

the fact that I have been an honorary member of the Geraldton volunteers for twelve years, which privilege I obtain by paying £1 ls. a year, and I once won the honorary members' prize at shooting. The question before us seems to involve one of the fundamental principles of the Bill, and I do not think we have had time to consider it; and I therefore hope hon. members will agree to report progress. We are not overburdened with work, and we can the better discuss the question after we have had more time to look into it. I move that progress be reported.

Question put and passed.

BANKERS' BOOKS EVIDENCE BILL.

This Bill was received from the Legislative Assembly, and was read a first time.

ADJOURNMENT.

The Council, at 5-20 o'clock p.m., adjourned until Wednesday, 15th August.

Legislative Assembly,

Thursday, 9th August, 1894.

Loan Bill (£1,500,000): Message from the Governor—Resident Medical Officer for Derby—Small Debts Ordinance Amendment Bill: first reading—Application for Gold Mining Leases—Correspondence re Forfeiture of "Londonderry" North and South Claims—Yilgarn Railway Differential Rates—Friendly Societies Bill: second reading—Adjournment.

THE SPEAKER took the chair at 4-30 p.m.

PRAYERS.

LOAN BILL (£1,500,000): MESSAGE FROM THE GOVERNOR.

The following Message was presented from His Excellency the Governor: "In accordance with the requirements of sec-

tion 67 of the Constitution Act, the Governor recommends to the Legislative Assembly that an appropriation be made out of the Consolidated Revenue Fund, for the purpose of a Bill intituled 'An Act to authorise the raising of a sum of one million five hundred thousand pounds, by loan, for the construction of certain public works, and for other purposes.'

"Government House, Perth, 11th August, 1894."

APPOINTMENT OF RESIDENT MEDICAL OFFICER, DERBY.

MR. A. FORREST, in accordance with notice, asked the Premier when the Government intended to appoint a Resident Medical Officer for Derby, in the West Kimberley District, the salary for such officer being provided on the Estimates.

THE PREMIER (Hon. Sir J. Forrest) replied that the appointment would be made as soon as a suitable officer could be obtained.

SMALL DEBTS ORDINANCE AMENDMENT BILL.

Introduced by MR. BURT and read a first time.

APPLICATIONS FOR GOLD MINING LEASES.

MR. SIMPSON, in accordance with notice, moved that a return be laid upon the table of the House, showing—

1. The number of applications for gold mining leases in the Mines Department, about which no decision has yet been come to.

2. The dates of such applications, and the various localities in which such leases are situated.

Question put and passed.

FORFEITURE OF "LONDONDERRY" CLAIMS (NORTH AND SOUTH).

MR. LEAKE: I rise to move the motion standing in my name—"That all papers be laid upon the table of the House relating to the forfeiture of the Londonderry North and South leases, on the Coolgardie goldfield, the applicants for the leases being Messrs. Huxley and Miles." I do this in consequence of the decision arrived at yesterday by the Executive Council, upholding the claim of the jumpers of these leases. In mov-

ing for these papers it is not my intention at present to comment upon the subject further than to say that I fancy, when they are laid on the table, it will be seen that certainly an injustice has been done to those persons (the lessees) who are particularly interested in a valuable property, a property involving, perhaps, £40,000 or £50,000. These papers will disclose the fact that the question of *ultra vires* in regard to the Goldfields Regulations has arisen. That involves an important legal principle, and in this instance I say that those who raised that legal point were justified in having it decided by a proper tribunal; and, in declining to allow them to apply to that tribunal, I say that the members of the Government have acted (to say the least of it) improperly. Justice should be denied to no person; and it is not for a body such as the Executive Council to usurp the functions of a judicial tribunal, when important legal principles are involved. It is only right that such principles should be decided in a proper quarter. I move for these papers in the hope that members will support the motion. As to the merits of the case, I do not intend to refer to them at all at present, but, when the papers are laid on the table, it is quite possible that a motion will be tabled which will pave the way to a full discussion of the whole question. I say, without hesitation at all, that very serious issues are involved in the consideration of this question, and I hope that the House will, at any rate, look at these papers when they are produced, and consider whether, hereafter, some further steps should be taken.

THE PREMIER (Hon. Sir J. Forrest): I have much pleasure in laying these papers on the table of the House. Members, when they peruse them, will then be in possession of exactly the same information as the Executive Council had before them in deciding this matter. I have listened attentively to the remarks of the mover of the motion. I am aware, of course, that he represents that side to which the Government, in their judgment, were unable to give a decision in their favour. The hon. member is the solicitor or counsel for the original holders, and, I believe, he is also himself—I don't know whether I am right, but I have my suspicions—personally interested in the

case. If he is not, perhaps he will say so, and I shall be very glad to apologise to him. I think members will look with jealous care at the action of professional gentlemen in this House who come here to advocate their own interests or the interests of their clients. The hon. member considered he was justified, yesterday, in attacking me—

MR. LEAKE: I rise to a point of order. Is the hon. gentleman in order in referring to what took place outside this House?

THE PREMIER (Hon. Sir J. Forrest): It was within the precincts of the House.

THE SPEAKER: I do not think the hon. member is out of order.

