allowed the privilege of managing a quarry of their own? If not, what is the objection to allowing two or three municipalities to combine for the quarrying and crushing of stone, and selling the product among themselves? That is the position. The Perth Council want to sell stone to surrounding muni-

icipalities and roads boards. They are selling to them now, and these local authorities are getting the benefit of a quarry that is carried on by the Perth Municipal Council. Subclause 3 will allow them to sell to other purchasers; but the hon. member agrees that the purchasers of stone are mainly the local bodies.

MR. PIOTT: No.

MR. TAYLOR: They are the principal customers.

THE PREMIER: If you eliminate the local bodies who are the road-constructing authorities, the outside demand for broken metal will be very small, the great bulk being required for the road-constructing authorities. So far the City Council have limited their supply to their own requirements, and to those of the surrounding municipalities and roads boards. They ought to have power to sell to such bodies; and if this Bill will give them the additional power to sell to other persons and bodies, I do not see why they should not have the power. If we recognise that it is a wise expenditure for a municipal body to go in for quarrying and crushing stone for their own purposes, why should we not allow them to carry on that work without unduly increasing the cost of the work they are carrying on?

MR. A. J. DIAMOND (South Fremantle): I do not think much can be gained by continuing this discussion, because I believe the majority of members are agreed on the advisability of passing the Bill. If the member for the Murray and the leader of the Opposition consider that the municipality of Birmingham has no right to sell gas to private consumers in opposition to gas which might be supplied by private companies—

MR. PIOTT: That has nothing to do with it.

MR. DIAMOND: If the hon. member says that has nothing to do with it, he cannot see the logical application of what I am saying as to the Birmingham municipality selling gas in competition with private companies. The same applies to the municipal council of Glasgow, which runs a tramway and sells tramway rides to the people cheaper than perhaps a private company or individual

could do it. The question is not the benefit of people who are interested in providing a certain article, but the question is, which is the best system for the community? If the municipality of Perth can sell road metal to the suburban municipalities and roads boards cheaper than private enterprise can do it, I cannot see what the objection can be to the council doing so. I cannot see why private enterprise should for a moment stand in the way of the public good. If the municipality of Perth can sell road metal cheaper to the surrounding public bodies than private enterprise can do it, that must certainly be for the public good. For the very same reason the municipality of Birmingham, by producing gas at an enormously decreased price, and selling it to the surrounding suburban municipalities at less than the cost for which those were producing it either by private or by their own enterprise, was doing a great public good. It is the same thing in Glasgow. In gas, water, electric trams and all other public services the municipality stepped in and served the surrounding municipalities and the public cheaper than private enterprise had done. If we listen to the arguments of the leader of the Opposition and the member for the Murray (Mr. Atkins), we must say we will not allow anybody to step in and serve the public better than private enterprise. If those hon. gentlemen will reconsider the matter they will see that their objections are all against public interests. I feel perfectly confident that the majority of this House will support the second reading of the Bill.

Question put and passed.

Bill read a second time.

#### IN COMMITTEE.

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

Clauses 1 to end—agreed to.

MR. MORAN: The whole Bill had been passed.

THE PREMIER: The Preamble had not been passed.

MR. MORAN: Could Clause 2 be reconsidered on recommittal?

THE PREMIER: Yes.

On motion by the PREMIER, progress reported and leave given to sit again.

#### MOTION -- PORT HEDLAND TO PILBARRA RAILWAY, TO CONSIDER OFFERS.

##### AMENDMENT, TO CONSTRUCT.

Debate resumed from 2nd September.

THE MINISTER FOR WORKS (Hon. C. H. Rason): When the member for Pilbarra (Mr. Isdell) rose just before I moved the adjournment of the debate, I believe it was his intention to signify his willingness to accept the amendment of the member for Cue (Mr. Illingworth). Therefore I hurriedly moved the adjournment of the debate because I thought that would not have been a tactful move on the part of the hon. member, for reasons I will explain later. The project of connecting the Pilbarra Goldfield with a seaport is no new question, having several times been brought prominently before the attention of the Government by various members and by various public bodies. So far back as August, 1895, a report was presented to both Houses of Parliament upon a proposed railway to connect the Pilbarra Goldfield with the seaboard. That report, which I have in my hands, dealt with a proposed line from Marble Bar to Port Hedland and with a proposed line from Cossack to Marble Bar. The estimated cost of the line from Port Hedland to Marble Bar, a distance of about 115 miles, with jarrah sleepers, was £318,033, and with steel sleepers £368,821. The estimated cost of the line from Cossack to Marble Bar, a distance of about 207 miles, with jarrah sleepers was £599,027, and with steel sleepers £724,246. I mention this question of steel sleepers versus jarrah sleepers, because in the report I notice that great attention is drawn to the great number of white ants existing throughout the whole of both routes, and to their extraordinarily savage nature. I think we may fairly conclude that jarrah sleepers would be of little or no use for that line, and that it will be very advisable, if it is not a necessity, to use steel sleepers in the construction of the proposed line. In the report it is stated that on both routes there is an absence of timber of any practical use for railway purposes. That bears out what has been said by the member for Pilbarra, and indeed by every member who has spoken on this question, as to the entire absence of timber for mining purposes. The report of the

surveyor who went over the line amply bears out the testimony given in that regard by the members who spoke on the subject. The absence of timber is so bad that the report says in all seriousness if a permanent survey were decided upon sufficient timber might be found to make the pegs. The information is afforded that on both routes the line is well watered, and that there would be very little difficulty in obtaining an ample water supply on either line. Although this report only deals with the question of a line from Port Hedland to Marble Bar, it is now evident that the terminating point would of necessity have to be Nullagine, about 50 miles farther than Marble Bar, so that the total distance would be a distance of about 165 miles. Taking that lesser distance, the route from Port Hedland to Nullagine as against the Cossack to Nullagine route, I do not think the line could be constructed and equipped for a less sum than from £500,000 to £600,000, and it would only be possible to keep within that limit by building the line and equipping it in the most economical way. With the knowledge before us that the line offers no very great engineering difficulties, that an ample water supply could very easily be provided, and that the cost would be somewhere about the sum I have named, the question for the House to decide is as to whether the line should be built, and secondly, if it should be built, whether it ought to be built by the State or by private enterprise. [MR. ILLINGWORTH: My amendment will decide that point.] I submit the amendment of the member for Cue goes farther. If adopted it will absolutely tie the hands of the Government to construct a line of railway to the Nullagine-Pilbarra Goldfield, not even allowing them to consider offers from persons willing to construct it by private enterprise, but compelling them to construct it themselves. I am sorry that the hon. member gave that interjection at this stage, because I thought he would have left a remark like that severely alone, but in any case he should not have made such an interjection. I will quote the hon. member. [MR. ILLINGWORTH: You need not read it; I know all about it.] But some hon. members have not that advantage; they do not know what the hon. member's opinion was in 1900. His

opinion was one with which I entirely agree to-day. I would like to refer to it briefly. The hon. member said:—

It is not a question of the railway to Dundas; it is not a question of the railway to Pilbarra, or of a railway to half a dozen other places; it is not a question as to whether these lines will pay or ought to be constructed; but how we shall provide the means for construction is the question we shall have to face. That this country will have to be developed is certain; that it can be continuously developed on borrowed money is a question open for consideration; and if we are to make a trial in regard to private enterprise in the construction of railway lines, we have here a suitable opportunity of putting the matter to the test. Here is a district which is proved to be excellent, which has big prospects before it, and if this Parliament is put face to face with the question of going to the London money market to-morrow to borrow money for this railway, I think we shall have to say "no."

