

will have to build a line sooner or later, and for the purpose of these goldfields I think it would be a wise thing to connect Goomalling and Yalgoo by rail. Then the Government would open up their own lands; and I have it on the evidence of men who know, there are gentlemen in this House who know, that there are good lands between Goomalling and Yalgoo. The cost of that line—I went into these figures, too, with a contractor in this town—would be something like £600,000. [HON. J. W. HACKETT: What is the rainfall?] From 12 to 20 inches. I have it on the evidence of people who live there, and who have been through the district. Anyhow, it is better to build that line and thoroughly equip it than to spend £1,500,000 on the Midland Railway. It would turn the Goomalling line into a payable one, and I do not think it pays at the present time, although it is a very necessary line. Either that or the Newcastle line—I do not mind from which end it starts; but I say it would be better in the interests of this country to construct a new line than to buy this old worn-out business of the Midland Railway. I notice in the papers a lot of letters advocating the purchase of this line, and of course there are a few not approving of it; but I know that the Government were offered that line in 1901 for £1,000,000. [THE COLONIAL SECRETARY: Through whom?] Through Mr. R. S. Haynes, of Perth, and I was with him at the time. He was a member of this Chamber. Mr. Rotherham also was present. I know that what I am stating is a fact. I was, I repeat, with Mr. Haynes at the time; and if the line could be offered for that price at that time, I do not see why we should pay £1,500,000 now. To-day I was with a gentleman in town who stated that he could have purchased it for £1,280,000. That gentleman is Mr. Illingworth. Yet to-day we are asked to pay £1,500,000. No doubt the land of the Midland Railway is rising in price very quickly, while the line is bearing up; but I cannot see anything to justify the Government in paying £1,500,000. I may be startled by the facts that they intend to give us, but I do not think so. Anyhow, as a member of Parliament and one who represents the people, I think the money can be better expended elsewhere. I

would prefer to see it put into the Agricultural Bank. The price is too big for the value to be received. I have nothing farther to say on the matter. I trust we will not be kept in ignorance long regarding this. I think that members of Parliament out of session are kept too much in the dark as to what the Government are doing, and that when they inquire of Ministers, some idea should be given them of what is going on. I knew certain things about the Midland Company and I wanted to find out what was doing, but, like all people outside the four or five Ministers, I was kept in the dark. Anyhow, I say here that the line was offered in 1901 for £1,000,000, and I have as witness a K.C. in this town, and there is another witness that it was offered for £1,280,000.

On motion by HON. V. HAMERSLEY, debate adjourned.

ADJOURNMENT.

The House adjourned at 6 23 o'clock, until the next day.

Legislative Assembly, Tuesday, 11th July, 1905.

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

PRAYERS.

ELECTION RETURN, MINISTERIAL.

The CLERK reported the return of writ for the Leonora electorate, the Hon. P. J.

Lynch having been re-elected on appointment as Minister for Works. He now took the oath and subscribed the roll.

PAPERS PRESENTED.

By the PREMIER: 1, Report of proceedings of the Conference between the Commonwealth and State Ministers held in Hobart in February, 1905. 2, Copies of Orders in Council authorising certain transfers under the Audit Act. 3, Midland Railway—Correspondence between Mr. James Gardiner and the Government re purchase.

By the MINISTER FOR MINES AND RAILWAYS: 1, Report of Royal Commission on matters pertaining to the Great Boulder Perseverance Gold Mining Company. 2, Report of Royal Commission on the Ventilation and Sanitation of Mines. 3, Report of Royal Commission on the Collie Coalfield.

By the MINISTER FOR LANDS AND EDUCATION: 1, Alteration of reserves classified "B" under "The Permanent Reserves Act, 1899." 2, Regulations under "The Land Act, 1898." 3, By-laws for the management of the Moora Public Cemetery. 4, Regulations under "The Agricultural Lands Purchase Act, 1896." 5, By-laws passed for the control and management of Forrest Park, Cottesloe. 6, Permits to construct timber tramways granted to the Kalgoorlie and Boulder Firewood Company, the Westralia Timber and Firewood Company, and the Sons of Gwalia Gold Mining Company.

By the MINISTER FOR JUSTICE AND LABOUR: 1, Regulations under "The Factories Act, 1904." 2, Regulations under "The Early Closing Act, 1902." 3, Amended Regulations under "The Workers' Compensation Act, 1902." 4, Report by the Superintendent of the Government Labour Bureau for 1904.

MIDLAND RAILWAY AND LANDS PURCHASE.

THE PREMIER (Hon. H. Daglish), referring to the correspondence as to the Midland Railway, said: I wish to state that I am not placing on the table at the present moment the reports of valuations in regard to this property, because it seems to me to be in the interests of the State that these should not be published

until the question is dealt with by Parliament. However, if any member wishes to see these papers, I shall be happy to show them on his calling at my office.

QUESTION—UNHEALTHY POSITION OF TITLE DEEDS OFFICES.

HON. F. H. PIESSE asked the Minister for Works: 1, Has the attention of the Government been drawn to the unsuitableness, from a health point of view, of the basement in public buildings now occupied by Deeds division of the Lands Titles Department. 2, If so, what steps are to be taken to remedy the same?

THE MINISTER FOR WORKS replied: 1, Yes; the attention of this and previous Governments has been drawn to the unsuitableness of the basement rooms. 2, Improvements have from time to time been effected, and farther proposed alterations are now under consideration, which, if carried out, will improve the lighting, ventilation, and sanitary condition of the offices in question.

QUESTION—VICTORIA PARK TRAMS.

MR. A. J. WILSON asked the Minister for Works: Has the Victoria Park Municipal Council obtained the full permission of the Government, in accordance with provisional order, to run electric tram cars to Victoria Park?

THE MINISTER FOR WORKS replied: The tramway having been inspected and found to be fit for traffic, a certificate has been issued in terms of Section 18 of "The Tramways Act, 1885."

QUESTION—RAILWAY PERMITS FOR TIMBER AREAS.

MR. RASON, for Mr. Hopkins, asked the Premier: Is it true that the Government are about to grant permission to certain applicants to construct a railway from Lakeside south into the timber areas which the proposed Norseman Railway would, if constructed, adequately serve?

THE PREMIER replied: An application for permission to construct a timber tramway in a South-Westerley direction from Lakeside is under consideration. The district covered by this tramway would not be adequately served by the proposed Norseman Railway.

MR. THOMAS (without notice) asked the Premier: Will the Premier assure the House that permission will not be given for the construction of any timber line south of the Eastern Goldfields Railway line, pending the decision of this House regarding the Norseman Railway?

THE PREMIER: I may give the honourable member the assurance that no authorisation will be entered into which will in any way affect the traffic on the proposed railway line.

SESSIONAL ORDERS.

SITTING DAYS AND HOURS.

THE PREMIER moved that the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays, Wednesdays, and Thursdays at 3.30 p.m., and shall sit until 6.30 p.m. if necessary; and, if requisite, from 7.30 p.m. onwards.

Question passed.

GOVERNMENT BUSINESS, PRECEDENCE.

THE PREMIER moved that on Tuesdays and Thursdays, and also on every second Wednesday, Government business shall take precedence of all Motions and Orders of the Day.

Question passed.

COMMITTEES OF THE SESSION.

On motions by the PREMIER, sessional committees were appointed as follow:—

PRINTING COMMITTEE.—The Speaker, Mr. Needham, and Mr. Harper; to assist the Speaker in all matters which relate to the printing executed by order of the House, and for the purpose of selecting and arranging for printing returns and papers presented in pursuance of motions made by members, and all papers laid upon the table, whether in answer to addresses or otherwise.

STANDING ORDERS COMMITTEE.—The Speaker, Mr. Moran, and Mr. Harper, with leave to sit during any adjournment, and authority to confer upon subjects of mutual concernment with any committee appointed for similar purposes by the Legislative Council.

LIBRARY COMMITTEE.—Mr. Speaker, Mr. Nanson, and Mr. Nelson, with leave to sit during any adjournment and during the recess, and authority to act

jointly with the Library Committee of the Legislative Council.

HOUSE COMMITTEE.—Mr. Speaker, Mr. Gregory, Dr. Ellis, Mr. Frank Wilson, and Mr. Angwin, with leave to sit during any adjournment and during the recess, and authority to act jointly with the House Committee of the Legislative Council.

STATEMENT—DEFICIT OF LAST YEAR.

THE PREMIER: By leave of the House, I beg to inform members that, as a result of the work of the Treasury, I am in a position to announce that the deficit for the financial year just ended amounts to £46,521 ls. 4d., or somewhat under the estimate put forward 12 months ago.

MR. GREGORY: Are all bills paid?

THE PREMIER: Yes; we had them specially sent in.

ADDRESS-IN-REPLY.

SECOND DAY OF DEBATE.

MR. C. H. RASON (Guildford): As I announced at the last sitting of this House, it is my intention to move an amendment to the Address-in-Reply. The amendment I intend to move is to add to the Address the following paragraph:—

We regret, however, that your present advisers do not enjoy the confidence of a majority of the members of this House.

In moving this amendment, I desire at the outset to say that whatever attack I may have to make on members sitting opposite (on Government benches) will be, or I trust I shall endeavour to make it, entirely of a political nature. I have never been one of those who seek to make political capital by damaging or seeking to damage any man's private reputation; and although I may have, and indeed am pretty sure that I shall have, to say many things which will not be pleasant to members opposite, I wish them to bear in mind that such things are said only because I feel it is my duty to put the position as clearly as I can before not this House only but the country, and that those unpleasant things are said politically and not personally. Indeed, amongst all members of this House, whatever may be the shade of our political opinions and however much

we may differ from one another politically, there is existing, I may venture to say, a friendly feeling. I believe, at all events I hope, that between gentlemen occupying the front seats of the Treasury benches and myself there is a friendly feeling existing; and I hope that friendly feeling will remain whatever may be the result of the forthcoming division. But there is an old and a true saying that one cannot make an omelet without breaking eggs; and if during the course of my remarks it is necessary for me to break a few eggs, well I shall break them. [MR. HEITMANN: They are pretty strong, some of your eggs.] These, I should like to point out, will be Government eggs; and however strongly they may smell, their odour will be familiar to the hon. member who has interjected. In dealing with this question of confidence or no confidence in the present Government, I wish, if I can, to trace the political course from the beginning. I wish if I can, and wish every member of this House if he will, to give credit to the Government for all the good they have done, if we can find any, and to place to their discredit all the bad they may have done, if we can find any. I do not say this in anything like a dictatorial spirit; but I wish this question to be approached on broad lines. I wish every member, irrespective of party, irrespective of political opinion, to hold the balance in his hand; to put into one scale what is good on behalf of the Government, to put into the other what is bad, and in considering a verdict to consider only on which side the balance inclines; to bear in mind only what he believes to be his duty, not to any party, but to his own conscience and to the country. In the first place, when the Premier took office we were at a certain disadvantage. Members will recollect that the hon. gentleman did not put a policy before the country until after the nominations for re-election of Ministers were closed. He was perfectly entitled to take that course; but it was a somewhat unusual course, and it placed at a certain disadvantage members who differed from him in political opinion. Even if we had desired to oppose him, or to organise any opposition either to him or to his Ministers, it would have been manifestly personal opposition, inasmuch as there was no policy put before us that we could oppose. But we