THE PREMIER (Hon. Sir J. Forrest): And I had to tell him that I had my responsibilities as well as he had his, and that he was quite at liberty to use any information he was possessed of, in his place in the House, and that I would be very glad if he would do so; because the Executive Government take their stand upon what they have done, or do. We are fearless of the attacks of the hon. member, or of any person in this country. When the time comes that we are afraid to meet charges brought against our character, the time will have come when we shall be driven with ignominy from these benches.

MR. MONGER: It was not my intention to have made any remarks upon this motion until I heard the observations made use of by the Premier; and I must say I was surprised to hear a gentleman holding the very high and honourable position he holds attacking another member and accusing him of personal interest in a matter which he has brought before the House, especially when on this side of the House we may get up and accuse some gentlemen occupying Ministerial positions of the same thing. I have no desire whatever to make any personal remarks myself; I have no wish to make any personal statement with reference to outside opinion as to certain members of the Ministry; but I say the remarks of the Premier were uncalled for, considering the way he got up and tendered these papers. I will only say this, and I say it in the presence of members—I have recently returned from Coolgardie, and when there I had an opportunity of hearing both sides of this case—and I have not the slightest hesitation in saying that

the decision of the Executive Government arrived at yesterday is one of the greatest mistakes they have ever made since they have had the honour of administering the affairs of this colony. I hope this House will yet have an opportunity of learning and weighing up all the details from the papers which the Premier has just placed before us. I may say I have no interest whatever in the matter myself; I am perfectly free to form an independent opinion upon the merits of the case. Whatever charges the Premier may have to level against any other members who may speak to the motion, he will, at all events, have no opportunity of saying that I have any personal interest in advocating the claims of either side,—the claims of the gentlemen who, I think, have been wrongly advised, or the claims of the original holders, who, I think, have been wronged by the Executive Government of the colony.

MR. MORAN: Sir,—I think it is time for me to say a word when hon. members in this House profess to give an expression of what they consider to be public opinion in the district I represent. I think, at least, these hon. members should be content to give expression to their own opinions upon this matter. When they look at the telegrams which have appeared in the public press, and when they know all about the circumstances of the case, as I do, I think they should hesitate from expressing the opinion of the public one way or the other. I think it is beyond the power of the hon. member for York to say—and certainly beyond what I would call common discretion—that the decision of the Executive in this case is contrary to public opinion on the spot, and one of the worst things that the Government have ever done. It is a remarkable thing that, although similar decisions have been given for the last two years—I myself have lost two leases, though I consider that the case I made out in my defence was much stronger than the case of the holders of the leases now referred to—I say it is a remarkable thing that, although similar decisions have been given in scores of cases where the claims were only questionably rich, no loud protest has been heard, either in this House or elsewhere, against such decisions. Therefore, to say the least of it, all this new-born patriot-

ism, all this new-born sympathy on the part of some hon. members with those whose leases have been forfeited, must be looked upon with suspicion. If this matter comes before the House, I know a thing worth two of this about some of these gentlemen, and I will bring it before the House if necessary.

MR. LEAKE: Bring it now.

MR. MORAN: Time enough. I say I think it is something beyond common discretion and ordinary presumption for an hon. member to stand up in this House and pretend to give expression to public opinion in a constituency which he does not represent, and which he has only just casually visited. As I have said, some hon. members seem to have become suddenly imbued with a new-born sympathy with the mining population, and their attitude must be viewed with a certain amount of suspicion, to say the least of it.

MR. R. F. SHOLL: I think it is rather unique, when a simple motion is made for the production of papers, that an opportunity should be taken for casting insinuations against members of the Government, or against members of this House. I think it would be much better for members to refrain from any remarks they might wish to make, until they have read these papers, and some motion based upon them is brought before the House. The Government have unhesitatingly placed the papers on the table, and I think it would be well for us to refrain at this stage from casting any reflections upon the Government, or upon any member of this House.

MR. LEAKE: I think I have a right to reply to the remarks of the hon. gentleman opposite. It is a long time, I think, since from the Government benches in this House we have heard a personal attack made upon a member of the House, and I sincerely trust it will be a long time before we hear another. I did not attack any member personally. I simply attacked the principle, and I shall attack it again. When the leader of the Government accuses me, or any other hon. member, of coming in here with a desire to advance the interests of his clients, or his own personal interests, he goes slightly too far, and must not be surprised if his remarks are resented. I do resent his remarks, and I fling the accusation back in his

teeth in as strong a manner as I can. I tell him he has no ground whatever for making these insinuations. I have no personal interest in this case. I have this amount of personal interest certainly, to the same extent that I hope every member has a personal interest in the case, namely in seeing that justice is done to those persons who claim it from the Government, and it is in order that we may see whether justice has been done, and fairly and straightforwardly administered in this case, that I have asked for these papers. I did not make an attack upon hon. gentlemen opposite, but I said that upon some future occasion it might be necessary for me to frame a motion which would necessitate some straight speaking. I made no personal attack.

THE PREMIER (Hon. Sir J. Forrest): You did so yesterday, at any rate.

MR. LEAKE: What I said outside the House yesterday I will say here again.

THE PREMIER (Hon. Sir J. Forrest): Say it now, then.

MR. LEAKE: I hope I understand the rules of debate and the rules of society sufficiently well to avoid, if possible, the dragging in of personalities.