MR. ILLINGWORTH: We had four millions to raise then. It is different now.

THE MINISTER FOR WORKS:

The hon. member continued:—

Should the Pilbarra district remain without a railway for years, perhaps 20 years, because this Parliament cannot see its way to go to the London market for money.

I think the circumstances are on all-fours there at any rate. However, the hon. gentleman was then of the opinion that if it was desirable to build a railway by private enterprise, this railway was one above all others that lent itself to that system.

MR. ILLINGWORTH: I say so still.

THE MINISTER FOR WORKS: I am glad to hear that, because it is what I intend to say to the House to-night. My colleague (Mr. Kingsmill), when he was member for Pilbarra, moved a motion in this House in 1900 in exactly the same words as the motion now moved by the present member for Pilbarra; and from that day to this we have had frequent expressions of opinion from members of this House, also from the Northern Settlers' Association and many other public bodies, all urging the desirability of the construction of this line. I remember having frequently heard the member for Coolgardie (Mr. Morgans) urge in this House the desirability of this line, and point out in a very eloquent and forcible manner the immense resources of the Pilbarra Gold-



field, resources which only needed this railway line for their development. I do not wish for a moment to doubt the testimony which has been given here and outside the House with regard to the many resources of this district, but I submit that it is the duty of any Government to be guided in a large venture such as this, or such as this would be, by the advice of its responsible advisers. The present Government have at all events made a step in this direction, and it is the first practical step which has been taken in all these years. The Government have instructed the Government Geologist to submit an exhaustive report upon what are the mining possibilities of this district; and if that report is favourable, and in my opinion there is very little doubt upon that point—

MR. PIGOTT: You have no doubt, you say?

THE MINISTER FOR WORKS: Personally I have no doubt.

MR. PIGOTT: You think it will be favourable?

THE MINISTER FOR WORKS: That is my opinion. Surely the experts we have heard cannot be altogether wrong. Surely they have not unduly exaggerated the possibilities put before us. I cannot imagine that could be the case. Therefore I say that personally I expect the Government Geologist's report can hardly be anything but favourable.

MR. MORAN: Besides we have had returns.

THE MINISTER FOR WORKS: Undoubtedly; and if that be so we shall have reached another stage at all events in the history of the movement for the building of this line, and we shall have something not only practical, but something beyond all power of contradiction before us. As to the line being constructed by private enterprise or by the State, no one is more opposed to a dual system of railway management—partly State-owned railways and partly privately-owned railways—than I am; but in regard to this particular district we must recognise the force of the argument of the member for Cue (Mr. Illingworth) that this line would be an entirely separate railway. In the most favourable circumstances it would be many years, if that railway were existing to-day, before we could hope for

it to be connected with the existing railways. If that be so, and undoubtedly it is so, surely there is an opportunity to allow private enterprise to step in. I am of opinion that it would be quite possible to have a railway built by private enterprise with the State duly safeguarded. The mistake in the past—I say it with all respect—seems to have been made through too great a haste to swallow the first offer that came along. There was no doubt a good deal of excuse, a good deal of justification, but in regard to this particular project I submit that it would be quite possible to obtain such terms from people who would, I think, be found willing to construct this line, as would be beneficial to the State. It would be quite possible to thoroughly safeguard the interests of the State. We must realise that it would be impossible for this State to undertake all the different lines of railway that are no doubt desirable, and construct them out of revenue or out of funds that could be raised by loan, if the money market continued in its present state. Whilst that is true on the one hand, I believe it would be quite possible, by a judicious system of encouraging private enterprise and at the same time safeguarding the interests of the State, to certainly have this railway built, and perhaps others. I say this railway certainly, because it does undoubtedly lend itself very easily to private construction; but I would like to point out that although the £600,000 I have named may be sufficient to build and equip this line in the first instance, yet over and above that there would have to be an entirely separate staff of officials, an entirely separate management. There will certainly have to be repairing shops, and probably shops on a more extensive scale even than those. Members will readily understand that it will be impossible to send rolling-stock from Pilbarra down to Fremantle or Midland Junction for repairs. Repairs would have to be done there, so there would have to be necessarily an extensive staff and shops to be maintained there. The Government have no opposition to offer to the motion moved by the member for Pilbarra, if the House will accept it on the understanding that the Government are to invite offers somewhat on the lines I am about to suggest; that is

to say from people who would construct the line after it had been properly surveyed by the Government and after an estimate of the cost had been furnished by the Government; people who would build that line with that estimated cost as the maximum cost of construction and would give to the Government the right to resume at any time, let us say after the expiration of 15 years, at the actual cost price, plus 10 per cent. upon a guaranteed return of interest of, say,  $3\frac{1}{2}$  per cent. per annum, any profit made over  $3\frac{1}{2}$  per cent. to be divided with the Government. Any such return derived by the persons who built that line could be set aside in the first place as against the guarantee, and in the second place to provide a sinking-fund which ultimately might be sufficient to purchase the line. I put forward these suggestions because they are much on the same lines as the practice which has prevailed in India and has been found to work with very great advantage there. Some lines built in India upon these terms have paid 7 per cent. and 8 per cent. per annum, and therefore they have paid the people who have constructed the lines, and also paid the Government very handsomely. The Government of India have been deriving, in some instances, £2,000 or £3,000 per annum in the shape of interest, and have had a profit earned over and above the interest, and have had their railway in the meantime practically for nothing.

**MR. HASTIE:** Would you guarantee a dividend by the Government?

**THE MINISTER FOR WORKS:** Guarantee interest on the cost of construction to the extent of  $3\frac{1}{2}$  per cent., and divide all earned over and above that sum.

**MR. HASTIE:** Would you guarantee that?

**THE MINISTER FOR WORKS:** Yes. I suggest that the Government should proceed on those lines, that is the Indian principle, if this motion be adopted by the House.

**MR. ILLINGWORTH:** The railway should come to the Government at last.

**THE MINISTER FOR WORKS:** Certainly it would come to the Government at last, if the anticipations of members who have spoken on this subject before are in any way approached—I will not say realised, but if they are

even approached. I have referred to the manner in which the member for Coolgardie has frequently spoken on this subject, and the way in which he has depicted to the House and the country the immense possibilities of the Pilbarra district, which, in his opinion and in the opinion of many others, only need a railway to develop them. I have said already I have no reason to doubt the hon. member's opinion, and if his anticipations are realised, then by constructing a railway on the lines I have suggested, guaranteeing  $3\frac{1}{2}$  per cent. interest on cost and dividing any profit realised over and above that, undoubtedly a sufficient sum of money would come to the Government in a few years' time to enable them to purchase the line themselves; so that not only would Pilbarra get its railway, not only would the resources of that most promising district be amply demonstrated, but the Government, in the course of years, would have a line which would practically cost them nothing. [Interjection by Mr. ILLINGWORTH.] The hon. member agrees with me in this respect.