have all along been at this farther disadvantage. The Premier has seemed to show a great disinclination to take the people of the country into his confidence. I contend, and I think I shall be able to prove, that we have never known the actual state of the finances of this country. Quite recently the Premier has talked to us on almost every subject except the subject of finance. He has been earnestly asked, indeed I may say challenged, on this subject by one of the leading newspapers, if not the leading newspaper of this State. He has been told it was his duty to give, and that the country demanded of him, a statement of the exact financial position. Yet the hon. gentleman has taken no notice of that demand; and to-day we are in the position that we know there is a deficit, and that is all we know. Prior to his nomination the Premier excused himself for not putting his policy before the country, on the ground that he first wanted to acquire a thorough grip of the financial position. He represented that he had found the finances in a very bad state. I have in my hand what I have never produced before, but intend to produce now. It will be within the recollection of members that the present Premier and Treasurer entered the Treasury on the morning of the 10th August, whilst I as the outgoing Treasurer was waiting for him to come in that I might go out. I obtained what every prudent business man in the same circumstances would have obtained—a certified copy of the amounts of the bank balances at the close of the previous day; so that I have now in my hand a certified document showing the State finances here as the hon. gentleman found them when he came into the Treasury office. This shows that in the banks of the State, to the credit of the State at the close of business on the 9th August, there was £113,303 2s. 9d.; there was in the Western Australian Bank to the credit of the Post Office Savings Bank £194,714 2s. 4d.; or a total of £308,017. That was the position here in Perth. In London there was an existing authorised overdraft to the extent of a quarter of a million of money. That overdraft was arranged for at the current bank rate of interest with a minimum of 3½ per cent. Of that £250,000 the sum of £60,000

had been used; so there was a margin in London, without making any other arrangement at all, of £190,000. During the course of my remarks I shall confine myself as far as possible to the Premier's own figures, so that at least I may not do him any injustice. According to the Premier's own figures, the local authorisations, the local subscriptions of loan moneys, met the total loan expenditure within £20,000 during the first three months. Now where were the financial straits? Money here, a margin of credit in London, and local subscriptions reaching the loan expenditure within an amount of £20,000 in three months; local subscriptions meeting the loan expenditure except at the rate of about £6,000 or £7,000 per month. Where then were the great financial difficulties in which the hon. gentleman has always given us to understand he found the Government? I contend that they did not exist. On the contrary I make this assertion—and I challenge the hon. gentleman to contradict it—that the Government found the financial condition when they took office better than any Government that preceded them found it. [MR. GREGORY: Hear, hear.] I want to compare or rather refer to the method that the Government have adopted in regard to their finances, their method of raising loan money, and generally to the inconsistency of their policy as outlined twelve months ago and as outlined to-day. In the first policy speech made in August, 1904, a speech that is better and perhaps more widely known as the "mark-time" speech, there was no reference to the Coolgardie-Norseman Railway. There was some slight reference, it is true, to the Pilbarra Railway; but of the Coolgardie-Norseman Railway there was absolutely no mention; and let me impress upon members that the hon. gentleman, after having acquired that grip of the finances which he assured us it was absolutely necessary for him to acquire before he said anything, said that he was satisfied the country would have to "mark-time," that some works would have to be stopped, that it would be impossible to undertake any more large works until better financial conditions existed—until the money market was much more easy. In the policy speech of

the 19th May, the recent policy speech which I may, without impertinence, class as a "reckless gallop" speech in comparison with the "mark-time" one, we find reference to the Pilbarra Railway, the Coolgardie-Norseman Railway, an extension of the Jandakot Railway to junction with the South-Western Railway, the completion of the Collie-Narrogin Railway as far as the Williams and an extension from the Williams to the Darkan Area; light railways—three or four or half-a-dozen, it does not matter very much—light railways in agricultural districts, the Mount Magnet-Lawlers Railway, and several other suggested railways in different directions. These are the railways alone, without my making reference at this moment to other large and very costly public works which the Premier gives us to understand he is also prepared to undertake. I ask: Was that speech, that "reckless gallop" speech sincere? If so, was the "mark-time" speech sincere? How can the hon. gentleman claim to be consistent, with these two speeches staring him in the face? But if the latter speech, that of the 19th May of this year, was sincere, if the hon. gentleman intends or has the slightest intention of carrying out any of these works, or the majority of them, surely he will tell this House where he is going to get the money from to do them with. He has told us in August, 1904, and he tells us again in May, 1905, that he is positively convinced the utmost this State can afford to borrow in any one year is £500,000 to £600,000. He has told us that in his opinion it is impossible for Western Australia to approach the loan market again within the next eighteen months. He has already, as I think I shall be prepared to prove to members, in ten months time raised by loan two millions of money and over. In one year he has borrowed, according to his own repeated conviction, what is sufficient borrowing to extend over four years; and yet, in the face of that, he tells us that he wants to borrow, or is prepared to borrow, that he is prepared, if he is sincere, to undertake works costing more millions of money. I venture to say—and I say it without desiring to give offence, though if it does give offence I cannot help it—that in my opinion the hon. gentleman

was not sincere. One can judge very often from other remarks that appear in the speech of a man whether the whole of it is sincere, and I should like the House to bear in mind how that speech of the 19th May commenced. It is within my recollection that some members of this House made a very desperate attack on me because I had ventured down into a constituency at one time and had referred to a work that was provided on the Estimates and had frequently been discussed; but it was held that was most improper conduct on my part, and it was even suggested that it was sufficient to turn the Government to which I belonged out of office. I remember the gentlemen—I do not mention their names, but some members of this House came to prayers, a thing they never did before or afterwards, in order that they might be in time to call attention to that most reprehensible practice on my part. What can members think of this. The speech starts:—

The Premier, who was received with prolonged applause, said he had at the outset to thank the large audience for attending to hear his address to the electors of Subiaco. He was very sorry that Subiaco had not a larger hall, and he wished to assure his worship the mayor and the other members of the local council that if they arranged to establish a larger hall during his term of office as Treasurer he would guarantee on the spot to provide them with one-fifth of the cost of the building.

THE PREMIER: Hear, hear. Is this an indictment?

MR. RASON: It is an indictment to this extent, that if my friend thinks that the Premier and Treasurer of the State, delivering a policy speech, shall lead off by offering to contribute to the erection of a larger hall for his electors for the benefit of his own constituents, then I do not agree with him. [**MR. MORAN:** Carrying out your own regulation.] I propose to deal with the amount of loan money that the Government have raised. I believe, indeed to my mind it goes beyond a shadow of a doubt, that the Government have raised a far greater sum of money than they had authority from Parliament to do. There may be some explanation, but I think I shall be able to prove conclusively that on the face of it, according to the Government's own figures (and I use

their figures and theirs only), that they have exceeded the authorisation of Parliament to a very great extent. According to the Treasury returns the amount of unraised loans on the 31st March, 1905, is set out as being £4,320,000. There were local inscribed stock and Treasury bills to the amount of £2,991,780, leaving an authorisation of £1,328,220. The amount raised by the London loan was £1,400,000. Therefore there was an excess on the authorisation of £71,780, as the accounts stood on the 31st March; but members know that the loan was not raised until June, and between the 31st March and the date of the raising of the loan there were to my certain knowledge farther issues of local inscribed stock. So there seems to have been a very considerable amount of borrowing in excess of parliamentary authorisation. How the hon. the Premier himself regarded local inscribed stock as affecting parliamentary authorisation I propose to show.

MR. HEITMANN: We will take it for granted.

MR. MORAN: We have been doing that long enough. Let us have a few facts, for a change.

MR. RASON: I will get rid of the whole subject while I am quoting this particular remark. On the 21st December when the Premier was moving the second reading of the Loan Bill giving authorisation for £750,000, he said:—

There are existing altogether authorisations which represent £17,523,253. Of these there are unraised £3,551,650. The local inscribed stock issues should account for £2,304,385 of this amount.

Although the hon. gentleman said that on the 21st December, he gave us the total of the inscribed stock issued to the 30th June. The £2,304,385 represents the total of local inscribed stock that had been issued up to the 1st July. Between the 1st of July and the 21st of December there were a great many farther issues, as is proved. The hon. gentleman continued:—

Leaving therefore a balance of £1,247,265. Against these there are, as I announced recently when I made the Financial Statement Treasury bills issuable representing £500,000; and likewise there has been issued since the beginning of July last stock amounting to £199,285, representing altogether a deduction

of £699,285 from the balance available, which is thereby reduced to £547,980.

In regard to this balance of £547,980, he proceeds to say—

THE PREMIER: That brought it up to date. You said I spoke of the figures on the 30th June.

MR. RASON: The £2,304,385 was the amount on the 1st July. Afterwards come these figures which prove, as I said, that there were farther issues, and to a greater extent than the £699,285. In any circumstances, therefore, we have available an authorisation of £547,980. These are the Premier's own figures—his own words. He gives the amount of the authorisation on the 21st December. To that is added £750,000, so that we should have, according to the Premier's own figures and his own showing, a very considerable amount raised in excess of the Parliamentary authorisation. Now my friend may say, perhaps he will, that can be remedied by redeeming stock, but I take it that is not so. An issue of stock is only valid if there is an Act of Parliament authorising it. That would be simple, perhaps, if you could recall some of the stock not authorised. The whole of these share certificates are either legal and valid or they are not worth the paper they are written on. I say that without Parliamentary authorisation they are not worth the paper they are written on. Of course Western Australia would never dream of repudiating an obligation, but it is an unfortunate, unhappy, and unsatisfactory state of affairs if there is existing to-day in the markets of the world scrip of Western Australia that is not legal on the face of it, that is not valid, inasmuch as there is no Act of Parliament to authorise it. I venture to say that between the 1st July last and the date of the raising of that loan in London, at least £300,000 of local stocks were issued; I believe I am within the mark when I say that. If that be so it will at once be recognised that the amount borrowed in excess of authorisation must be very large indeed. I believe it was fully £150,000, and possibly a great deal more.

MR. MORAN: What has happened in London?

MR. RASON: I propose to come to that.

MR. MORAN: That is the principal part.