THE PREMIER (Hon. Sir J. Forrest): Say it here. I challenge you to repeat it here.

MR. LEAKE: I will not descend to the same line of argument as the hon. gentleman,—

THE PREMIER (Hon. Sir J. Forrest): It doesn't suit you.

MR. LEAKE: No, it does not suit me. So long as I am here I shall conform to the rules of the House, and have some regard for the feelings of members.

THE PREMIER (Hon. Sir J. Forrest): I hope you will do it outside, too.

MR. LEAKE: Certainly; I will do anything you desire outside. It is true I do represent the parties here in a professional capacity, but I have not, I hope, up to the present moment, gone outside professional bounds. Because I happen to be a member of this House and also a professional man, it does not say that I am not to make use of information that I may acquire professionally; but I deny absolutely, and in an unqualified manner, the justice of the strictures or insinuations the hon. gentleman has thought fit to cast upon me. Let him understand that the time is passed, or is on the wane,

when the one-man authority in this House, or in the colony, will be tolerated, and it won't do for him to come down with his sledge-hammer proceedings and think he is going to squelch debate, or to inspire fear in the minds of hon. members.

Motion put and passed.

YILGARN RAILWAY DIFFERENTIAL RATES.

MR. MONGER: Sir,—I rise to move "That in the opinion of this House it is desirable that there should be one uniform scale of charges for the carriage of passengers and goods over all the Government railways of this colony; and that, if possible, similar arrangements should be made with all private companies." I may say that this resolution is the outcome of a deputation I had the honour of presenting a short time ago to the Commissioner of Railways, whose reply to the representations of the deputation led me to imagine that the Government had no intention of agreeing to the wishes of what I will term the largest and most representative deputation that ever waited upon any Minister in this colony. Many of those whom I had the honour of introducing on that occasion to the Minister of Railways were gentlemen from the Yilgarn goldfields, or who were interested in those goldfields; and perhaps in the course of his remarks this afternoon the hon. member who represents that district will again get up and say I had no right whatever to introduce a deputation coming from that particular portion of the colony. The hon. member, however, was absent on that occasion, and the very pleasant duty of presenting the deputation fell to my lot. Some of the speakers on that occasion, in language far better than I am able to express, explained to the Commissioner of Railways the objections they had to the unfair charges, or what they considered to be unfair charges, adopted by the Government for the carriage of merchandise and passengers on the railway to the goldfields, as compared with the charges made on all other lines in the colony. I will give the Commissioner credit for certainly never having promised anything to that deputation. I think it was the first deputation that ever waited upon any Minister in the present Government which did not receive a promise of

virtually all it asked for. At any rate, the Minister on this occasion made no promise. The deputation placed their arguments before him, and the hon. gentleman's reply has no doubt been seen by every member in the newspaper report of the deputation. It virtually admitted the claims that these people made. I have no desire this afternoon to go into the particular items in respect of which the Railway Department places the people of Southern Cross at a disadvantage compared with other portions of the colony. I simply wish, sir, to bring the principle before members, and ask them in a general way whether they consider the Government are justified in charging one section of the community a higher rate for the carriage of their goods and merchandise, and for the carriage of themselves, than every other section? I ask members to look at the motion in the form in which I have tabled it. I ask them also to put away all personal feeling in the matter, and not allow the consideration to weigh upon them that because a lot of strangers happen to be located on our goldfields we should try to get as much as we can out of them. Let us consider these people in the same way as we would ourselves expect to be treated if we went to the colonies they come from. I say this is an unprecedented departure on the part of our Government. It is unknown in any other part of Australia, and I may say it is almost unknown in any other part of the world. Yet, the hon. gentleman who happens to administer the railway affairs of this colony considers it his duty, and the duty of his Government, to get sufficient out of our goldfields railways to pay for them in about five years. I think if we had a return placed on the table, showing the receipts from this Yilgarn railway, and the expenses of working it since the Government took it over from the contractor, we would find that it is the most profitable line in the whole colony. I have no desire to make any comparison between Bunbury and Southern Cross—I will leave members to form their own conclusions on that subject—or between any other part of the colony and Southern Cross; what I want to call attention to is the injustice of charging the people in one portion of the colony double the rates we are charging people in every other portion of the

colony, simply because they happen to reside on a goldfield. In order to emphasise my motion, and to show how the Minister of Railways is inclined to change his views, I have to call attention to a motion which I brought forward last session, with reference to the rates charged on the Great Southern Railway being somewhat higher than the rates ordinarily charged on our Government railways. The Commissioner of Railways in his reply to my remarks on that occasion, after referring to the reduced charges on the Government lines, and his desire to frame these charges on a mileage basis, said: "The owners of the Great Southern Railway have not yet recognised the new principle we have introduced; but hon. members will see that, as the new principle has been in operation on the Government railways only a few months, it is impossible to say how far the rates on the Great Southern Railway may be altered for approximating them to the rates ruling on the Government lines, when the results of the new principle become more fully evident." We have heard from the hon. gentleman that, notwithstanding the reduced rates, the Government railways are paying; but we have not seen any attempt made by the Government to induce the Great Southern Railway Company to assimilate their rates with the Government rates, though a promise was made by the Commissioner, on the occasion I made that motion last year, to have the matter brought before the company. His concluding words on that occasion were: "The Government have not had any communication with the Land Company as to the reduction of their rates; but, without a doubt, this motion will stimulate them to take some action, and I hope the action will be in the direction indicated by this motion." The object of that motion was to assimilate the rates on all the railways in the colony. But the hon. gentleman, judging by his present tactics in charging what I may fairly term excessive rates on one particular line of railway, is going entirely contrary to the views he expressed in respect to the motion I made last session. I should like to invite the hon. gentleman to compare his remarks on that occasion with the remarks he made to the deputation which I had the honour of intro-