**MR. ILLINGWORTH:** That is in my speech.

**THE MINISTER FOR WORKS:** Undoubtedly, I want to give the hon. member the fullest credit for what he said, and I want to understand to the fullest extent what he desires. I submit it would be foolish indeed to tie the hands of the Government to the extent proposed. Rather give them the fullest possible limit. Let it be, if you please, still open to them to construct the line themselves, if they can; but in the interests of the Pilbarra district certainly let it be open to them to receive private offers of construction, private offers which I again repeat can be considered and entertained without in any way jeopardising the interests of the State or of the community.

**MR. MORAN:** That would have to be confirmed by Parliament.

**THE MINISTER FOR WORKS:** The terms undoubtedly must come before Parliament, for Parliament to consider offers from persons willing to construct the line. The motion says "and consider offers from persons willing to construct by private enterprise a line of railway from Port Hedland to Nullagine—

Pilbarra Goldfield, upon terms and conditions to be laid before and approved of by the Parliament of this State." That is the motion, the motion to which I am offering no objection. It is rather sought to suggest what should be the line of action by the Government, if that motion be accepted by the House. If the House is prepared to adopt those suggestions, I have no doubt the Government will not only be willing to receive offers, but will move in the direction of obtaining offers from people likely to construct the line on the terms suggested. I do hope the amendment will not be accepted, for whilst the Government could offer no objection to the original motion, they could not favourably entertain that motion altered as the amendment seems to alter it. I hope that in view of what has fallen from the lips of members and from myself since the member for Cue introduced the amendment, that hon. member will see fit to withdraw the amendment. I hope the original motion will meet with favour from this House; and if that be so, I can assure the House and the member for Pilbarra especially that the Government will do everything possible in the direction I have indicated. I hope the result will be that we shall have a railway to that very promising goldfield, and that the anticipations of its warmest friends will be amply realised.

MR. C. J. MORAN (West Perth): The member for Cue, who moved the amendment and cannot speak again in this debate, has pointed out to me another portion of the speech from which the Minister quoted, that puts the hon. member's position more clearly; and I gladly accede to his request that I should read this extract to the House. The member for Cue did favour the construction of this line by private enterprise, and in the course of his speech he said:—

I think the true condition for a railway of this kind is, not how much money it will take to construct the railway: it is to provide the plans and say to the tenderers, "Give us a tender for the number of years of carriage you want." The man who will build the railway for the least number of years' carriage should get the right to construct the railway. I am certain that, as this country opens, there are many people interested in a district first of all, and there are other people who will be willing

to construct railways to these outside centres, and they will be glad so to construct them upon a basis of carriage alone. All the Government would have to do would be to watch over the railway to see that it was properly constructed, kept in repair, and handed over in sound condition, and that the rates fixed in the contract were not excessive. There would be no cost to the State, and we should find ourselves in a certain number of years, say 21 years, in the possession of a property the value of which would have increased in the meantime.

These were the conditions advocated by the hon. member. The question as it appears to me is that this is not a new district which we want the Government Geologist to examine for the purpose of finding out whether it is auriferous—that it is auriferous is beyond a shadow of doubt. We have the best data to go upon in the output of the batteries, and the average yield from the stone is shown to be good. All will be unanimous on the point that mines have been abandoned, as in North Queensland, not because of cutting out all the gold, but because firstly the mines get down to the water-level and the workers cannot cope with the water without pumping machinery. There is also the added difficulty in Pilbarra, not found in any other part of Western Australia in such a large degree, that the absence of timber for all purposes of mining makes the working of mines more difficult than elsewhere. That has been the reason that mines have been abandoned at the water-level and at shallow depths; because it is an absolute certainty that the latest returns from the batteries were as good as at the first, and this circumstance shows that the gold is there. It will be satisfactory and gratifying to have the opinion of the Government Geologist, as it will be confirmatory evidence of what has been proved to be true practically; but to me it would not be necessary to have the report of the Government Geologist on the Pilbarra Goldfield, which is the best poor man's field in Western Australia. It has this hope and prospect, that in building a railway through it by any means, you are building a line into a large bunch of mining centres; you are building from a splendid natural port through what is comparatively a desert, for as far as sand is concerned there are about 50 miles to be got over, and the sand is absolutely deadening unless you

have some motive power to bridge that desert. We know also you are not only opening up a gold-mining country, but going into a country which has large pastoral resources and from which a great deal of produce will be obtained. What does appeal to me is the fact that the Government will not undertake to build this railway to-day, that it is against their policy to attempt to borrow money sufficient to go on with this work at the present time. The Government who hold this opinion are in power, and for all we know they will remain in power; therefore, we must put away from our minds the hope of seeing this railway started by the Government immediately. I do not express an opinion as to whether the State should at once go on the London market to raise money for building this railway; but I do indorse the remark of the Minister for Works as to the boggy of private enterprise in regard to the building of railways. In my opinion it is equally democratic and equally acceptable to a Labour member as to any other member, that if you allow a man or a company to build a railway, and you fix the terms and fix the price on which that railway may be purchased by the State, I say that is equally as democratic as if you build it with funds borrowed by the State. Our powerful mining friends who are interested in the Pilbarra Goldfield say they are willing to submit offers to the Government for building a railway, and they are nothing daunted by the present condition of the money market. They say that with their influence at home and the large amount they have invested in the mines of the Pilbarra district, and with their accessibility to the money market, they are able to raise money when for the moment the State's credit is none too good. Very probably they are saying what is true. There may be private corporations willing to submit an offer to the Government, corporations which are able to borrow money cheaper than the Government can do it at the present time. The Municipal Council of Perth has borrowed money in this State cheaper than the Colonial Treasurer was able to float his local loan. All is not said when you say simply that the State should have greater credit than a private corporation has for the purpose

of borrowing money; because we know that State stocks are not fashionable at all times, and they are not fashionable now. There may be a special "set" made against State borrowing. There may be private corporations which have private sources from which they can get the money, which sources are not available to the Government at the present time. I see not the slightest danger in giving the Government full power to make and to receive offers in this connection. They are the executive of this Parliament, and they will have to submit to Parliament any offers they may obtain for building this railway. I am curious also to know how much sincerity is behind any of those offers which have been made to build the railway by private enterprise, and I am anxious that those who say they are willing to do it should get the chance straight away. There are persons largely interested in the construction of the railway; and if we, as a State, are not prepared to build the line, let them build it. I say to the Government, here is power to receive as many offers as you can obtain, and I for one am prepared, if the Minister for Works should come down to the next Parliament and I have the honour of a seat in it, to consider favourably whatever offer may come from any company or persons to build that railway on lines suggested by the Minister, wherein the State is fully protected, and I pledge myself entirely on this motion to support him in every particular. I think the State should have its North-West areas opened up, and this great goldfield should have railway communication. It is questionable whether there is any railway project in Western Australia that ought to be built before the Pilbarra Railway. The proposed railway from Collie to connect with the Eastern Goldfields line is an alternative route for Collie has a railway and the goldfields have a railway; so they are joined by a railway, if not joined directly. Collie can send coal to the goldfields, and the cost of carrying it might be cheapened. [Mr. EWING: I wish you could do it.] If the hon. member would support the party on this side, it might be done. The hon. member should recollect the debate we had on the raising of railway rates, when this side took the view that the Government