MR. RASON: Strangely enough, we find the Premier quite recently has been taking infinite credit for having placed the funds of the Savings Bank in a better condition than they were before. Speaking at Cûe on the 21st June, the hon. gentleman said:—

I was unable without recourse to the Loan Fund to bring the reserve of the Savings Bank up to the amount that seemed to me reasonable. I have during the present month increased the reserve of the Savings Bank from £160,000 to £400,000.

Therefore, £240,000 of Loan money has been placed to the credit of the Savings Bank. This was, of course, after raising the loan. Now has the Premier redeemed certain stock, has he refunded or placed the reserve of the Savings Bank in a better condition? Not because of his anxiety about the Savings Bank, but because he realised he had borrowed more money than he had any authority to do. If the redemption is merely a forced redemption the hon. member is not entitled to take that credit to himself which he seems to do. But one fact is certain that whatever loan money has been raised in excess of the authority will have to be got rid of somehow. It is only the authorised amount that Parliament can appropriate and deal with, and we find in that very speech to which I have just referred, that the hon. gentleman says, plus the authorisation of £750,000 which we gave him there would remain only sufficient to carry on the already authorised works to the end of June, and carry on to the end of this year; that is without touching any one of those numerous other works which the hon. gentleman says he is prepared to undertake. According to his own showing there is only sufficient to carry on to the end of the year. It would seem that £240,000 of that has gone to the Savings Bank. Bear in mind this also, that that £240,000 represents to us something like £257,000. In order to give that £240,000 to the Savings Bank we have borrowed money in London, I presume, at £93. For every £100 we have put into the Savings Bank reserve we have only got £93. We have to pay interest on the £100, therefore we have to pay interest on £257,000 in order to place £240,000 to the credit of the Savings Bank to re-pay the money of

depositors really, on which the Savings Bank has also to pay interest. If that is brilliant financing I hope Western Australia will not see very much more of it, because if it does Western Australia will very soon be in a very bad way, if it is not so already. I want to impress these words—quoting from the speech of 21st December—on the minds of members of this House :

Allowing for the unused authorisations on items which are not dealt with in this Bill, the amount of £750,000 provided by the Bill, when discounts have been deducted, is simply sufficient to cover the estimated expenditure for the period ending 31st December next.

The discount allowed was only 5 per cent. It cost a great deal more than that; it cost 7 per cent. There was another slice gone out of the money available, which in any case is only sufficient to carry on to the 31st December. I hope the House will bear with me. I said I wanted to show how the Treasurer regarded local issues in regard to authorisation, and I omitted to quote the exact passage. The hon. gentleman was dealing with locally subscribed stock, and he said :—

In December, up to date there have been issued £5,000 worth of 4 per cent. debentures, and £28,025 worth of 4 per cent. stock; making a total of £33,025 for the uncompleted month of December, or a grand total for the period in question of £199,285. But within the past month it seemed to me desirable to relieve our Savings Bank by transferring a certain amount of stock held by the bank to private purchases of our stock; and in consequence a transfer of £12,940 worth of stock was made, which should be added to the total issues, as it represents a subscription, though no actual cash was placed to the credit of the loan fund.

Evidently therefore the hon. gentleman was in no doubt. If there has been any amount raised in excess of authorisation the hon. gentleman was not erring in ignorance. He has told us what is the proper way in which to regard local issues; therefore he knew full well if there are existing authorisations that he had no business to do anything of the kind. But we are told, and it is manifest, that the amount is simply sufficient to carry on the works to the 31st December. I say instead of being simply sufficient it is simply insufficient, that there will not be sufficient loan money if any more works are attempted to carry on to

the end of this year, and I will give one or two illustrations which justify me in coming to that conclusion. Take the Rabbit-proof Fence, the amount appropriated from loan for this work was £150,000, that is after deducting the actual cost of raising. After deducting the actual cost it will not be £150,000, but let us deal with it at that. The expenditure debited against this sum of £150,000 was on the 31st March—I am taking the Treasurer's figures—£95,194 11s. 9d. On the 31st December previously, it was £61,564 12s. 1d. The expenditure, therefore, is evidently at the rate of about £11,000 a month. If to the expenditure known on the 31st March, and published by the Treasury, we add £33,000 as being a fair estimate of what has been spent since, we shall be doing what everyone will admit is fair and reasonable. Therefore, we add to that £95,000 the £33,000, and we get a total of £128,000 as being approximately the expenditure on the 31st June on account of the Rabbit-proof Fence. What does that leave? Manifestly only £22,000 for that work; enough to carry it on at the rate of previous expenditure for two months only. The Premier has told us that it would cost—I can give the actual passage in *Hansard* where he told us it, but members will believe me that the Premier announced to us that it would cost £300,000 to complete that fence. We will say we have spent £150,000 out of that amount: where is the £150,000 coming from to complete the work? We have £22,000 in hand now: where is the rest to come from? Will the Premier give us when replying, and I hope he will reply, some information as to where he proposes to get the money from to finish that fence, and if he is going to finish it, how can he provide the money for it and do any of the other works of which he has spoken in so light a manner? There is another illustration I would like to give to the House, the Fremantle Dock. That will interest, I am sure, my friend who sits opposite (Mr. Connor). We are told we are to have—the Premier says, I believe—a floating dock, which is to cost £150,000. My friend, I believe, is not too enamoured with the prospect of a floating dock, and thinks with some degree of confidence that he will have a graving

dock; and we are told by the Premier—I am using his own figures again—that a graving dock will cost the sum of £500,000. Let us see what there is to encourage my friend who is so well satisfied with the position of affairs in regard to the Fremantle dock. He will, I think, be rather surprised to know that the unexpended balance of loan money available for that purpose on the 30th June, 1905, was estimated to be £56,094. What sort of a dock is the hon. gentleman going to get for £56,000, does he think? If he is going to get his dock, where is the money coming from? That is all I want to know. [MR. NEEDHAM: You will get to know that.] But I do not want to know from the hon. member. I want to know from the Treasurer, because with all respect to the hon. member, I should hardly regard him as an authority; but here according to the Treasurer's own showing—

MR. MORAN: You do not seem to regard the Treasurer as too big an authority.

MR. RASON: That is a matter of opinion. The total amount available is £56,094, and it is evident if there is to be a dock, whether it be a floating dock or a graving dock, there must be considerable farther borrowing before the hon. gentleman can get it. I hope he understands that, and I want to know how the Premier intends to finance these works that are already authorised and which he says shall be done, and how he will at the same time finance those numerous other works undertaken. It will, I am sure, be interesting also to notice the position of the Jandakot line on this loan schedule. If we take the Jandakot railway, which we are told is going to be extended to junction with the South-Western line at some point, we find the total sum available from unexpended balance on the 30th June, 1905, was £3,000. You cannot extend the Jandakot railway, even by day labour, from Jandakot to junction with the South-Western for £3,000; so if that work is going to be undertaken, as we are told it is, there will necessarily have to be a farther borrowing on that account.

MR. MORAN: Was that the real balance, because I think it would be

a great saving on the engineer's liberal estimates of day labour?

MR. RASON: It may be a little more or a little less. It cannot possibly be much more because the total authorisation, in fact, on loan account was only £23,000. If we take from £23,000 what has been the expenditure so far it must be manifest that it cannot be very much less. But there are to be several new lines, agricultural lines, light railways, in all directions. It will be necessary to have some surveys first, I presume. Let us see what amount is available for surveys of new lines. If we turn again to the schedule we find that the amount available for the surveys of new lines was estimated to be, on the 30th June, £4,033. We could not put through the surveys of very many new lines for £4,033, so that there will be a farther borrowing on that account. Then there is the sewerage of Perth and Fremantle. [MR. H. BROWN: Good old gag!] That has been, I understand, at last finally determined upon. The work is going to be put in hand, I understand, forthwith. [MR. H. BROWN: Fourteen thousand pounds for surveys.] The estimated unexpended balance available for the sewerage of Perth and Fremantle is £41,573. Can you undertake the sewerage of Perth and Fremantle for £41,573? That is a work which we are told is going to be put in hand at once and pushed to a conclusion. It is therefore absolutely certain that more money will have to be borrowed on that account also. Now for the development of mining, and I understand the Government intend to vastly increase the expenditure in that respect, it is the intention of the Government to expend a great deal more money than has been spent in the past. If we turn to the development of mining, the estimated balance on the 30th June was £7,000. You are not going to spend very much money in the development of mining if you have only £7,000 of the authorisation left. My object, I think, is apparent to members. I want to prove beyond a shadow of doubt that if the hon. member is sincere, it is necessary for him to borrow a vast sum of money in order to complete the works set down here without talking about anything else. Now if we turn to agricultural immigration, it was estimated on

the 30th June that there would not be much available. There was originally only £10,000, and it was estimated that the whole £10,000 would be spent, and there is not a penny estimated to be available for the purpose of agricultural immigration. Therefore, if it is intended to pursue the policy of agricultural immigration, more money will have to be raised by loan on that account. The funds for the erection of State batteries are, it is estimated, completely exhausted. There was not one penny available on the 1st July, so that either we are not going to have any more State batteries or we shall have to raise more money by loan for that purpose also. If we proceed to try and reconcile some of the actions of the Treasury we shall, I think, find it very difficult. Some of the Treasury methods of dealing with finances seem to me to be extraordinary in the extreme. I want members, if they will, to deal seriously with this subject. It is a serious matter. If the figures I give to the House are correct there is something, it will be seen, very wrong in regard to the Treasury. The first quarterly Treasury returns prepared after the Government took office were for the quarter ending September 30th. In that return there is no debit to loan for rabbit-proof fencing. The next returns were for the quarter ending December 31st. In that we find for the first time a debit against loan of £61,546 12s. 1d. for rabbit-proof fencing, and the Act set down in the margin as the authorisation for that expenditure is IV., Edward VII., No. 15, which was assented to on the 24th December. Strictly speaking, for that to be a correct entry there must have been an expenditure between the 24th December and the 31st December (the Christmas holidays) of £61,546 on the rabbit-proof fencing. It is manifestly absurd. But what has happened is evidently this, that on the 31st December they took advantage of an Act which was passed on the 24th December to charge to loan the total expenditure on the rabbit-proof fencing from the 1st July. I have no hesitation in saying that is what has been done. I want to trace the method. Will members bear that in mind as we go along, that there was, on the 31st December, £61,546 debited to loan on account of rabbit-proof fencing? Now we turn to the

Public Works expenditure. The expenditure from revenue upon the Public Works Department for the quarter ending September 30th is set out as follows:—Minister for Works, Public Works £54,695 2s., public buildings £34,838 4s. 11.; a total of £89,533 6s. 11d. That is a difference of only some £1,300 between the expenditure and that of the corresponding quarter of the previous year. But if we pass on to the quarter ending December 31st dealing with the Public Works Department, we find, according to the Treasury returns, clearly this brief and modest announcement: Minister for Works—Public Works and buildings £38,190 7s. 4d., as being the expenditure for three months; three months' expenditure for a huge department such as the Public Works, only £38,190! Why it is absurd on the face of it. It is an insult to one's intelligence, and it is an insult to the intelligence of every member of this House and to every member of the public to ask them to believe that the total expenditure of the Public Works Department for three months was only £38,000. For the previous three months there was a mere trifling difference of £13,000, or something like that, as between that quarter and the corresponding quarter of the previous year; but if £38,000 is correct, there is a difference of over £76,000 between the quarter ending December last and the quarter of the previous year. I have said that to give these figures to the public—and they were given in the Treasurer's returns under the signature of my friend opposite—is an insult to one's intelligence; and I do not say it offensively, but I assert without any hesitation, and I can prove my statement, that those figures were absolutely false. I intend to proceed to the proof. There are, as members know, quarterly returns and monthly returns, each of them published under the authority of the Treasurer. If we look at the monthly returns of the Public Works expenditure, what do we find? According to these returns, the expenditure on works in October was £23,151 and on buildings £10,207; in November, on works and buildings £23,207; in December, on works and buildings £19,976 — all very modest figures indeed; strangely modest! But

yet these figures total £76,541, and not £38,000.