ducing to him some time ago. No doubt we shall hear from him that it is nothing but right that these goldfield lines should be made to pay somewhat higher than our ordinary lines, because the life of a goldfield is generally not more than five, or ten, or twenty years. No doubt that will be one of the hon. gentleman's arguments. But, I hope, for the sake of Western Australia, that her goldfields are going to last longer than that. I hope the time will come, and that before very long, when there will be some back traffic from some portion of these goldfields. But, apart from the traffic we may see in the future, I say that even at the present moment, the only line that has yet been constructed to any goldfield in the colony is giving the biggest return of any line on any portion of our Government railways. The hon. gentleman, himself, admitted to the deputation that he could not say much in reply to their arguments for a reduction of the passenger rates; but we have not seen any attempt made to meet the wishes of the deputation in any way. I have brought this motion forward with the idea of inducing the Government to treat all portions of the colony alike, to treat Bunbury and Southern Cross, to treat York and Southern Cross alike, and allow all goods and passengers travelling over the Government lines to be carried on the basis of mileage, which was the basis that the Commissioner himself approved last session, when he spoke to the motion I then brought forward. The hon. gentleman, by his action with regard to this Yilgarn line, has entirely gone back upon his remarks of last session. Sir, I beg now to commend the motion standing in my name to the favourable consideration of the House.

MR. MORAN: According to arrangement between myself and the hon. member for York, I beg to second his motion. The hon. member seems to think there may be a little jealousy on my part because I had not the pleasure of introducing a certain deputation, because it came from the district which I now have the honour to represent. But I assure the hon. member I am not jealous of anyone who does a good turn for Yilgarn. If the hon. member will devote eight hours a day to look after the interests of Yilgarn I shall be very glad of it. With regard to the motion itself, first of all I am

going to give the Government credit, in doing what they have done as regards these railway rates, for having acted in what they conceived to be best in the interests of the whole colony. Having said that, I will endeavour to convince them, by argument, that they are adopting a slightly retrograde policy in this matter, and that it is not a good policy in the interests of the colony at large. We know that their idea is this: that the old residents of the settled districts of the colony shall not be unduly taxed to provide conveniences for new comers who come here to settle on our goldfields. This country has existed for sixty or seventy years, and the settlers have had to struggle hard through that time, and have borne with all the difficulties that attend settlement in a young colony, and that colony perhaps the poorest in natural resources of all the sister colonies,—

MR. R. F. SHOLL: It is the richest to-day.

MR. MORAN: I am speaking of 50 years ago, when its resources were unknown and undeveloped. The Government, I say, looking at the struggles which the settlers of the colony have gone through, and the burdens they have cheerfully borne, wish to conserve the interests of the settled districts, and not to lay further burdens upon them in having to support railways to our goldfields, about whose future there is no certainty beyond perhaps a limited number of years. No doubt that is a laudable object, from one point of view. No doubt the old settlers of the colony are entitled to every consideration, and, for my part, if I thought that a reduction of the rates on this Yilgarn Railway would press unduly upon the settlers generally, I would rather resign my seat than advocate this reduction. But I will endeavour to prove that by hampering the traffic on this line, and charging exorbitant rates, the Government are not only hindering the development of the goldfields but at the same time injuring the best interests of the very people whom they desire most to assist. The population on these goldfields is a consuming population, and they offer the very best market that is open for the producers of the colony, and it stands to reason that the cheaper these producers can get their products to market the better will it be for them, and the

greater will be the demand. In this way, I submit, a reduction of rates on this line would benefit the agricultural portion of the colony equally with the mining population. Again, a reduction of the freight rates would give a stimulus to the development of the mines. Whereas at present, owing to the enormous cost of haulage, there are comparatively few stampers on the field, I believe that, if encouragement were given to the smaller companies to develop their properties, we should find a great impetus given to mining generally; and the development of the mining industry means the development of the agricultural and other industries of the colony. Therefore, I say the Government would be fully justified in reducing the present rates, for a time at least, to see what the effect would be of putting the goldfields population on the same footing, as regards railway charges, as all the other parts of the colony. The Government, in adopting the policy they have adopted with regard to this line, have adopted what I call a *volens volens* policy of benefaction. They say to those engaged in the mining industry, "We build you a railway, but at the same time we will force you to pay double rates. No double rates, no railway." I think the time has come when the stereotyped policy of building one and the same expensive type of railway for every purpose, whether it be a line running through the centres of population, or a mineral line extending through unsettled territory, should be exploded. I hope the day is not far distant when a more common sense policy will be adopted, and when we shall have light steel railways built for the development of our mines, instead of the costly type of railways which are now built. The Government, as an argument for the present high freight rates, say there is no certainty whether these goldfields are going to last, and we must meanwhile charge such rates as will ensure us against loss in the event of their collapsing. If this element of uncertainty does exist, why go to the expense in the first place of building a costly railway, when a cheap line, equally suitable for the purpose for the next 20 or 50 years, could be laid down at one-half the cost, or possibly one-third the cost? If the Government think there is a possibility of the Cool-