had no right to raise them, and the other side took the view that they were right in raising them. Here you have a goldfield of great possibilities absolutely barred for want of a railway. You have a long voyage by sea, first to take up the timber you require there, and when you get to the port you are absolutely shut away from that goldfield by a stretch of 120 miles. There is no such railway in this country as the Pilbarra line. Those who have talked of centralisation are not the party who have been centralising in public works. We on this side follow the policy of Sir John Forrest in regard to public works; that where a public work looks desirable and feasible, go boldly forward and build it. This work is feasible and desirable; therefore we should build it. We have heard sufficient to enable us to make up our minds in regard to it. The goldfield is there, the resources are there, the harbour is there, a magnificent harbour; and though the population is small, yet what was the population of Yilgarn when Sir John Forrest extended the railway to that first centre of what afterwards became the Eastern Goldfields? The population was then very small; and had he not built the railway at that time, the Eastern Goldfields would not have attained the magnificent position they have to-day. If the money market were favourable, this State could, with justice, undertake to-morrow the building of this Pilbarra Railway; but the money market is not favourable. There may be those who can get money cheaper to build it, and if so let them build it by all means; build it under our conditions, with a clause in the contract that we may purchase when we like at a certain price, giving the owners a fair rate of increase on the actual cost. I would not object to giving them ten per cent. on the cost of the line; and if it is judiciously and economically constructed under Government supervision, it is not going to hurt Western Australia. I ask the member for Cue not to press his amendment, which means nothing. I doubt whether it is not against the Standing Orders, whether you can give a mandate to the Government to build a railway. I think the Speaker has ruled such a motion out of order before. We now say we are desirous of giving those people who have

so often expressed their willingness to make an offer, the opportunity of making it to the Government; and we give authority to the Government to receive and consider any such offer. I hope that by this time 12 months hence the new Parliament will have set its seal on the building of this railway, either by private enterprise or by Government undertaking it. I hope also that centralisation will have received its first setback by the opening up of another railway system on the coast of this State, which will prove, as I hope it will prove, a great outlet, even as the Eastern Goldfields Railway has proved itself here. I heartily support the motion.

MR. R. HASTIE (Kanowna): I do not think there will be two opinions amongst members of this House as to the desirability of the people on the Pilbarra Goldfield having railway communication. Every one of us recognise that it will not only be good for the State that railway communication should be established there, but also that unless something is done we cannot expect very much farther development on that goldfield. We have all farther recognised that Pilbarra is a really good goldfield, probably as good any other we have in this State. Therefore I regret very much that such exaggerated language has been used by several members in speaking of this field. I refer first to the language of the member for Pilbarra (Mr. Isdell), also to the language of the member for Coolgardie (Mr. Morgans), and also to the language of the member for West Perth (Mr. Moran) who has just spoken. They also speak of the field as being very much different from any other, and they all tell us practically that it is different from any other goldfield in the world because you can almost depend upon getting a return from every ton of quartz crushed. The member for Pilbarra rather startled the House by telling us that over 600,000 ounces of alluvial gold had been found there from the earliest days of the field; and the member for Coolgardie, who did not quite believe this, still showed that he was speaking in the language of the proposer of the motion. No such amount of gold was got from that field. If we divided the hon. member's estimate by three we could probably arrive at the amount of gold got there, and even then

it would put Pilbarra in the forefront of goldfields in this and every State. I think it is unnecessary to exaggerate the prospects of this field to insure that the House will give it careful attention. The speech of the member for Coolgardie was one I enjoyed very much. It was one of the best I have heard delivered in the House, and I do not doubt the sincerity with which it delineated the prospects of the field; but I would have enjoyed that speech better if he had told us how much he was personally interested in the matter. If we are interested in part of the country, or if we are financially interested especially, we are always conscious that we are not speaking with the same critical judicial language we would use as ordinary visitors. It is claimed that this field is a very good one, and that it requires railway communication principally because the people want timber so very much. I believe many dozens of mines have stopped working on account of the scarcity of timber in that goldfield; but it would be a mistake to suppose that, if this railway were not constructed, Pilbarra would die. There are many spots in the district where mining would go on, and even in spite of railway communication not being granted Pilbarra will not cease to exist. The need for railway communication we admit is great, and now the question before the House is that we should consider the best mode by which railway communication can be granted to the district. Two modes have been suggested. The first is the suggestion of the mover of the motion, that tenders should be invited from people willing to build the line. The second suggestion is that the Government should undertake the construction of the line. The latter would be good, as everyone in this State will readily admit. The only difficulty in the matter is that pointed out by the Minister for Railways, and by the member for West Perth and others, that we have no money to do it, and that if it rests with the State it may be some time before a railway can be built by the Government. [Mr. MORAN : Some years.] It may be some years, but it may not be so many years as the hon. member anticipates. The other method proposed is that we should depart from the system which has hitherto obtained in this State for the last seven years, of

building a railway and keeping it the direct property of the Government, and that we should invite people to build the line. So far as I heard the speech of the Minister for Railways, he laid down the conditions under which the Government would be willing to consider offers of that kind. He said that if a company would come here willing to build the railway line and to run it for a period of about 15 years, the Government might guarantee the interest and cost of the construction of the line to the extent of  $3\frac{1}{2}$  per cent. I really wonder if members of the House have thought an offer of that kind is very likely to be made just now. I doubt it, and for many reasons. I shall speak of them as they occur to me. The Minister for Railways mentioned that there were some cases in India where conditions of that kind were entered into by the Government of India, and therefore he proposes that the same thing might be done here; but I wish this House to remember the dissimilarity of conditions in India to those existing in this State. Where railways have been built in India they are built through country containing an immense population, and in which a very large trade is being done between two large centres, so that all the railways constructed there have been kept hard at work from the time of their construction. The consequence is that it has been possible in India, even though these companies have been hugely over-capitalised, and even though hundreds of thousands of pounds have been uselessly spent, to manage the railways fairly well on account of the immensity of the trade. However, I have not heard of one responsible authority or writer on the railway system of India who has ever yet said that the railways were run there at anything like a cheap rate, or that they were run even as well as the different lines in Australasia. There are many instances, if we take the proportion of working expenses to the proportion of income, in which the proportion is small; but a company looks at the amount of profit in proportion to its capital, which makes a very great difference. In this particular case it is suggested that £600,000 may lay a railway from Port Hedland to Pilbarra. More money would be required than that £600,000. In all probability

it would take a million altogether; but supposing a company is floated for the purpose it will never dream of starting in earnest unless it has first a capital of one and a-half to two millions. There is a suggested guarantee here. If that line is economically laid, probably the total amount of money expended legitimately in laying it will be £700,000 or £800,000, including the rolling stock and all the buildings. The Government of this State will refuse to pay  $3\frac{1}{2}$  per cent. on anything more than that £700,000 or £800,000; but the people who invest will look for a return on the amount of money paid by those who put in capital up to two millions.