MR. MORAN: Was all that expenditure from loan or from revenue?

MR. RASON: I am dealing with revenue only. Instead of £38,190 7s. 4d. there was £76,541. What is the actual difference? If we deduct £38,190, the false amount, from £76,541, the correct amount, we have a remainder of £38,351. Let us pass to January. In the *West Australian* of the 2nd January appears the monthly return for December; and I should like members to bear in mind that there we get not only the monthly return, but the return for the preceding six months, the result of the half-year's work. The *West Australian* of that date, dealing with the finances, states that there would have been a deficit shown as the result of the first six months' working but for certain things:—"The actual transactions of the half-year disclose a deficit of £62,511; but, by taking into account the surplus brought forward from last year, namely £83,364, an actual surplus of £20,853 is shown. From the expenditure there has to be deducted £60,940, representing the advances to departments, and £38,350"—I hope members recognise that combination again—"consisting of expenditure on rabbit-proof fencing." Now, the difference between the correct quarterly expenditure of the Public Works Department and the false statement is, strangely enough, exactly the same amount—£38,350. It would therefore appear—and I ask any member if it does not appear to him as it appears to me—that the £38,350 which was debited to loan account was deducted from the expenditure of the Public Works Department so as to avoid showing a deficit. However, be that as it may, the fact remains that instead of the expenditure of the Public Works Department being as published in the quarterly return, it was, as a fact, £38,350 greater. [MR. MORAN: An explanation is certainly needed.] Certainly. Every member of this House, and every man outside this House who takes an interest in public affairs, is entitled to a full explanation of that extraordinary piece of financing. I wish to go farther. I wish members to bear in mind this statement, which appears in the *West Australian* from which I quote: "From the expenditure there has to be deducted £60,940,

representing advances to departments." If we turn to the expenditure details further down in the same newspaper, we find that "The following are the details of the expenditure for the month of December, the amount being exclusive of advances." This may be capable of explanation; but it would appear that the expenditure as set down here was really greater than is set down because the statement is that the expenditure is "exclusive of advances." And if advances be deducted from expenditure which does not include those advances, then I submit that the department must be getting credit for the same amount twice over. That sounds bad enough, but there is worse to follow. Will members believe me when I say that if we turn to the Treasury returns for quarter ended the 31st December we find nothing like £60,940, but we find this. It is true that in the quarter ending September 30th there appears "advances to be repaid, £60,840;" but in the quarter ending December 31st the advances to be repaid are set down as £100. These are Treasury figures I am giving. Although £60,940 was deducted as being advances to be recovered, the Treasury says that on the 31st December the amount of the advances to be recovered was only £100. That, I submit, also requires explanation. And I mention merely in passing that, going on to the next quarter ending the 31st March, that £100 has become £90. I am sure the Premier will supply this information. Putting aside for the moment the question of the £60,000, I want to know what department it is that has obtained an advance of £100, for what purpose, and how it is that the department repays advances, as would appear by this statement, at the rate of £10 a quarter. I think I have shown, so far, something that requires, at all events, explanation. I make no charges, because that is not my method. I await the explanation which I am sure the Premier will endeavour to give. But I cannot help saying that I noticed the other day in a news item that the Treasurer of Tonga had been deported by the High Commissioner because of some eccentricity in the Treasury accounts. Now it is fortunate for the honourable gentleman opposite that this is not Tonga. I propose to pass on to the

Speech of His Excellency the Governor. We are assured that the development of the mining industry has been most satisfactory; that the expansion of our agricultural industry has been specially marked; and that the development in the pastoral industry has been of a substantial and gratifying nature—and that is about the only reference in the Speech to the pastoral industry. But we are told that “The finances of the State will require your close attention.” That is very evident: there is no truer paragraph in the Speech than that. Moreover, “The revenue received, although substantial in amount, has not been sufficient during the year just ended to meet all the demands made upon it.” There will be a deficit. We now know the amount of that deficit, having been told that it is some £50,000; and to the Treasurer, and indeed to others, if I may judge by the applause of some of his supporters, it seems highly gratifying that the deficit is only £50,000. [MR. MORAN: As for me, I hope it is true.] Yes. We shall hear more of that by-and-by. But I am not aware that it is a matter for congratulation when a State commences its financial year with a surplus of £83,000 and ends it with a deficit of £50,000. Rather to my mind it is a very serious matter indeed; and before leaving the subject I shall show how the Premier regarded that estimated deficiency. The honourable gentleman now says that the actual deficit is less than the deficit he estimated; but later on we shall deal with the manner in which he originally regarded it. But in the next paragraph of the Speech—and I will couple the two subjects together because they are so closely allied—we are told that—

By the exercise of due economy in the expenditure for the present financial year, and the imposition of some slight taxation, the deficiency can be fully made up.

This is how the Premier really regarded the estimated deficit. In his Budget Speech he said:—

It is always unpleasant for a Treasurer to submit Estimates which show a deficit. The discontent of the Minister is naturally increased when, as in the present case, it is his first Budget, and his term of office has been of the shortest. My feelings on the subject are considerably modified by the conviction—[no doubt of this in his mind]—that this deficit on paper

need never become a reality. There is every reason for the belief that, with the exercise of judicious economy in administration for the balance of the financial year, our outgoings can be so reduced as to be kept at as low a figure as our income. The question may be raised, “Why then is it necessary that a deficit should be shown?”

Now let us have the reason. It is given by the Premier himself, and is that—

In the time at the disposal of Ministers while Parliament is sitting and the daily preparations for its work required to be made, there is not the opportunity to make into the management of departments that close examination which must be the preliminary to a reduction of expenses. There may be many members who would urge that the estimated deficit could be met only by the imposition of fresh taxation. If there were any necessity to close the year with a deficit, there might be some force in that contention; but if my view be correct that the exercise of economy, while not impairing the successful working of any departments, will enable me to wind up with a small credit balance, it would be injudicious in the extreme to submit at the present juncture proposals for new taxation.

Now we have this as the *finale* to the argument:—

The people of the State are entitled to demand that before farther demands are made upon their pockets, it shall be indisputably demonstrated that the best possible use is made of the revenue already collected.

I accept that dictum, coming from the hon. gentleman himself. It ought to be indisputably proved to the satisfaction of everyone in the State that there has been good, careful administration; that every possible economy has been exercised, and that it has been impossible to make ends meet before one penny of fresh taxation is placed on the shoulders of the people of Western Australia. The hon. gentleman says so himself. He said he was convinced of it, that it amounted to conviction in his mind that with careful administration and the proper looking after of departments, he could not only avoid a deficit, but wind up with a credit balance. By his own showing, as there is not a credit balance but a deficit, there has not been good administration. The hon. gentleman says: “With good administration I am satisfied we can avoid a deficit, and instead of having a deficit I can have a credit balance.” By his own showing there has not been good administration; and before I sit down I think I shall be able to prove that. But what are we told now? The same old

song—that by the exercise of due economy, and by the imposition of some slight taxation now, both ends can be made to meet. The first necessity to my mind is the necessity that existed in the mind of the hon. gentleman when he made that speech here—the necessity for good and proper administration. The slight taxation that has been referred to here will be of no avail whatever if it is to be slight taxation. The cost of raising would eat up the whole amount. If it is going to be beneficial, it will have to be more than slight taxation. Let us not be led away with the idea that the taxation to be imposed is only to be something very slight: it would have to be something very heavy to be of any value. Dealing with the question of good and proper administration, let us take the Treasurer as an example. A Treasurer, to my mind, should be very much like unto a physician holding the pulse of his patient—he should have his finger on the financial pulse of Western Australia daily. He should be able from the returns and the information which is always available to him to tell where something is going wrong, and if something is going wrong, to apply the remedy. There are, I believe, such things as heaven-born Treasurers, and there are others—I believe the majority—who have to be made, and they can only be made successful Treasurers naturally by a close application, the closest possible application, to their office and the information available in that office. Could we reasonably expect that the hon. gentleman opposite could possibly have that knowledge of the finances of Western Australia that is absolutely necessary to a Treasurer? I submit, with all respect, that it would be utterly impossible for him; and I venture to say that never since responsible government has there been a Treasurer who has been so much absent from the Treasury as my friend opposite. It is plain on the face of it. No blame attached to him in my mind, no great blame, because he has been occupied in other directions; but it was impossible for him to have that touch, to have that supreme control of the finances of Western Australia that it is absolutely necessary a Treasurer should have. Where is the evidence of this close administration that was absolutely

necessary? The hon. gentleman will, I trust, believe me when I say I do not single him out to cast any blame on him. But take the head of the Administration. Where was that close administration that was absolutely necessary, and that could not be given when the House was sitting? Close administration was required, and it was urged on us to allow the Government to get into recess so that they could give that close attention to their office work. What do we find? As soon as the House is in recess, the head of the Government leaves the State and stays away a great length of time. When he comes back again what do we find? He is away here, there, and everywhere over the country. That was not close attention to his office. It may have been that he was doing other duties, but it is not fulfilling that first necessity, that close attention to administration which the Premier assured us, and I agree with him, was absolutely necessary. Then in regard to other departments—mind you, I hasten to give credit where credit is due, and there ~~is~~ one Minister—I refer to the late Minister for Works—who did stick closely to his office, and I give him credit for it. But in regard to other departments what do we find? Last session we found that Ministers were new to their departments, and they received as a consequence that consideration which is always shown to new Ministers administering new departments. But the House thought that with another session a different state of affairs would exist; we should then meet Ministers who had had charge of their departments for a considerable time and able to have thoroughly mastered all the details connected with their departments; but there has been a sudden upheaval, and we find the position to-day exactly, to all intents and purposes, the position as it was last session. The House meets again with new Ministers in charge of departments that they have only had control of for a week. There is not one Minister sitting on the Treasury bench who will have more than a faint knowledge of his department. It is impossible in the short time, no matter what the abilities of a man may be, to acquire that knowledge of departments that this House reasonably expects a Minister to have. Here let me say in regard to the change that

has been made, that although the two Ministers who have been deposed were never very great political admirers of mine, and I have had to take many a hard knock from them, I say this without hesitation, that the method in which they have been got rid of was treatment which I, for one, would not extend to a dog. We are told that we shall be asked to pass a Loan Bill authorising the Government to borrow a sum sufficient for the construction of such public works as appear necessary to encourage the various industries of the State. Is the Government sincere in inserting that paragraph to the Speech? We shall be asked to consider a Loan Bill authorising the raising of more money within twelve months. As I have previously pointed out, this was a Government, it was said, that was distinctly opposed to raising loan money at all, one of whose Ministers has said that he would be pleased if Australia and Western Australia could not borrow a shilling.