gardie goldfields being played out in a few years, why not build light steel railways, the same as the Queensland Government have built for the sugar plantations in that colony? Apart from the saving in the cost of construction, there would be this advantage: should Coolgardie become a stepping stone to the other colonies, when we come to be connected with them by an intercolonial railway, these cheap light lines could be taken up at a small cost and removed to some other part of the colony, where a pioneering line would answer all requirements. I hope, if this Parliament remains in existence until it expires by effluxion of time, we shall have taken some practical steps in the direction I have indicated. I hope we shall have abandoned the present stereotyped method of railway construction, and adopted a more economical style of railway where a cheap railway would answer the purpose equally well. I think it would be judicious if the Government were to take the first step in this direction by building a light steel railway from Southern Cross to Coolgardie. Such a line could be completed within nine months. I commend this suggestion to the earnest consideration of the Government. It would do away with their excuse for adopting the present high freight rates. Nobody is more anxious than I am to see that the interests of the whole colony are looked after by the Government. Though representing a mining constituency, I would not advocate any measure which I thought would unduly press upon other portions of the colony. My constituents know that. I have always said that I liked fair play done to all sections of the community, and I know that my constituents are in accord with me. I know that a mining community never ask for anything they are not prepared to pay a fair price for. They have no wish to see injustice done to the agricultural or any other industry; and I have endeavoured to show that, so far from lowering the rates on these goldfields lines being an injustice to the agricultural community, and the taxpayers generally, the result would be to give a stimulus to agriculture, a stimulus to production and the cultivation of the soil, so as to enable our farmers to supply the wants

of the mining population, while at the same time it would undoubtedly be a stimulus to the mining industry. Instead of having only ten head of stampers on the field there should be ten hundred. The stone is there for them for many years to come. I put these arguments forward in a friendly way. I am prepared to give the Government credit for this: that if they consider any arguments put forward in this House worthy of more consideration and of more weight than the arguments which led them to adopt the present high rates on our only goldfields railway, they will accede to our request, and give these fields a chance of becoming equal in importance to any goldfield in the world.

MR. A. FORREST: I am sure we must all be very thankful for the speech we have just heard from the hon. member for Yilgarn, who has stated his case, from his own point of view, very fairly; but I think we should fall short of our ordinary common sense if we adopted the hon. member's dictum that the rates on this railway to Yilgarn should be reduced to the same level as ordinary rates. I have been connected with these goldfields for many years, and until this railway was built I have been in the habit of paying from £20 to £25 a ton for the carriage of machinery to Southern Cross. Notwithstanding that charge, it did not prevent us from putting batteries on the field. The hon. member says that instead of there being ten head of stampers on the field there would be hundreds and thousands if these freight rates were reduced. I dispute his authority on that point, because before you can get a battery on any field you must have a lot of capital to purchase such machinery, and a small difference in the cost of transport is hardly a matter for consideration by those who find the money for working these mines. It is, therefore, absurd for the hon. member to talk about hundreds of batteries being placed on these fields if the railway rates were reduced a few pounds a ton. If the hon. member had suggested that the duty on mining machinery should be reduced or taken off, there might be something in his argument. The present duty comes to more than the freight by rail. An ordinary ten-head stamper costs £1,000, and the duty is £50; the weight is

about 15 tons, and the freight is £3 a ton. I say the time has arrived in this colony when our railways should be made to pay, and we cannot afford to build them where there is no return.

MR. MORAN: Build cheaper ones.

MR. A. FORREST: The railway to Yilgarn was built at a very low cost. I think those who for years past have paid from £15 to £30 a ton for the carriage of goods and machinery to that goldfield ought not to grumble at having their goods carried at £3 or £4 a ton by rail. It is a well-known fact that the line from Southern Cross to Northam—unless there is some extraordinary development—is not likely to yield any back traffic, except passenger traffic; and the Government were quite right, I think, in insisting that this line should, if possible, be made to pay its working expenses at least. As the representative of a Northern district I object most strongly that we should have to pay for railways to enable the miners at Yilgarn and Coolgardie, and the traders there, to get their goods up cheap. I say it would be unfair to other parts of the colony to reduce these rates at present, and throw the burden of working this railway upon the general body of taxpayers for the benefit of the mining community, or rather for the benefit of a few traders, I call it. I understood that when this railway to Yilgarn was agreed to, it was to be a reproductive work; yet the first chance the Government have to work it, hon. members want to reduce the rates, and have it worked at a loss. Those who are interested in the mines, and who have had to pay their £20 or £30 a ton for carriage to the fields, do not join in this outcry. There may be a few business people at Southern Cross and Coolgardie who object to these railway rates. They are principally merchants and traders who complain, and agents and carriers who used to charge their customers from £20 to £25 a ton, and who now object to people having to pay £3. If the Government intend to listen to this outcry and to reduce the rates on this line to the level of ordinary rates on other railways, and make the public pay for working the line at a loss, all I can say is I shall certainly take my seat on the opposite side of the House, where the hon. member for the Swan now sits.