**THE MINISTER FOR WORKS:** I propose to fix the cost.

**MR. HASTIE:** I understand that, but it is not proposed to pay  $3\frac{1}{2}$  per cent. interest on the capital of the company, nor to pay interest on any of the debentures they may raise. The company may have a nominal capital of a quarter of a million, and may borrow a million or one and a-half millions on debentures. If so, all the money that is earned will be taken up in the payment of debentures and office expenses. It has been pointed out that there are not over 1,500 people on this goldfield at present, and we cannot expect after the construction of a line that within the next seven or eight years the population will be any more than, at the utmost, 10,000 people. Even if we have 10,000 people there the amount of traffic will be limited, and there is very little hope that with the utmost economical management the line can pay anything over  $3\frac{1}{2}$  per cent.

**MR. MORAN:** A traffic of 10,000 in one case may be as much as a traffic of 50,000 in other cases.

**MR. HASTIE:** That might be the case, but the probable traffic will consist of timber and perhaps a little coal; but the more coal that goes, the less timber will go. There will be a certain proportion of the necessities of life that go to almost every centre of population. That being so, I say I am perfectly justified in assuming that the amount of traffic will be exceedingly limited, and that there will be very little hope that in the first seven to ten years anything like  $3\frac{1}{2}$  per cent. will be realised. I am perhaps a little pessimistic on the

subject, but supposing a company were able to earn  $4\frac{1}{2}$  per cent., the company would only get 4 per cent., because half of everything above  $3\frac{1}{2}$  per cent. became the property of the Government. However, at this time of the day we need not assume that, if people put in tenders, they are likely to build the railway. It is very rarely that a company getting the opportunity of building a railway ever build it. What they do in the first place is to secure the concession, and then they go about the money markets of the world endeavouring to sell it. If they do that, as I assume they will in this case, then a great amount of time will be occupied. Within the last few years Queensland and Tasmania have each given concessions to different people to build railways. In every case we had a very strong peremptory clause in the concession, stating that the railway must be built within a certain time or else the deposit would be forfeited; but in no case have they ever built the railway within that time, and in no case has the deposit ever yet been forfeited. Members believe it possible to write out a specification of a railway and lay down strict provisions to enforce those conditions. Those remarks have been made during the last 30 or 40 years in Australia, dozens of times, but in not a single instance have the conditions been carried out. They have not been carried out in Western Australia in the case of the Midland line. We are in a much better financial state than any of the other States of Australia, but we are not ready to carry out the construction of this line.

**MR. MORAN:** That remark about our financial condition is not correct.

**MR. HASTIE:** We are in a better financial condition than any other State of Australia has been in during the last 20 years.

**MR. MORAN:** Not at all.

**MR. HASTIE:** The hon. member is a great financial authority, but on this occasion I beg to differ from him. But my point is that until it is shown that the conditions with reference to railways can be carried out, why should we depend upon any conditions we might make? By the time trouble comes the member for West Perth may be Premier of this State, and he may follow the example of the Premier of New Zealand and

declare that whatever conditions are made they shall be adhered to. It is objected that the amendment brought forward by the member for Cue does not mean much, and that it is only holding out what is likely to be a false hope to the people of Pilbarra; but to my mind the other case gives smaller hope still, and a motion of this kind is really fooling with the question. There have been many opportunities during the last few years for anyone really wishing to build this line to make any offer to the Government; but in not a single case has an offer of that kind been brought in, and during all that time we have been assured by members in this House and by many people outside, over and over again that they were willing and anxious to build this line.

MR. MORAN: This will start it.

MR. HASTIE: It will not. People have made excuses before for not making an offer, and they will make excuses again. There are many people who have money who are interested in the country, but those people are not going to build this line on that account. This line will be treated as a separate affair. It will be treated on the ground of whether it will pay or not, and no one has for a moment suggested that it will pay. But the great point which seemed to puzzle me about the Minister for Railways was that he practically said the Government could not very well raise the money to build this line themselves, but he went on to assert that the Government can pay  $3\frac{1}{2}$  per cent. interest on the money that this line will cost. Where is the difference? In one case there is a nominal increase in the total debt of the State, and in the other that nominal increase is avoided; but that matter would be taken into consideration by those who wished to value the credit of this State and all of those who wished to lend money to this State. Really the position taken up by the Minister for Railways is that we should not go straight forward and borrow the money ourselves, but we should by a side-wind come to the same position, and we should pay this extra  $3\frac{1}{2}$  per cent.

MR. MORAN: You are assuming that will be fixed. How do you know that will be in the offer? There may be a satisfactory offer without that.

MR. HASTIE: Because I do not suppose that there are any people in this world who will offer to build that line for less when the Government say they will pay  $3\frac{1}{2}$  per cent.

THE MINISTER FOR WORKS: I did not say that.

MR. HASTIE: I understand the Minister to mention  $3\frac{1}{2}$  per cent. as a suggestion they might agree to.

MR. MORAN: Oh, yes, "might." Why discuss the conditions? Parliament will deal with the conditions afterwards. We might get an offer without giving any guarantee at all.

MR. HASTIE: We might, and I might get a present of £20,000 tomorrow. The one is just as improbable as the other, I am sorry to say. We can only assume that people will look at the matter from a business point of view, and they will judge whether it will pay them to build this line or not. I wish the House to really face this question: what has been our experience of private railways in this State, and what has been the experience of the bulk of Australia in the same line? In not one single instance has it ever proved satisfactory, and in no case I have heard of, except one, that being the Great Southern Railway line, has any company ever started to build a line without, after having spent a fair amount of money, appealing to the Government to lend their credit for borrowing more money. In all cases except that one which I can remember, at the time the Government have come to the assistance of those companies; and if any company really enters into an agreement of this kind—

MR. MORAN: They were land-grant lines.

MR. HASTIE: They may be land-grant lines, but we have to learn that the system now proposed is better than the land grant-system. The others have been land-grant lines, and the argument of the member for West Perth is that we have had no experience of this guarantee of interest system, and we should try this plan; but I do not think we have any reason to hope it will be any more satisfactory. What I say will occur in a case of this kind is this. The company will enter into a bond to start this line within a year, but before the year is over that company will say, "We have not made



our financial arrangements properly yet, and want another six months." This House will extend the time for six months, and at the end of that time the company will want another six months' exemption, and this House will be perfectly willing to extend the period for two or three years.

MR. MORAN: Blame this House.

MR. HASTIE: I would have some hopes if the matter were to be settled before this House expires, but the next Parliament will come, and I do not know if I shall expect it to show much alteration in that respect. I can only judge that the members of Parliament of this State will be the same class as members of every State, so that they will be very tender to the company for two or three years. At the end of that time a start will be made. The company will bring an enormous amount of machinery and a few dozen people to show Western Australia how these things ought to be done, and perhaps half the number of people again to report how those people are getting on; and after they have spent a good deal of money in that way they will appeal to the State and say, "Our venture is not going on. We want assistance to float our debentures." Only small assistance will be asked at the time, and the State will grant it, and probably such a grant will be made two or three times, the Government being forced to make such grant by the people of Pilbarra. The member will head a deputation, who will storm the Premier and force the Government to give consideration to this railway line in order to save them. That has been the invariable experience in the past, and why can we expect that it will be different here?

MR. MORAN: This is Hastie looking forward.