MR. MORAN: He won't forget having stated that, in a hurry. •

MR. RASON: Thatwe ought to live entirely within our revenue.

MR. MORAN: He got promotion for that.

MR. RASON: He went farther, as I am reminded by my hon. friend, and seemed to rejoice over the fact that it was impossible for Western Australia to borrow a sixpence. Be that as it may, it is the policy, the admitted policy, of the Labour Government that it should not raise loan money, that if it did, it should be only for distinctly reproductive public works. The head of the Government has stated repeatedly that the utmost we should borrow in one year, he was convinced, was £500,000 or £600,000. Now within one year he has borrowed over £2,000,000, and he speaks cheerfully of borrowing some more. I understand there are negotiations pending that will add another one and a half millions to the public debt. Yet we are asked to borrow still more. I want the hon. gentleman, if he will condescend to take the trouble, to endeavour to explain what it is that has made him alter his mind so much. If he was convinced only a few months ago that £500,000 or £600,000 was the utmost Western Australia ought to borrow in any one year, if

he was convinced, as he said he was, that it would be impossible for Western Australia to borrow any money for at least 18 months, why insert in the Speech of the Governor that we should be asked to authorise the raising of more loan money? Manifestly, to my mind, it is insincere. Then we are told that measures for the imposition of taxes on unimproved land values and incomes, and upon totalisator receipts, will be submitted to recoup the deficiency caused by the reduction in revenue returned by the Commonwealth, and to make provision for a system of old age pensions. Now, dealing with revenue returned by the Commonwealth, the hon. gentleman cannot argue that the amount returned by the Commonwealth to this State for the last year has been disappointing to any great extent, so as to cause him to end up the year with a deficit; for it was estimated by the Treasurer that the Commonwealth would return to this State £1,036,000, and the amount actually returned to it has been £1,026,000, thus returning only about £10,000 short of the amount estimated to be returned. Therefore whatever is to be the blame for the unhappy state of things in which the finances of the last year have ended, it is not due to disappointment on account of moneys returned by the Commonwealth to this State. The Speech also informs us that it is the intention of the Government to make provision for a system of old age pensions. I understand that we have recently had a Federal Commission inquiring into this very question. I understand that it was decided, even in my friend's opinion, that it would be better this subject should be dealt with by the Commonwealth, it being a Commonwealth matter. I understand that my friend—and I believe he has frequently given utterance to that opinion—holds it is a matter that should be dealt with by the Commonwealth. Now, at the head of that Royal Commission, strangely enough, was the very gentleman who is now the head of the Commonwealth Government; supported, I understand, by the Labour party. That party makes, as one of its leading planks—and I must say the Federal Labour party adheres a little more closely to the planks of the Labour platform than is the case with the Labour party in West-

ern Australia—one of the leading planks of the policy of the Labour party in the Federal Parliament is that of old age pensions, as a Commonwealth system. Therefore we have the Federal Prime Minister, who has taken the deepest interest in this very question, and who is now at the head of the Federal Government and wishes to deal with this question in the very first session of the Federal Parliament; and my friend opposite says the Commonwealth Government are the proper parties to deal with it; yet instead of that, we are asked to make provision for a system of old age pensions in this State. The next paragraph in the Governor's Speech refers to the question of the proposed purchase of the Midland Railway and lands. I have told my friend opposite, and I beg to repeat the statement, that I for one—and I hope no other member—will not approach that question in a party spirit. I decline to discuss the question here in connection with a motion such as this. For my part I wish that question to be dealt with entirely on its merits, and I will not—and I trust no other member of this House will—endeavour to drag that question as a red-herring across the trail of this motion. We have the question of the purchase, or rejection of the proposed purchase, of the Midland Railway; and I say that a question of confidence or no-confidence has nothing to do with that. [HON. W. C. ANGIN: It is part of the action of the Government.] Then we will deal with that action when we reach it. It must weigh in the minds of members, and I say with all sincerity, that I am not going to deal with that question in anything like a party spirit. It is too big a question to be a plaything of any party or any shade of political opinion. If my friend seeks to take credit in regard to it, then we shall be justified in seeking to attach discredit; but it is then, and then only, that we should be justified in so treating it. I want members to approach this no-confidence motion free and unfettered by any consideration of the Midland Railway. [MR. MORAN: It is very nice for the Midland Railway, but not so good for the country.] I am merely expressing my own view; and my argument is that we can discuss the Midland Railway question on its merits when it comes

before us, and we should not in my opinion endeavour to attach it to a motion of no-confidence.

MR. CONNOR: It is the most important question before the country to-day.

MR. MORAN: Absolutely the most important.

MR. RASON: I admit the importance. We are told farther that the Conciliation and Arbitration Act requires amendment in the direction of empowering the Court to grant the same preference to the workers as is extended to the employers under the existing measure. I interjected, when the mover of the Address-in-Reply was speaking, that this meant preference to unionists, and he told me that it did. I recognise his authority in that respect; and therefore we understand that it is preference to unionists that is meant. I think it would have been far better, if that is the case, that it should be set out and expressed in the Speech of His Excellency that that was the object of the proposed amendment of the Act, rather than, if it be the object, it should be veiled under the very vague wording of this paragraph in the Speech. Then there is reference to a railway between Port Hedland and Nullagine; and we are told indeed that estimates of cost have been prepared and that a resolution will be proposed. [MR. MORAN: Suppose we drop that out of the debate?] The hon. member should not rush his fences. We are told it is proposed to invite offers for the construction and management of this undertaking. We knew before, by the resolution of this House, that the Government were authorised to invite offers; and the very inclusion of that paragraph in the Speech does not make us one bit forwarder. We know that in respect of the resolution passed in this House the Government is authorised to entertain offers; but I take it that no offers have hitherto been received, or that, so far, the offers have not been encouraging. In regard also to the Pilbarra railway, I say if the Government have offers which they are prepared to submit, this House will be able, and I am sure will be willing, to deal with any such proposal on its merits apart from this question of confidence or no confidence. [MR. CONNOR: You might take the credit for having authorised the survey.] There is so

much credit for members sitting on this side of the House that I do not wish to add to it. We are told also there is to be an extension of the Narrogin and Jandakot railways, and that proposals are to be placed before us for the construction of a railway from Coolgardie to Norseman. I understood that the promise made by the head of the Government last session was that an independent board should be appointed to inquire into all proposed railways; but no such board has been appointed, and nothing seems to have been done in regard to the Norseman railway until very nearly the time for the meeting of Parliament. Then, three heads of departments whose services had all the time been available to the Government, and who could have been despatched at any time, were sent to report on the merits of the Norseman railway. I believe that inquiry took these gentlemen something like seven or ten days, including the time of travelling. [MR. MORAN : They had the speech of the member for Dundas.] It must have been a most exhaustive inquiry, occupying all that time. But I say that even this inquiry was submitting the Norseman line to a procedure that has not been adopted in regard to other lines; and why should the proposal for the Coolgardie-Norseman railway, in regard to which I believe all possible information has been placed before members not once but often, and that there is not one argument in favour of the Norseman railway we have not heard within these walls not once but many times—why should that proposal be treated in a way different from other railway proposals? We have this extraordinary procedure of officers being sent to report. If that report is available, and I take it that it is, then why has it not been made public? I ask the Premier to bring down that report, and I would like also to know how it is that the usual procedure has not been adopted of making the nature of the report known to the public directly it was available to the Government? The Norseman railway, I say without hesitation, is also too large a matter to be made a plaything on a no-confidence motion. [MR. MORAN : Stick to the rabbit fence.] I will tell the House before I sit down what I ask

members to stick to, and of course members will be able to take whatever course appears to them the best; but there will be no sitting on a rail about me, nor has there ever been any sitting on a rail in regard to anything I have had to say. I shall say something before I finish which will leave no doubt remaining in the minds of members, if any doubt exists already, as to what my belief is in regard to several other matters, including the Coolgardie-Norseman railway. I want to point out the difference between the procedure of this Government and of the Government which preceded it. We know that when the previous Government met the House last year it was apparent to most observers that there would be an effort made to either make them subordinate to a party which would continue to keep them in office, or they would be turned out. The James Government resolved at all events that they would not hold office on sufferance. They therefore inserted—[Interjection]—let us try to be fair, I am only quoting actual facts—in the Governor's Speech these words:—

The result of the elections has been the return to the Legislative Assembly of three groups of members, not one of which has a majority of the House. Under such circumstances it is clear that the paramount duty of Parliament is to ascertain whether there exists a majority of members prepared to support any one of these parties, and thereby secure that stability and firmness in administration which is essential to good government. You will therefore be invited to give immediate attention to this main question, and should the result prove that my present Ministers enjoy the confidence of the Legislative Assembly, they will be prepared to carry out the policy indicated. Believing that stable and settled administration is the main desire of every member, I express the earnest hope that, by the exercise of that common sense which has always characterised representatives of the Government in the British Dominions, you will arrive at a decision which will insure to the State that steady guidance which was never more necessary than at present.

In order that there should be no doubt about it, we put this remark in the Address-in-Reply:—

And beg to assure your Excellency of our continued confidence in your advisers.

In that was a direct invitation, a direct challenge—[THE PREMIER: To whom?]—a direct proof, at all events, of the sincerity of the Government that they

would not and did not desire to remain in office on sufferance; that they would not be under the dictation of any party that was not their party. We find a very altered condition of affairs now. There is no invitation in this Speech to express confidence in the Government. It appears that the Government to-day are quite satisfied to continue under the existing conditions if they can. They do not want to have confidence expressed in them. They are prepared to go on with the support and the help of a party that certainly is not their party.

MR. F. CONNOR: Why not?