MR. ILLINGWORTH: One of the most pleasant things I have heard since I came to the House is the statement just made by the Government whip that he intends to take his seat on this side of the House. All I can say is, we shall give the hon. member a very cordial welcome; and, if he will prove himself such an acquisition and a tower of strength to the Opposition as he has been to the Ministry, he will be a very great acquisition indeed on this side of the House. Sir, I think the question before the House is one of the most important questions that can be discussed at the present time. A great principle is involved, and I am quite sure the Ministry see that there is a great principle involved. I had the pleasure of being one of the deputation which has been referred to by the hon. member for York; and the point laid stress upon by the Minister of Railways on that occasion was that the day had come when this question of whether our railways should be worked on commercial principles or not would have to be threshed out. That is a question of great interest, and a question of great responsibility for this country to settle, once for all, whether our lines of railway, and especially in their early stage, should be run on commercial principles or not? I contend that, as far as possible, our railways ought to be run on commercial principles, otherwise we shall find ourselves, before very long, in the same painful financial position as Victoria, with her £2,700,000 of deficiency, of which no less than £600,000 was contributed last year, arising mainly from losses upon the working of her railways. But, in addition to the question of working our railway lines on commercial principles, there comes a question which the Minister of Railways has not answered, and which we must discuss from the standpoint of equality, and right, and common justice. The question arises whether because a railway is built to Southern Cross, or whether—which interests me more—because a railway is to be built by-and-by from Mullewa to Cue these railways are to be charged penal rates, simply because the people who reside on these goldfields are to a certain extent out of favour with the Government, because they have the misfortune of having come here from the Eastern colonies?

SEVERAL HON. MEMBERS: No, no.

MR. A. FORREST: That won't do.

MR. ILLINGWORTH: The hon. member says "that won't do." Then we will just discuss the question for a moment from the standpoint of finance. According to returns furnished, these goldfields are yielding a clear profit of over £4,700 a year over and above the expenses of government.

MR. RICHARDSON: How is that?

MR. ILLINGWORTH: The report which has been given to this House is that they have become now an absolute source of revenue to that extent. This may not be a very large sum, but there is a distinct profit accruing to the revenue from the charges made upon the goldfields. Then comes the question of the railway itself. This railway to Yilgarn, how did it come into existence at all? Because there were certain mines at Southern Cross in which members of this House held large interests. It was admitted by the Minister of Railways, at the deputation referred to, that had it not been for the discovery of Coolgardie that line would have been a "white elephant."

MR. A. FORREST: I question that.

MR. ILLINGWORTH: You may question it with the Minister of Railways. I do not think there is one man in the country who can fairly say that there is any possibility of making the railway to Southern Cross pay if we were to shut out Coolgardie. It never would have paid interest on the cost of construction, if it had not been for the discovery of Coolgardie. Very well. As I have said, the goldfields themselves are yielding a profit to the State.

THE PREMIER (Hon. Sir J. Forrest): How do you make that out? You do not take into consideration our expenditure in connection with water supply, and other expenditure incurred by the Government.

MR. ILLINGWORTH: The point I want to make is this: why should this particular line, because it runs to Southern Cross, be charged with rates which are absolutely penal rates? Why should the mining population at Yilgarn have to put up with these penal rates any more than other classes of the community? It may be said—it has been said, and it is the only argument that is really worth discussing—that there is no back traffic.

If that be true with reference to goods traffic, it is not so with reference to passengers. There are as many people coming down as going up; and we have just as much right to a uniform mileage rate for passengers going to or returning from Coolgardie as for passengers going to or returning from Bunbury. Then comes the question of the actual profits of the line itself. If it is to be run on commercial principles, and if you credit it with the amount of traffic it has given rise to from Fremantle to Northam, you will find that this Yilgarn line is the only line in the colony which is paying expenses. Taking the whole railway traffic of the colony, it does not really pay. When you deduct from the revenue the amount of Government traffic over the lines, it will be found that the whole railway system of Western Australia does not pay its expenses. There is not one shilling going towards the upkeep of our railways. The interest comes out of general taxation, and why one particular line, and one particular district, should be picked out and made to pay a penal rate, simply because the line goes to a goldfield, I cannot understand. Nor have I heard any argument to establish such a principle. This railway itself has been built cheaply, and if there is any argument at all in favour of building railways cheaply, and in running them on commercial principles, a line that has been built cheaply should get the benefit of it in cheap rates. There is another question: are we to encourage the development of the industries of this country, or are we not? If we are, is there any industry in the colony that bids fair to establish Western Australia upon a sound financial basis, if you take away her gold discoveries? And the question behind it all is this: we are taxing the country at large for our other railways, and why should the people on our goldfields be singled out and taxed in a larger proportion than any other section of the community? Why should this particular section of the population be picked out and compelled to pay these penal rates, and at the same time contribute their share towards the upkeep of other lines in other parts of the colony from which they derive no benefit? Supposing this railway, instead of being the best paying line in the colony, were the worst paying

line, it could still be urged in its justification that it was a railway intended to develop our gold mining industry, which is admitted to be the most important industry of the colony at the present moment. It seems to me that the only justification for imposing these penal rates in connection with this line—and the same, I suppose, will by-and-by apply to the Cue railway—is for the purpose of helping to make the Southern railways pay.