MR. HASTIE: It may be looking forward, but I would like some brighter prospect to look to than the picture painted by the member for West Perth. In conclusion, I hope the member for Cue will not withdraw his amendment, and that this House will hesitate before encouraging this system, which always has proved an evil in the past. Instead of raising the false hopes of the people in a case of this kind, we should rather encourage the people of Pilbarra to look to the Government to build the line.

They try to believe, as I do, that this is the most important railway in the entire State, that although it does not join our present system it may yet pay, and may in the near future be a part of the general system; and by considering these matters, and not being so enthusiastic over the building of short lines, comparatively unimportant, we may start at an earlier date to give railway communication to the people of the Pilbarra Goldfield.

MR. A. E. MORGANS (Coolgardie): I listened with a good deal of attention to the hon. member who has just sat down, and I again call attention to the fact that he is suffering from bogies on the brain with regard to British companies. The whole tenor of the hon. member's speech, when any questions of this kind arise in this House, is the rascality of British capitalists and British companies.

MR. HASTIE: I never used the word.

MR. MORGANS: I admit the hon. member did not use that word, but I took that to be his meaning, at any rate. The hon. member says that the member for Pilbarra (Mr. Isdell) and myself exaggerated the position when we addressed the House on the question of the Pilbarra Railway. If my exaggeration equals the flounders of the hon. member's financial exposition, I can only say I shall be surprised at myself. The hon. member has gone into the question of finances.

MR. HASTIE: What about the exaggerations?

MR. MORGANS: I say that if my exaggerations equal the hon. member's blunders, I shall be surprised at myself. I have one advantage over the hon. member, that being that I know the district and he does not. He has never been nearer to it than Geraldton, as far as I know. I do not think he has been there.

MR. HASTIE: Yes; I have been to Northampton.

MR. MORGANS: Oh! have you. The hon. member has been 50 miles nearer, and he only had to go about 1,500 miles farther to get there. I dare say that by getting to Northampton he increased his knowledge of the Pilbarra Goldfield. I visited that goldfield and know all about it, and the member for Pilbarra has been a resident of that country for over 20 years, and has been interested in

the gold-mining industry nearly the whole of that time, directly and indirectly. I submit to this House that at least his knowledge of that district must be superior to the knowledge of the hon. member; and I think that my knowledge also must be superior to his, because I have been on the field and examined it and know all about it; and what is more, the companies represented by myself have spent a large sum of money there. The hon. member spoke about my being interested in the Pilbarra district. I have never concealed the fact that I am interested: the companies I represent have spent large sums of money there, and naturally we are interested in having that railway built. I am as much interested as the hon. member is in forwarding legislation in this House. Whatever legislation is brought before this House, we are all interested in it; and it was unnecessary for the hon. member to say that any remarks I made on the railway were tainted, simply because I am interested in the Pilbarra Goldfield. I do not think the hon. member intended to impute any improper motive to me in that remark. I have never attempted to hide the fact that I am intimately connected with the Pilbarra Goldfield. With regard to the exposition by the hon. member in reference to capital, what I understood the Minister for Works to say was that the Government might consider a proposal for the building of this railway by private enterprise; that in the event of its construction being proposed and considered by the Government, first of all he would have an inventory as to the amount of capital to be invested in the line, and secondly to fix the rate of interest to be paid on that sum. The hon. member lost himself completely with regard to this proposal; for when he addressed the House on the question he did not understand the point the Minister made, nor did he understand the principle that has been advocated in this House for the construction of this line. I have said in this House that this railway should be constructed, because in my opinion in the Pilbarra Goldfield Western Australia has, outside the Golden Mile, the best goldfield in the State; and in addition to that there are in that district mineral resources in the form of tin and copper

better than are known in any other part of the State. My contention has always been that the Government should build the railway; but if not prepared to do it, then the Government have no right, nor has Parliament any right, to lock up that splendid and important mining district because they can not furnish the capital themselves. The Government say they are not in a position to find the money to build this line at present. [MR. ILLINGWORTH: They can.] I think they can; and I repeat that no one desires more than myself that the Government should build this line. I would rather see the Government build it than that it should be built under any other circumstances whatever; but if the Government are not prepared to do it—and I infer from the speech of the Premier the other evening that it is not the intention of the Government to launch into public works for some time to come, but to limit their borrowing—if so, what hope is there of this line being built by the Government? As to the indication made by me in reference to this railway, that a line 200 miles long, from Port Hedland to Nullagine, can be built at a cost of £600,000 for construction and equipment, equal to £3,000 per mile, I assert that a railway can be built and equipped that distance for the sum I have mentioned. I am prepared to guarantee to the Government that a contractor can be found. I would myself be prepared to build it on those terms, and I can get a dozen capitalists to do the same. Therefore the hon. member's supposition about the railway costing one and a-half to two millions of money is a boggy. He says that if this concession were given to any private individual the first thing done would be that the owner of the concession would hawk it about, trying to get someone to provide the money for building the railway. Then he said that those concerned in the undertaking would have to capitalise it at one and a-half to two millions of money. That is absolutely ridiculous. What has been suggested is that a certain sum of money—I say £600,000, and I am prepared to undertake a contract at that price—that on this sum the Government could give a guarantee of  $3\frac{1}{2}$  or 4 per cent. The Minister suggested  $3\frac{1}{2}$  per cent., but he may later suggest 4 per cent.; at any

rate the capital would be fixed by the Government; and I say that if the amount were fixed at £600,000, that would be sufficient. Therefore the illusions of the hon. member are misleading. I do not think any concessionaire, if he obtained a concession from this Government and took it to London or any other capital, would have a ghost of a chance of raising even £600,000. It will be possible to raise it only from people who are interested in that part of the country. It would be practically impossible to raise the money in London on those conditions, and certainly not on the condition of  $3\frac{1}{2}$  per cent. This motion, if passed, would practically mean nothing. The Government are only given authority in the motion to negotiate with somebody to construct the railway: what does that amount to? The Government may receive many offers to construct it, and may reject every one. Supposing they receive a dozen offers that commend themselves to the judgment of the Government, they will have to come to this House and get authority to accept one of those offers; so that really the Government will be bound to nothing by the passing of this motion. The hon. member therefore need have no anxiety in voting for the motion, as it binds the Government and the country to nothing. We wish to point out, and I have not attempted to do more in this House, that the Pilbarra Goldfield is a very important one; that the whole resources of that field are lying dormant at the present time, and that without the construction of a railway it will be impossible to develop them. The view that was taken in opening the first railway to the Eastern Goldfields was entirely different from the view now taken by the member for Kanowna. When the Eastern Railway was extended from Northam to Southern Cross, there had not been more than a dozen mines discovered at Southern Cross at the time the Government and Parliament decided to make that railway; but in the Pilbarra Goldfield you have a field that has been working longer than the Eastern Goldfields. As to the amount of gold that has come out of the Pilbarra Goldfield, I did not make the statement that it amounted to 600,000 ounces—I think the member for