MR. RASON: If my friend from Kimberley is content to sign the pledge—

MR. CONNOR: I do not intend to stand for Midland Junction next time.

MR. RASON: My friend need not worry at all.

MR. CONNOR: Oh, no.

MR. RASON: Neither do I; but if my friend is content to be described as a Labour member, I shall have no reason to find fault with him; and if it causes offence to the hon. member I shall put it this way: with the support of a party that apparently are not Labour members, that apparently are not pledged to the Labour platform—[MR. MORAN: Are you sure they are pledged to it themselves?]—but on the contrary, that apparently are opposed to many planks in that platform. Indeed, but for the insertion of those words, that challenge or that invitation I have referred to, we were told by the Premier himself that he would have been quite content for the previous Government to remain in power. He told us that it was that expression of confidence that moved him to take the action he did, and then that in moving to strike out these words his only motive really was neither to express confidence nor want of confidence, but to leave matters as they stood before. He expressed regret that the office had been forced upon him. He regretted very much that he should have had to take the action he did. He was quite content, but for that invitation. [MR. A. J. WILSON: You question his sincerity.] Undoubtedly; I always have. Apparently the Premier was quite content to allow the James Government to remain in power. Now let us see how the member for Hannans (Mr. Nelson)

regarded the position. Speaking of the James Ministry, he said:—

I think it will be generally admitted that, administratively and legislatively, the James Government have been undoubtedly an improvement on the Governments that have here gone before them—[and I believe it said a great deal]—and I believe it may justly be claimed that the James Government have passed better laws, and have administered the laws already in operation with greater purity and impartiality. . . . The result of the elections has been that we stand in this House numbering twenty-two members, that the Government have a much smaller number. Therefore, if the public verdict means anything at all, it means a mandate to us to take upon ourselves the responsibility of carrying those principles which we advocated on the public platform into effect.

MR. H. BROWN: The nonalienation of Crown lands, for instance.

MR. RASON: The member for Hannans continued:—

So on the present occasion we practically vote a want of confidence in the James Government, not because we do not like them, not because we particularly hate them, but because we believe now, as we believed all along, that our primary duty is not to be bound to any Government or any party, but to do our utmost to carry into law the principles to which we are pledged.

I am still quoting from the hon. member for Hannans:—

Again it is said that when we come to the caucus we violate liberty in some way. In what way? I have said on the public platform, and I repeat it here, that I am pledged to absolutely nothing but the platform on which I secured my election. I represent the electors of Hannans on that platform, and nothing else.

MR. NELSON (Hannans): Hear, hear.

MR. RASON: We are told by the member for Hannans, and I am quite content to believe him, that he regards as his primary duty, not his duty to any Government or any party, but the sacred carrying out of the pledges which he made. Has there been any attempt to carry out the pledges to which the hon. member gave his word? [MR. NELSON: We are just going to start.] Is the start made in this Speech which is now before us, and which we are now considering? [MR. NELSON: Of course.] Do the Government, which the hon. gentleman has allowed to remain in power because he is determined above all things to carry out those pledges, remain in power—I ask the hon. gentleman to put this question to

himself and give an answer dictated by his own conscience—or would they continue to receive the support they receive to-day if they carried out those pledges? I submit that the present Government remain in office by the persistence of some members of this House, and by the support of some members who would, I feel sure—their duty to their constituents would compel them to take this course—oppose the Government strongly if they attempted to carry out some of the pledges to which they stand committed.

THE MINISTER FOR LANDS (HON. T. H. BATH): But there are some on the other side of the House attached to them; so we would be even on that.

MR. RASON: If that be so, then the position surely is that the Government can only remain in office, and are content to remain in office, just so long as they do not carry out to the fullest possible extent the pledges to which they stand committed. It may be argued that it is in the interests of the country that the Government under these circumstances should be kept in office. It may be argued, I trust it will not; because it seems to me an immoral argument to say that it is better to keep them there in order that they may be impotent, rather than let them be in Opposition.—[MR. MORAN: And be impertinent.]—and be of some power. I submit an argument of that kind will not bear analysis nor criticism. Manifestly the present condition of affairs is one which ought not to be allowed to exist. We have a Government in a minority in this House, kept in office, kept in power by the support of members—and I do not blame them, for they are perfectly justified in taking that course which seems to them to be their proper duty; but at all events I can say this so as not to hurt anyone's susceptibilities—whose constituents did not return them to support a Labour Government.

MR. BOLTON: They take the lesser of two evils.

MR. HEITMANN: They were between the devil and the deep sea.

MR. RASON: They were returned as Independent members, and if their power is a power for good—

MR. MORAN: Which one of us four was returned as an Independent?

MR. HARDWICK: You opposed Labour.

MR. RASON: If the hon. gentleman asks me—

MR. MORAN: I was elected as a direct Oppositionist.

MR. RASON: I withdraw if the hon. gentleman says he stood as a direct Oppositionist.

MR. MORAN (in explanation): Once and for all let me correct this. I was returned as an uncompromising opponent of the Government to which the hon. member belonged, and to take the logical consequence of putting them out, that is putting the next Government in.

MR. RASON: That is so. I accept the hon. member's assurance. But am I not right in adding this? The question was asked, "And after that, what?" and the hon. gentleman said, "That remains to be seen." [MR. MORAN: So it does.] Then that was the position. Now the Government are kept in power by the support of some members, and how is that support regarded by the members of the Government themselves? What appreciation is given for the support which has been so freely given to them? I have in my mind's eye what has been said by the champion of the Labour party, the champion of the Labour Government at all events—I refer to the member for Hannans (Mr. Nelson). We know that he is the champion of the Labour Government. We can all of us remember the announcement: "Can the Daglish Government be defended: by Wallace Nelson?"—and I believe the Wallace Nelson there referred to is identical with the member for Hannans; therefore he is the champion of the Labour Government. Now he has openly said, in referring to the Independent party, that they do not influence them any way at all; that far from the Independent party exercising any influence on the Labour party, nothing of the sort existed, but they could not help the Independent party giving them their support, and they could not turn them out of Parliament. [Interjection by Mr. CONNOR.] I am dealing with the remarks of the member for Hannans. Referring to the Independent party, the member for Hannans said he could not help their getting support from them, that he could not turn them out of Parliament, that they had to submit to that support. It was greatly to their annoyance, but they

would submit to it with as good a grace as they possibly could. Even quite recently we have had published in a paper with which I believe the member for Hannans is directly connected, in a column which is headed "Mostly Critical"—I am now quoting from the *Democrat*. [Interjection.] If it be dead, I should think of the dead nothing but good. In this column, which is headed "Mostly Critical," this appears:—

The Reconstruction.—The reconstruction of the Labour Ministry has naturally exercised great interest throughout the State. The general opinion seems to be that Bath and Lynch are stronger men than Taylor and Holman. On the other hand it is seriously doubted whether the reconstruction may not have results of a somewhat unexpected nature. It is said that the Independents are dissatisfied. They know that the Government owes its existence to their support, and they want to know—[he is speaking of my friends on the Opposition benches]—why in a scheme of reconstruction they should be utterly ignored. Up till the reconstruction they had some hope of getting some sort of recognition. Now they know definitely that they have not even any sort of recognition. It is just possible, therefore, that they may reconsider their position. In other words they may go over to the Opposition and thus defeat the Daglish Ministry. What then? The *Democrat* is of opinion that that would not be an absolutely unqualified evil.

These words, coming from the champion, are indeed weighty words—

For, after all, the position of the present Government is somewhat unsatisfactory. It has no absolute majority in the House. And its continued existence depends not on the votes of its friends, but largely on the votes of its enemies.

MR. BOLTON: He is referring to the Opposition.

MR. RASON: I do not think my friend can possibly argue that the present Government are kept in power by the votes or support of the Opposition.

MR. BOLTON: They will be, though.

MR. RASON: It has gone beyond the stage of ceasing to recognise, gone beyond not being friends and having no recognition of any kind, for now they are absolute enemies. The article concludes:—

The inevitable result of such a position is a lack of power, a lack of independence, and even a lack of courage. We have no hesitation in saying that if Mr. Daglish had thirty Labourists behind him instead of twenty-two he would pursue a much more vigorous and

uncompromising Labour policy than he can possibly do at present.

Now there is the opinion of the champion of the Labour Government as to the influence of the gentlemen who form the Independent party, upon the action of the Government, and the amount of consideration that the members of the Independent party get in return for it. I submit that the power that the Independent party exercise, if it be a good power, controlling power, if it prevents the Labour Government from doing wrong, can be exercised to just the same extent in regard to any other Government, considering the state of numbers of parties in this House; so that I contend the power for good easily applicable to any Government is being used now to keep in power a Government representing a party with which, after all, those gentlemen sitting on the Independent benches are, although in sympathy with, certainly not allied to, I am sure. It almost goes without saying that members on that bench cannot and would not wish to be described as members of the Labour party. Is not, therefore, the present position an outrage? There is no other word for it. [MEMBER: To you, I dare say.] The honourable member is a sufficient outrage enough for anyone. It is an outrage to all one's ideas of responsible government. Has responsible government come down to this, that we are to have a party kept in office by the votes of an Independent party, a party that has no responsibility to any section of the House, who can control the actions of the Government?

MR. THOMAS: How long were you kept in power by six men?

MR. RASON: There is a very old adage, and it is as true as it is old, that two wrongs do not make one right. If anything wrong has been done in the past, that would be no justification for continuing in the future.

MR. NELSON: Would you not be in the same fix if the Independents went over?

MR. H. BROWN: He would not pander to them.

THE SPEAKER: Order!

MR. RASON: I am not aware that we have reached question-time. When question-time does arrive, if my hon. friend will give notice of his question I

will be prepared to answer him. What must the people, not only of Western Australia but also elsewhere, think of a Parliament, think of the members of a Parliament, who will submit to a continuance of such a condition as exists to-day? It is, as I have said, an outrage to one's ideas of responsible government. It is a farce. There is no such thing as responsible government, as we know it, existing in the Parliament of Western Australia to-day. Surely everyone, I do not care what shade of political opinion he may hold, cannot deny that such a condition of things needs altering. [MR. MORAN: Hear, hear.] It must be altered. We should cease to have the respect, if we have it now, of people outside the people of Western Australia, if such a state of affairs were allowed to continue. Surely it is possible for a remedy to be found. I submit that my friend opposite has no right to make the Labour party and the pledges of the Labour party a stumbling-block really in the way of reform. If there is a stumbling-block in the way of those who are wishing to bring about a better political state of affairs on that side of the House, it ought to be removed. And I say without hesitation that if my presence here is a stumbling-block on this side of the House, consider the country first and do not consider me. But as I understand the position, there are many members on the other side of the House who have said not once but repeatedly, that they themselves have no confidence in the present Government. Is not that a fact? Can the Premier say, with any satisfaction to his own conscience, that he is entitled to have a vote of confidence passed in him, when there are many members of his own party who have said that they have absolutely no confidence in him?