THE PREMIER (Hon. Sir J. Forrest): We do not know yet whether this goldfields line pays or not. We have no statistics; it is all assumption.

MR. ILLINGWORTH: In the absence of statistics we must make out the best case we can. We must rely upon what evidence we have, and the proof will come when we get the figures. If you want to make your Southern railways pay you must have a large consuming population, and you will only get that large consuming population on your goldfields. It is no use to expect to see a consuming population in the district of West Kimberley for instance. A few tons of flour will satisfy the requirements of that district. We want to see the produce of the country consumed, and we want to see production increased, and increase again; and you can only do that by encouraging the development of your goldfields. I trust we shall soon reach a standard of production that will enable us to supply all our own wants, and the best market you can possibly have for your products will be found in your mining centres. Therefore, from the point of view of the producer as well as the miner, it is necessary that your railway rates should be made as low as possible. If you encourage the mining industry, you provide a market for the products of your agricultural and other industries. The hon. member for Geraldton stated the other night, and stated truly, that the development of a new country usually comes about in this order—pastoral, mineral, and agricultural. That cannot be disputed. It has been said that a kind Providence has played into the hands of the first Ministry of this colony. I think no one can deny that of all the lucky Ministries that ever governed a country the present Ministry has been the most lucky one. Here we have three rich

mines discovered just for the purpose of making this goldfields railway pay! I hope these splendid discoveries are the precursors of many more. I have maintained for years that there is a distinct reef going right through this colony, and I am glad to find my impression confirmed by recent developments. At any rate the one feature in this colony that points to a grand future is the development of its mining industry, and it is what will make its railways pay, if anything will. Coming back to the point I started with, and with which I will close, I will say this: if the Minister of Railways is prepared to run our railways throughout the colony on purely commercial principles, and fix upon a uniform scale of charges that will make them pay their working expenses, and also the interest upon their cost, I will support him, and I would call upon this House to support him. But if he is going to pick out a railway here and a railway there, and especially our goldfields railways, and only apply this principle to these railways alone, I cannot support him. There is no just or solid argument to sustain such a policy.

MR. RICHARDSON: The hon. member who has just sat down has pelted us with the doctrine that the "penal" railway rates (as he is so fond of calling them) are killing the development of our goldfields. At the same time the hon. member says that if the Government will only levy these penal rates upon every other railway in the country he will support them—that is, in killing every other industry in the colony as well as the mining industry. That is the sum and substance of the hon. member's argument. I should be very sorry, myself, to see such a policy adopted. At the same time, I have not heard anything yet to give us the slightest ground for believing that the present railway rates are killing the goldfields, or anything of the sort. It seems to me that the objection to these rates is entirely a matter of sentiment, or a great deal of it. Let us examine the figures. We have been told by an hon. member, who ought to be an authority, the hon. member for West Kimberley, that the weight of a stamper or battery is about 15 tons; if so, the difference between the present freight rates and the rates which the advocates of a reduction

desire would be only about £30. Yet we are told, in the coolest manner possible, that a difference of £30 in the cost of a battery, which originally cost £1,000 or £1,500, is going to kill the development of our goldfields altogether. I cannot take that in at all. But that is not the question I wish to deal with. It is this: it is just as well for this House to know, at this stage, upon what ground we are standing with regard to our railway policy. Are we going to sanction a Loan Bill, and to spend something like half a million of money upon one portion of the colony, and £300,000 on another part of the colony, in building railways which will be run probably at a loss? So long as we understand that we are to do so, we shall know what we are doing, but it is just as well we should appreciate the fact before we have this Loan Bill before us. There is another point in the speech of the hon. member for Nannine which I must refer to, in passing: he led us to understand that Victoria is now sinking under the weight of her deficit of £2,000,000 or £3,000,000, because she has not been running her railways on commercial principles; that the secret of her downfall, and of all her financial troubles, lies in the fact that her railways have not paid. I, for one, cannot accept that doctrine as the cause of Victoria's downfall. The falling off and the loss in her railway traffic is an effect and not a cause at all. It is the effect of a depression that has arisen from another cause; and her railway policy has no more to do with that depression than the man in the moon. Before the late depression, the Victorian railways paid fairly well, until successive Ministries vied with each other in building a number of cockspur lines, as little sops for country constituencies. They not only paid their expenses, but also a moderate interest of from four to five per cent. on the capital, according to the season of the year and the volume of traffic. I should like to make a few remarks upon the difference between building a railway to a goldfield and building a railway to an agricultural district. In the first place, there may be a great deal of traffic one way to the goldfield, but no back traffic worth speaking of. But that is not the great point. It is this: the population on a goldfield,