Pilbarra, in moving this motion, stated the amount was 600,000 ounces—but I say that a country which can turn out 200,000 ounces of gold is worthy of consideration by any Government or any Parliament. On the Eastern Goldfields the difficulty of railway construction was not greater than it is from Port Hedland to Nullagine; the cost per mile will be just about the same; and engineering difficulties are absent altogether. It is probably like the railway constructed on the Eastern Goldfields, an easy problem, practically no cuttings or fillings; and probably it can be constructed at a very small cost per mile compared with many other railways. If this goldfield has shown 200,000 ounces of alluvial when working under the difficulties of no firewood and no mining timber, and looking at the condition of Southern Cross when the Eastern Railway was extended to it and afterwards carried on to Coolgardie, I would ask: was there any more justification for the construction of that railway than there is for the construction of the Pilbarra Railway? Members will see that there is far more justification for the construction of this railway than there was when the Eastern Railway was extended to Southern Cross and to Coolgardie. With regard to the hawking of a concession, I can assure the hon. member (Mr. Hastie) that no one who proposes this concession shall be given will have any idea of hawking the concession around. No one but a madman would think of doing such a thing; therefore this motion is one which the House can safely pass. If the House does not authorise the Government to do anything but to receive and consider offers, the Government can do it without this motion. But the time has come when the Government will have to very seriously consider this question, and to decide whether or not this important section of the country is to be closed up or is to be thrown open and developed, the same as the Eastern Goldfields have been developed. Something has been said about the construction of a railway from Collie to Narrogin, for connecting with the Great Southern line. I see that the Government are proposing to do this, and I shall support that railway, and will support any railway that will give a probability of paying interest on the

money invested; but I would add that the construction of the Pilbarra Railway is of far greater importance than the construction of a railway from Collie to Narrogin. There is no comparison in importance of the two lines; and as far as the returns are concerned and the wealth that will be developed by the construction of these two railways, there is no comparison in the value of these railways to the country. Although I shall strongly support the Collie-to-Narrogin railway when it comes before the House, I say without fear of contradiction that it is of far greater importance to the best interests of this country to construct a railway from Port Hedland to Nullagine, than to construct a railway from Collie to Narrogin and thence to the Eastern Goldfields.

MR. J. EWING (South-West Mining) : I am in favour of the motion originally moved by the member for Pilbarra. Although I am opposed to private enterprise in railways, it seems to me that on this occasion there are many things to be considered and which will be considered in connection with the proposition now before the Assembly. Anything that is to be done in the way of private enterprise has first of all to be considered by the Government and then by the House, so that the House can say whether private enterprise will build the line or whether in the interests of the State the Government should do the work. There can be no two opinions as to the wealth that exists in that portion of the State, and I am very pleased indeed to be able to do anything to advance its interests. I only desire to speak in regard to the comparison made with the Collie-Goldfields line. It is a pity that any comparison should have been made. The Government in their wisdom have thought fit to place before the country a proposal for the construction of this Collie-Goldfields line, though at present it is simply only an agricultural line, for no consideration has been given in the proposal to the interests of Collie.

MR. MORGANS : You are interested in that line.

MR. EWING : Just the same as the hon. member is interested in the Pilbarra district. I think it is a good thing that men in this House are interested in different parts of the State, and that men

have put their money into the Pilbarra district. I hope they will get the benefit of the money they have invested. However, it is a great pity that any comparison should have been instituted as to the different railways proposed. I am not going to say that the Collie line is of any more importance than the Pilbarra line. Both railways are in the interests of the State, and I hope that in the future the State will be able to undertake both of them. The Minister for Works said that in India railways were principally carried out by private enterprise, and suggested that the Pilbarra line should also be carried out in this way. The other day when looking at some figures I found that the working expenses in connection with those Indian railways are very reasonable, in fact far more reasonable, I regret to say, than those of this State. The Midland Company who are working a private concession have a percentage of 41. It is surely very creditable that they are able to work their railway so satisfactorily to the people interested. We find in our own system that the working expenses for the year before last were 82 per cent., and that the latest returns for 1903 show they are 80 per cent. This is abnormal, and I would like to draw the attention of the House to the Indian railways. I have figures from the Year Book of British Railways. The Bengal-Nagpur railway working expenses are 45·75 per cent.; the Bombay, Baroda, and Central India railway, 47·74 per cent.; the East Indian railway, 64·57 per cent.; and the Great Indian Peninsula and Indian Midland railway, 42·80 per cent. It is unnecessary to go farther. The principle advocated by the Minister to-night must be satisfactory so far as India is concerned. I think it is necessary that this matter should be considered very soon, so that we can arrive at a decision either one way or the other. If private people can provide £600,000 for the construction of the line, it is a matter for us to say whether it would not be better in the interests of the State for the Government to find that amount. It is incomprehensible to me that private enterprise can borrow it and that the Government cannot.

MR. ILLINGWORTH : The Government can borrow it.

MR. EWING: We all know it is very difficult to borrow money, and we are told that the Government only intend to spend £750,000 on loan policy works for this year.

MR. MORAN: For many years.

MR. EWING: The Government can change their opinion. Next year the London market may be very favourable, and the Government may be prepared to spend a million and a half.

MR. HASTIE: Seven hundred and fifty thousand pounds is more than is required for this line.

MR. EWING: It would not be sufficient to carry out all the railways proposed in this House by hon. members.

MR. MORGANS: No; we should spend three millions.

MR. EWING: I quite agree with that.

MR. MORAN: Come over here.

MR. EWING: No; I am quite satisfied that the Government in power have the interests of the State at heart, and that they are not going to sacrifice anything at the present time by approaching the London market, which is most unfavourable. If hon. members have patience they will find, when this cloud is passed, that the Government may gain strength, and perhaps bring forward a policy that will suit this House and the country generally. We must commend the Government for their caution, and in the light of this railway they show that they have the advancement of the State at heart.

MR. MORGANS: The motion does not commit them to much.

MR. MORAN: You have got your railway.

MR. EWING: I am quite prepared to support any railway or anything for the advancement of the State outside my own district; and no hon. member can say otherwise. The work I have asked for for years has now induced the Government to place it in the foremost place. I am very gratified. I would be equally gratified if the Government placed the Pilbarra line in the same position.

MR. MORGANS: They have not placed it in the same position.

MR. EWING: The Minister gave one very good reason why they should not, because the Government have sent the Government Geologist up to the Pilbarra district to verify the statements made inside and outside the House in connection

with this line. It is necessary that the Government, in contemplating an expenditure of £600,000, should have investigations made. The member for West Perth accepts the statements of the member for Coolgardie.

MR. MORAN: Take the gold yield.

MR. EWING: The Government have taken steps to get the necessary figures to justify them or any future Government in carrying out the work. I hope that when these offers come along we will have the benefit of seeing that people who have invested their money to open up the mines in this district are prepared to put money in to build the line. It may be the hon. member for Coolgardie who will find this £600,000 to build the line, with a guarantee of  $3\frac{1}{2}$  per cent. from the Government.

MR. MORGANS: I did not say that.

MR. EWING: Well, from  $3\frac{1}{4}$  to 4 per cent. But we have then to face this position, that it will simply mean the member for Coolgardie is lending the money necessary to build the line at  $3\frac{1}{2}$  per cent.

MR. MORAN: It would be a very good deal indeed.

MR. EWING: If it is possible for the member for Coolgardie and others like him to find the money, we will have to decide if we cannot find it.