MR. HEITMANN: He has taken the advice of the opposite side of the House.

MR. GORDON: Caucus.

MR. HEITMANN: We shall see when the vote is taken.

MR. RASON: It has frequently been said by many members opposite, sitting opposite now, that they have no confidence in their present leader. That is a regrettable state of affairs, and it is more and more regrettable to my mind that we should have a Government in power whose leader is content with that

condition, who is content to still remain the leader of a party, many members of which have said that they have no confidence in him. [MEMBER: They have less in you.] That is a matter of perfect indifference to me. We are led to believe that the Labour party has met in caucus, and that the majority—I am dealing now only with published accounts—of that caucus decided that the present head of the Government was to be allowed to remain for a little time longer on sufferance, and subject to good behaviour or something of that kind. [MR. NELSON interjected.] I should advise the hon. member not to rush in, and not to volunteer too much information. I say, in no offensive spirit, let us if we can picture to ourselves whom that caucus consisted of, and what its real effect ought to have been. We believe that the Labour party is bound by the decision of a majority in caucus.

MR. TROY: You are no authority.

MR. RASON: If I am wrong, you will contradict me.

MR. MORAN: You can attack the political situation; but for heaven's sake do not touch caucus, or you will have a hornet's nest around your ears.

MR. RASON: Never mind. Let the hornets come. Evidently my criticism does not suit some people. The Labour party, I think, consists of 22 members. If we include an honorary Minister, there are seven Ministers. Now a majority of 22 would be 12; eleven would give a tie; and I suppose the Chairman is generally a Minister. At all events, 12 are all that are necessary at any time to secure a majority in caucus; and to begin with, 7 of the 12 are Ministers. [MR. BOLTON: How do you get 7?] I know the figures 7 and 12 are altogether too large for the hon. member to grasp. I thought I had made it clear that, counting an honorary Minister, there would be seven Ministers.

MR. BOLTON: There would not. That is absolutely incorrect.

MR. MORAN: There is always one man outside the fence.

MR. RASON: I submit that unless there exists a condition of affairs of which I am not supposed to know anything, 7 of a party of 22 members attending caucus must be Ministers. Now surely it would be strange if any Government

could not manage to find five or six other members to support them. Securing a majority of caucus means, when boiled down and analysed, securing the support of six, and the support of six once secured, the majority of caucus decides—what?

MR. TROY: That they will not have you.

MR. RASON: They have never been asked. The majority of caucus decides the life or the death of a Ministry.

LABOUR MEMBER: What about the Independents?

MR. RASON: Government supporters say that the Independents have no influence on them at all. It appears to me that when I refer to the transactions of caucus I am touching something sacred.

MR. TROY: Hear, hear. You are off the track. You are touching nothing.

MR. RASON: I have yet to learn that the Parliament of Western Australia should be ruled by the decisions of a caucus of any party. I say that, once within these walls we ought to use our own intelligence; we ought to exercise that intelligence, if we have any, and vote unfettered by any other consideration than our duty to our country and to our consciences. And I put this position. Certain hon. members opposite have said publicly to their constituents, to the people of Western Australia, that they have absolutely no confidence in the head of the present Government. If caucus says those members must do a certain thing—if it has said so—can they, because of that caucus, vote that they have confidence in the man in whom they themselves outside of caucus have said they have absolutely no confidence at all? If that is the condition of affairs, I say it is a condition disgraceful to Western Australia. If such a condition of affairs exists, I say it is a disgrace to politics, and I say, without hesitation, that if there is a man who so votes he is a disgrace to the political world. He has absolutely no right to sit within these walls as a legislator, and he is absolutely false to the oath of allegiance which he took to the King. The oath that he takes is to do his duty, to bear faithful and true allegiance. What does that mean but that when he enters this House he is to legislate for the benefit of the country, and to follow the dictates of his

conscience; not to be bound down by any party machine which endeavours, if it does endeavour, to compel him to vote in direct contravention not only of his own inclination but of his own convictions? It is to my mind a pity that such a state of affairs, if it does exist, should exist; and, as I have said, I hope it will not be allowed to continue. We have had in this Speech no reference to a matter that I understood was near and dear to the heart of the leader of the Independent party (Mr. Moran), that is the subject of agricultural immigration. The vote has been absolutely exhausted. No reference has been made in the Speech to the subject. I am not aware whether the Government have consulted the hon. member in regard to the matter. If they have, well and good; if they have not, I am much surprised. He above all men in this House showed to my mind the greatest interest in and the most efficient grasp of the subject. I understood that the promotion of such immigration was part of the terms on which he agreed to lend the Government his support. Now the proposal appears to have been dropped. It is true that according to the estimate some £10,000 has been expended. What good has come of that expenditure? Has the hon. member been consulted as to the manner of the expenditure? Has he agreed to it? If he was not consulted, I repeat that he ought to have been. If he was not, there was a breach of that understanding which, I believe, was arrived at. The hon. gentleman himself was very determined on the point, and spoke on the subject at considerable length and with great sincerity. He was determined that there should be a bold and progressive policy for the promotion of agricultural immigration. Has there been? What has been done in the matter?

MR. MORAN: We have yet to hear that. The silence is very mysterious, and very unworthy, I think.

MR. RASON: I take it, if one may judge from appearances, the matter has been dropped.

MR. MORAN: I think it was the Government policy also. I expect to hear of it from them.

MR. RASON: Undoubtedly. And so it appears to me many other matters have

been dropped which were under consideration when the subject of a temporary working agreement between the Independent members and the Government was considered. There was to be a state of affairs different from that which existed under the mark-time policy. I venture to say that the Independent members never anticipated that there would be this rush. There is a very great difference between marking time and the reckless gallop which the Premier has foreshadowed in his recent utterances and in his policy speech. But if I may say so, the head of the Government seems to have lost all touch with the financial position, both present and future. He has failed utterly to grasp the situation when he has endeavoured to tackle it. He has become reckless, dissatisfied, and has gone away into the country to make a few speeches in quarters where there seemed to be some necessity for his presence; and he has there said that it would be to a great extent easy for the Government to undertake not only the works already provided for, but many other works which obviously cannot be undertaken with the limited means at our disposal. We have, it seems to me, in the head of the Government a lack of that sincerity which is absolutely necessary, and a lack of that grasp of the situation which is absolutely necessary for the head of the Government to have. We do not find the Premier and Treasurer saying: "We propose to do a certain work; this is how we propose to provide for it; and having done that much, it will be manifest that we cannot do any more for the time being." Instead of that, which would be the honest position for a man to take up, we have placed before the people wild and delusive schemes and hopes; hopes raised that must manifestly be shattered. We have to-day people who, I believe, have to some extent given credence to these wild projected schemes. Those people, I regret to say, must of necessity very soon discover they have made a very great mistake; and if the Premier ever did intend to carry out these works it would be utterly impossible for him to do so for the reason that it would be impossible for any Treasurer to do so. How can we, in the existing condition of affairs, undertake half of the various works the Premier has referred

to? Let me point out this, dealing with our revenue. We have a revenue which is gradually decreasing year by year. This is apparent, it must be apparent to everyone who has studied the position, that we have a revenue that must unfortunately very soon disappear in a greater proportion and far more rapidly than it has done in the past. Bear in mind, we may have a vigorous protective policy introduced by the Commonwealth, and what will happen? Let us ask ourselves as thinking men what is likely to happen should that arise, which in all probability will? We shall find that the manufactures, the industries of the other States, may benefit, but the revenue of Western Australia must inevitably suffer. We shall have, not imports from abroad, but imports from the other States. It will necessarily follow, as night follows day, that we shall have very probably our revenue decreasing in the future at a still more rapid rate than it has decreased in the past. My friend must realise that himself. He tells us it is absolutely necessary there should be rigid economy and perfect administration. Where is any illustration of an attempt at economy? On the contrary what do we find? New departments have been created in all directions; and anyone who has had Ministerial experience knows that directly you create a new department you create a staff; you start with one man and he builds a staff around him directly. As sure as you have a fresh department you have fresh officers to provide for.

THE MINISTER FOR MINES AND RAILWAYS (Hon. W. D. Johnson): No one knows that better than yourself.

MR. RASON: My friend knows it too. No sooner is a department made than we find a large staff growing around that department. Is it not apparent that new departments have been created in all directions? They may have been necessary, but it does not appear they were. But the creation of these departments is to my mind a satisfactory proof that there has not been that vigorous attempt at economy that there ought to have been, and which the Premier's word has assured us is necessary. Has there been good administration? I have already given credit where credit is due; but unfortunately one swallow does not

make a summer, and one good Minister does not make a good Ministry. I ask members to put this question fairly to themselves: Taking the Government as a whole, has there been good administration? Can any member of this House, on any side of the House, speaking in reply to his own conscience, answer that question in the affirmative?

THE MINISTER FOR MINES AND RAILWAYS: It is for you to show the defects.

MR. RASON: I have shown a good many. I have dealt with the administration of the Treasury, which appears to me to be very far from good. As my friend is very anxious for another illustration—although I am, unfortunately, labouring under the disadvantage that we have not the actual figures before us, the Treasury returns have not yet been published, although it is usual to publish them directly the financial year is closed down, and I presume that procedure should have been followed as in the past—I will venture on this, that even in connection with that very department the administration of which I cheerfully admit has been the best out of the whole, I will be very much surprised indeed if we do not find that the cost of the administration of that department, as compared with the work done by that department and with the value of the work done, will be greater this year than it has been for many years past. I shall be much surprised indeed if we do not find that to be the case.

THE MINISTER FOR MINES AND RAILWAYS: You ought to criticise the department, and not come to conclusions.

MR. RASON: I have not the actual figures before me, therefore I cannot put it in any other way; but if my friend can prove the contrary is the case, I shall rejoice. I do not want, for the gratification of myself, to prove that my idea is right. I do not want the Public Works Department to suffer; but if the hon. member can prove the cost of administering the Public Works Department this year, in comparison with the work done, is less than in any previous year, I will rejoice and the House will have occasion to rejoice. But it is utterly impossible, to my mind, that such can be the case. We have to look at what has been the expenditure, and we look around us and see

there cannot be a very great reduction in the administration cost; therefore it goes almost without saying that the cost of administration must have been a great deal more. Let me, in that connection, remind the late Minister for Works that, when introducing his Works Estimates—and indeed the Treasurer confirmed him—he was drawing comparisons between the actual expenditure of the Works Department the last year and what it was intended should be spent this year—he assured us it was the intention of the Government, unlike the previous Government, to spend every penny of the amount provided for expenditure in the Public Works Department. My friend knows very well that that promise has not been kept: on the contrary, it has not been approached. There has not been an effort, as we were assured there would be a determined effort, to do the work for which provision was made; but there has been a determined effort to cut down the expenditure, to keep from spending the money provided by Parliament to carry out public works. We had the assurance that it was the determination of the Government to spend every penny, and no attempt would be made, as in previous years, to leave any considerable sum of money unspent. My friend took the view that the money provided by Parliament on the Estimates was to be spent in a given period, and should be spent within that period, and he was going to spend it. He has not carried out that promise. There are many works provided on the Estimates that have not been carried out. It is true, in that respect, that my friend has done nothing more than other Governments have done. Every Government has not carried out to the full letter the programme of public works; but unlike other Governments, my friend said that the present Government were not going to allow that state of affairs to continue—it was bad. The result of his administration was to be that every penny provided would be spent, and every work provided would be carried out; but that has not been so. In regard to another matter, the metropolitan water supply and sewerage, we were assured by the Minister last session that before the House met again that work would have reached its final stage.

MR. H. BROWN: Would be commenced in February last.

MR. RASON: The preparation for the work would have reached its final stage. Has it? My friend leads me to understand that it has.

THE MINISTER FOR MINES AND RAILWAYS: I have not said a word yet.

MR. RASON: The hon. gentleman nodded his head.

THE MINISTER FOR MINES AND RAILWAYS: I was nodding because you were quoting correctly.

MR. RASON: I shall be glad when the hon. member speaks, if he does, if he will say that the preparation for that work has reached its final stage.

THE MINISTER FOR MINES AND RAILWAYS: I have given that information a month or so ago.

MR. RASON: I would like the hon. member to give it here. I cannot compel him, but if he has no objection I should like to hear in this House if the work has reached its final stage, that is the preparation for the work. There is nothing approaching finality until you have made your financial arrangements, and I would like the hon. member to have an opportunity to point out what financial arrangements, if any, he has been able to make in regard to that great and necessary work. So far as I have been able to gather, the progress that has been made is that the plans that were being prepared have been completed, the surveys which were in hand are completed. But as to anything approaching finality, I am sure there has been nothing that we can regard as being anything like final.

At 6.30, the SPEAKER left the Chair.

At 7.30, Chair resumed.

MR. RASON (continuing): There is just one matter I should like to refer to in the financial operations of the Premier, and I will refer to it as briefly as possible. The hon. gentleman seems to have adopted the attitude that whereas in the past the policy of the Labour Government was to be to avoid borrowing, and he congratulated the country and himself on that policy, it now seems that he is congratulating himself and the country on the ease with which he can borrow money. He has drawn comparisons be-

tween the raising of money by previous Governments and the raising of money by his Government. He has said it was argued that the Labour Government would find some difficulty in raising loan money, but that on the contrary he has not experienced that difficulty. That was a rather bold comparison to invite. I accept the invitation, and I dispose of the comparison in this manner. When the previous Government went to the London loan market, they raised a 3½ per cent. loan, for which they received £102 10s. per £100. This Government went to the loan market with a 3½ per cent. loan, and had it underwritten at £96 10s.; and 75 per cent. of that loan is, we learn, left in the hands of the underwriters, and I venture to say the net result of that loan to Western Australia will be very little above £93.

THE PREMIER: You might make a comparison of the state of the loan market at the two dates.

MR. RASON: I intend to do so. I assert that the financial conditions in London were better, that the amount of money available in London for investment was greater, at the time this latest loan was floated than at the time of flotation of the previous loan to which I have referred.

THE PREMIER: That is absurd.

MR. RASON: I submit that there is no absurdity about it. If the Premier had had better information, or had gone more closely into the matter—

THE PREMIER: The price of the stocks is an indication that your statement is absurd.

MR. RASON: If the Premier had gone more closely into the question than he appears to have gone, he would have found that for another proposition put upon the market just about that time, though only a few millions were required, something like £60,000,000 was subscribed.

THE PREMIER: That was a business proposition by a private concern.

MR. RASON: I say unhesitatingly that if there had been that confidence in Western Australia and in its Government which the state of the country justifies, there should have been and there would have been no difficulty in obtaining as much money as was required, and in obtaining it on better

terms. But the mere fact that 75 per cent. of that loan is left in the hands of the underwriters demonstrates, if any demonstration be necessary, that the Premier was absolutely correct when he said that for a considerable length of time it would be impossible for Western Australia to go again to the loan market. There is another financial operation to which I wish to draw attention. The Premier has told us that in connection with the London and Westminster Bank and the overdraft, he issued Treasury bills for half-a-million. These Treasury bills, I believe—in fact the Premier said so—have a four-years currency, and carry interest at 4 per cent.; and Western Australia receives £97 7s. 6d. for each £100. Now my honest opinion of that transaction as a piece of financing is that it was remarkably bad. It would surely have been far better to carry on with the overdraft; because the overdraft was at bank rate, with a minimum of $3\frac{1}{2}$ per cent. Thus we should have been paying only $3\frac{1}{2}$ per cent., and with this difference, we should have paid on £100 and received £100, and we should have paid interest on the amount of our overdraft only. But instead of that, by a great stroke of genius we got rid of the overdraft, and gave in return Treasury bills, with four-years currency, bearing 4 per cent. interest, for which bills we got only £97 7s. 6d. I understood one of the occupants of the Treasury bench to say it was my duty to prove that there had been bad administration. My answer is that in the Speech of His Excellency the Governor new taxation is foreshadowed, and the Treasurer himself has said that there was absolutely no justification for introducing new taxation until it had been demonstrated that there had been the best possible administration and the greatest possible economy. Now there are proposals for new taxation, and there is a deficit. The Treasurer said the deficit could be avoided with good administration. Of that he was convinced. He was equally confident that it would have to be demonstrated that in spite of good administration it was impossible to make both ends meet; else there was no justification for new taxation. That being so, it is for the hon. gentleman to demonstrate to the people of this country, and to this House, that there has been good

administration. It is his duty to prove, if he can, that every possible economy has been effected. That is his only justification for the facts being as they are; for the existence of a deficit and a necessity for new taxation. The amendment I intend to move is framed in wide terms. Surely every member of this House who has paid attention to politics at all must realise that if the desire of members upon this side of this House had been to obtain a catch vote of no-confidence, it would have been very easily possible for myself or for any other member on this side of the House to frame such an amendment as would perhaps have made it compulsory for a good many members sitting on that side of the House, if they remained true to their pledges, to support it. That is manifest; it must be apparent to every one; but we on this side of the House do not wish this question decided on any side issue. It is a question of whether a majority of this House has or has not confidence in the present Government. I have pointed out already that many members sitting on that side of the House have already said that they have none.

THE PREMIER: The statement is incorrect, but it will pass.

MR. RASON: If the hon. member contradicts me, I shall be able to quote chapter and verse. I think we are splitting straws to say it is not so. Many members —

THE PREMIER: What is "many"?

MR. RASON: Well, members sitting on that side of the House have said they have no confidence in the Labour Government. Now I want to point out this position. It appears to me that anyone who is prepared to vote that he has confidence in the present Government has also to say that he approves of the policy contained in this Speech. It appears to me that it would be an extraordinary position for a man to take up who said "I will vote for you, and I have every confidence in you until you begin to do something, and when you do it I will vote against you." The honest position really, I submit, is this. A member of this House who votes that he has confidence in the present Government, and gives them his support on this division, in my opinion is in honour

bound to give them his support also when these measures that are foreshadowed here are brought down to this House. I want also the Premier when he replies, if he will be good enough to do so, to say whether he is sincere in regard to these measures. Is he going to put forward these measures that carry out the planks of the Labour platform? If he does support the measures that are carrying out the platform of the Labour party, will he stand or fall by these measures? Will he make these measures which are supposed to be vital to his existence, vital to his existence in this House? Is the primary object of the Government to be the fulfilment of these pledges, or is it not? I ask members to deal with this question from one standpoint and one only, that is: What is their duty to themselves and to the country? It is admitted, it goes without argument—in fact, argument is out of the question—that the present condition of affairs is intolerable. It is, as I previously said, an outrage on our ideas of responsible government. It is not responsible government; it is not even a form of responsible government; and it is a disgrace, nothing short of a disgrace to the Parliament of Western Australia. I ask members to approach this question, not bearing in their minds either likes or dislikes of any party or individual, but to place parties and individuals wholly on one side, and to approach this question with one desire, and one only—to do their duty to Western Australia. (General applause.)

MR. GORDON: I second the amendment.

On motion by the PREMIER, debate adjourned.

ADJOURNMENT—DIVISION.

THE PREMIER (Hon. H. Daglish): I move, That the House at its rising do adjourn until Thursday next.

MR. G. TAYLOR (Mount Margaret): I intend to vote against this rather debatable question of adjourning the House beyond the ordinary sitting. I do not see any reason why the Premier cannot come forward to-morrow and meet the indictment made by the leader of the Opposition—the alleged indictment, as I am reminded by the member for Forrest. I do not see that there is any necessity

to prolong this debate. Speaking for myself, I have been kept about Perth through dillydallying on the part of the Government, through caucus meetings and one thing and another; and I have not had an opportunity of going to my electors. It is my desire to see my electors, and I thought that I should have an opportunity, by remaining here, of making a speech in this House; but should this motion to adjourn this debate until Thursday be carried, or if the debate is not entered into again until Thursday, perhaps farther adjournments may be necessary. Perhaps the Minister for Mines may want some facts and figures. I am going to oppose the adjournment on these grounds. I think it is about time we got down to solid business, to see if we cannot do something in the interests of the country, better perhaps than debating a question of this description.

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

Ayes	32
Noes	9

Majority for ... 23

Ayes.	Noes.
Mr. Angwin	Mr. Carson
Mr. Bath	Mr. Hardwick
Mr. Bolton	Mr. Hayward
Mr. Brown	Mr. Hicks
Mr. Butcher	Mr. Holman
Mr. Connor	Mr. S. F. Moore
Mr. Daglish	Mr. Taylor
Mr. Diamond	Mr. A. J. Wilson
Mr. Ellis	Mr. Gordon (Teller).
Mr. Foulkes	
Mr. Harper	
Mr. Hastie	
Mr. Heitmann	
Mr. Henshaw	
Mr. Hopkins	
Mr. Horan	
Mr. Isdell	
Mr. Johnson	
Mr. Keyser	
Mr. Lynch	
Mr. N. J. Moore	
Mr. Moran	
Mr. Needham	
Mr. Nelson	
Mr. Piesse	
Mr. Rason	
Mr. Scaddan	
Mr. Thomas	
Mr. Troy	
Mr. Watts	
Mr. Frank Wilson	
Mr. Gill (Teller).	

Question thus passed.

The House adjourned at two minutes to 8 o'clock, until the next Thursday.