THE PREMIER: Your argument does not follow. You mean to say that if Pierpont Morgan can find it, we can.

MR. EWING: We have the State at our back, and if the individual can get the money we may.

MEMBER: Can the Government run the line as cheaply?

MR. EWING: We must have all these facts before us. If it is possible that a company can run the line more cheaply than the Government, it may be as well to let them run it until it is brought into a state of efficiency, and until we get a large population there, when the Government may step in and make a good deal for the State. There can be no question that there are advantages in the construction of this line outside the Pilbarra district. It will doubtless benefit that district, but it will also benefit the south-west portion of the State, for it will benefit the timber industry and those engaged in the production of coal, whether at Collie, Geraldton, or any

other portion of the State. Therefore it will be to the general advancement of the State; and I hope the time is not far distant when either by private enterprise, if the House should think fit to sanction it, or by the Government the line will be built, for I believe it will be in the very best interests of the State.

MR. ISDELL (in reply as mover): I would like to refer to two remarks that have been made by members. As far as the resources of the goldfield are concerned there is no occasion to go into that matter, which has been gone into so thoroughly by the member for Coolgardie. Every word of his speech to-night I can thoroughly indorse, because I know from my own experience all the resources of the district. No member in this House has had the same practical knowledge and experience of the mining resources of the Pilbarra Goldfield that I have, because I have been at the very first rushes there, and have followed the progress of the district ever since. Very few mines and very few square miles in the whole of that country I do not know. Very few people know its resources both as regards gold and other minerals. The member for Kanowna said that I exaggerated the output of gold. In the first place I must congratulate the member for Kanowna for making one of the most congruous and best speeches I have ever listened to based on pure ignorance. I am sure he ought to hold a far better position than he does now. He says there was exaggeration as to the quantity of gold; but I assert that I have not exaggerated, and I state that not only from my own knowledge but from that of working miners who have come to Perth, and some of whom are prepared to state that there has been more than that amount of gold produced. During the first four years after the discovery of gold in the North-West there was no record kept, and nobody knew what gold was got there except the people who helped to obtain it. I have seen men on the Nullagine, and one of the men who got gold there is in Perth. I saw 20 claims worked, and out of each claim over 1,000 ounces of gold were taken, alluvial. That was taken from a gully called Grant's Gully, being named after Alexander Grant, who is now in Perth, and any member who wishes can see him

as to the truth of the statement regarding the amount of gold obtained out of those 20 claims. There were over 500 claims worked. How much gold has been taken out since gold was first discovered? There are alluvial workers who have never left the place. Then the member for Kanowna talks about the cost of the construction of this railway, and shows his ignorance more completely in that portion of his speech than in the others. He talks about the railway costing some £800,000 or £900,000, and if I am not mistaken he went up to two millions. An offer has been in the hands of the Premier for the last two months, which has been made by a qualified engineer on behalf of well-known railway contractors in this State, and the cost of the building of that line is placed at £3,000 per mile for a distance of 170 miles. Is the hon. member for Kanowna prepared to prove that the estimate of civil engineers and railway contractors—people who are making their living out of this sort of thing—is wrong, and that he is right? It is simply foolishness for the hon. member to get up and talk like that, and have no foundation on which to base his argument. I am not going to say much more on this question, because I have no wish to keep the House on the subject. I only ask members to look at this measure not as an individual matter or as concerning only one portion of the State, but as a subject concerning the progress and prosperity of the State, or else non-progress, false economy, stagnation, and standing still. That is the question, whether the members of this House are prepared to help the State to progress and prosper by supporting a railway which all members and all papers acknowledge is wanted; and if you ask men in the street they will say the railway is needed. The only question is, who is going to build it—the Government or private enterprise? As far as I am concerned, I would much rather see the Government build the railway, but I am not going to block the railway if the Government cannot build it. A railway I intend to support in any shape or form. It remains, I say, for members to state whether they believe in progress and prosperity by building that railway, or whether they believe in false economy, non-progress, stagnation, and standing

still. I leave the question in that way to the House.

MR. HASTIE: By way of explanation, allow me to say that my estimate was based upon the declaration that from the earliest time up to the present the total amount of gold produced by the Pilbarra district—that is Pilbarra and Marble Bar—including alluvial and quartz, was 97,700ozs. I was assured by the member for Pilbarra that for four years there were no statistics, and I doubled that amount and allowed 200,000ozs. of gold as being produced. I was farther fortified by the fact that perhaps some of the greatest alluvial fields have been in Kanowna, and I do not know that anyone declared there were from 200,000ozs. to 250,000ozs. obtained from there. I feel absolutely certain that I was very liberal in my estimate as to the gold got from the Pilbarra field. I was backed up by statistics in every possible way.

Amendment (Mr. Illingworth's) put and negatived.

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

Ayes	...	...	18
Noes	...	...	4

Majority for ... 14

AYES.  
Mr. Atkins  
Mr. Diamond  
Mr. Ewing  
Mr. Gregory  
Mr. Harper  
Mr. Hayward  
Mr. Holmes  
Mr. Isdell  
Mr. James  
Mr. Moran  
Mr. Morgans  
Mr. Nanson  
Mr. Piesse  
Mr. Pigott  
Mr. Quinlan  
Mr. Eason  
Mr. Yelverton  
Mr. Higham (Teller).

NOES.  
Mr. Bath  
Mr. Hastie  
Mr. Illingworth  
Mr. Taylor (Teller).

Question thus passed.

#### ADJOURNMENT.

THE PREMIER moved that the House at its rising do adjourn until Tuesday next. This would give members an opportunity of going to the York Show. He had heard complaints that members were anxious to visit various country districts, but that owing to their Parliamentary duties they were unable to do so. He hoped they would seize this opportunity. There would be a special train on Thursday morning.

Question passed, and the House adjourned accordingly at 12 minutes past 10 o'clock, until the next Tuesday.

### Legislative Assembly.

Tuesday, 20th October, 1903.

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Lands Department, Advertising	1607
Public Service Commission, Reports	1607
Land Sales, Auction System, Mount Erin	1607
Rabbit-proof Fencing	1607
Motion: Bills for Public Bodies, Standing Order	1607
Bill: Mining, in Committee resumed, Clauses 98 to 114, progress	1608

THE SPEAKER took the Chair at 4.30 o'clock, p.m.

PRAYERS.

#### PAPERS PRESENTED.

By the MINISTER FOR MINES: 1, Cyanide Plants erected in connection with building of State Batteries, moved for by Mr. Holman. 2, Report on the Condition of Government Railways.

By the TREASURER: 1, Amounts received for sale of lands by Midland Railway Company to secure debentures guaranteed by Government, moved for by Dr. O'Connor.

Ordered, to lie on the table.

#### QUESTION — LAND PURCHASES AT ROCKY BAY, GOVERNMENT INTENTIONS.

MR. MORAN asked the Minister for Works: 1, What was the total cost of the Rocky Bay land resumption, commonly known as the secret purchase. 2, What return was obtained during last financial year from the outlay. 3, What it is proposed to do with the land. 4, What works were in contemplation when the land was resumed. 5, What was the estimate of approximate cost.

THE PREMIER, for the Minister for Works, replied: 1, £49,828 12s. 2d. 2,