as we know from the history of goldfields all over the world, is often a transient one. It may last five years, it may last ten, or it may last twenty; but in the history of the world it has never been known for a goldfields population to remain *in statu quo* for a great length of time. The fields themselves become played out sooner or later, and when that comes to pass the population vanishes, and with them the railway traffic. We therefore have to consider in building these railways where the interest upon the capital expended on them is to come from. This is not so with railways to agricultural centres. There the population are settled on the soil, and the area of production is extended every year, and consequently the traffic on the railway is increased. It may be 1,000 tons of produce this year, and probably 2,000 tons or 3,000 tons next year, and 4,000 tons or 5,000 tons the following year. As settlement increases so must the traffic increase. But what is the case with a goldfield? If you take 10,000 tons of ore out of a mine to-day you do not know that there is another 10,000 tons behind it; and what you take out of a mine is gone for ever. You cannot expect a golden harvest from that mine year after year, as in the case of agricultural production. Another point is this: you may take this wealth out of a mine and send it out of the colony, and the colony itself receive little or no benefit from it. But nobody can say that is the case with agricultural railways. I yield to no one in a desire to see our goldfields developed. I quite agree with what is said about their being a very important factor in the prosperity of the colony, and I think it is our duty to do everything that is fair and reasonable to develop them and to increase their productiveness. But I cannot see that having developed them, or having developed themselves, to the present point—I cannot see that £4 or £5 a ton for railway carriage is going to kill them, after their having been developed in the face of a charge of £20 or £30 a ton for cartage. But the chief point I wish to bring before the House is this: I want to know upon what basis we are going to run our railways? Do not let us live in a fool's paradise, and imagine that our railways are going to pay interest and working expenses hand-over-fist when we are

adopting a policy towards them which makes it impossible for them to produce that result. I would draw attention to the nature and scope of this resolution, which is a very comprehensive one indeed; and it would be just as well for members to consider what they are doing before they pass it. It says this: "That in the opinion of this House it is desirable that there should be one uniform scale of charges for the carriage of passengers and goods over all the Government railways of this colony; and that, if possible, similar arrangements should be made with all private companies." If we assent to this resolution in its present wide and comprehensive form we, as it were, put an end to any possibility, at any future time or under any circumstances that may arise, of the Government making any differential charges upon any railway in the colony, no matter what the peculiar local conditions may be, or what the grades or cost of construction and working may be, or what the traffic may be. We simply tie up the hands of the Government, and prevent them from ever charging anything beyond or below one uniform rate, so long as this resolution remains in force. It is as well we should understand what we are doing. I maintain that the proper time to thresh this question out is when we get the Loan Bill. We may then perhaps have some assurance from the Government as to what rates they propose to adopt upon these railways, and the House will probably be guided in its policy by that assurance.

MR. R. F. SHOLL: The hon. member for the DeGrey says that the objection to the present high rates on the Yilgarn railway is a sentimental one. I think there may be a good deal in sentiment. Life is made up very largely of sentiment. I expect if the hon. member had to pay higher rates in his locality than other people paid he would object to it. I do not know whether he would call it a sentimental objection then. It is just the same with our mining population. They naturally object to paying higher rates than any other section of the community. They object to being specially taxed to make up for the losses upon other railways, built and maintained for the benefit of other industries. Why should the Government pick out the people on these

goldfields and penalise them by compelling them to pay a double rate? They say there is only traffic one way, but if that traffic pays better than any other line in the colony, why should they be charged these high rates? I think it was a pity the hon. member did not defer bringing forward this motion until the House is in possession of the returns asked for by the hon. member for the Swan. We would then see what very little traffic there is on some of our other railways. We do not hear of any proposal to penalise those railways that do not pay. I think the hon. member for West Kimberley was wrong when he put down £30 as the difference in the cost of transport in the case of a crushing battery. We must remember that, in addition to the machinery, there is the timber required in its erection. I think the entire cost would not be less than about £200, instead of £30. This question of timber is a very important one on some of our goldfields. It is proposed, for instance, to build a railway to Cue. We know perfectly well that all the timber required on the goldfields up there will have to be taken by railway from these Southern parts of the colony. This will be a good thing for the timber industry; but the Government, instead of doubling the ordinary rates for timber, will have to reduce them. They will also have to charge for it at per cubic foot and not by weight, otherwise we shall be cut out altogether by imported soft woods. The Government say they want to run their railways on commercial principles, so as to make them pay. I should like to know whether 15s. a ton, through freight, to Albany is a charge that is based on commercial principles, or likely to pay? I think they must lose upon that, for I suppose the Great Southern Company takes more than half of that 15s. I must say again I am most strongly opposed to the policy of the Government in picking out this one particular line, and trying to extract a little more profit out of it for the benefit of some of the other lines they are losing on. I should like to see a commission appointed to go into these matters, and see how the Government are making up their railway returns. I believe that the figures that are placed before the public are misleading. I am informed

that the department charges for everything that goes over the lines, whether it belongs to the Government or to private people, and that they even charge for carrying the material for repairing their own lines. All these things are included in their revenue returns as earnings. I should like the Government, when they publish these returns, to show in one column the gross earnings, and in another column the actual revenue received from the public. As now published, the returns are certainly misleading to the public; and this is what the department calls running the railways on commercial principles. I also believe that the railway receipts include the revenue derived from the jetties, which, at Fremantle, must be very considerable. I think the sooner that jetty is taken away from the control of the Railway Department the better, and let the returns be kept separately, so that we may know what our railways are really bringing in, and what is the actual cost of them to the public. I should also like to see how much we have to pay by way of compensation to people for the loss and miscarriage of their goods. I hope the motion before the House, and this debate, will show the Government that there is a strong feeling of opposition to the penalising rates charged on this Yilgarn line. I have no "axe to grind" in this matter, and I do not suppose this extra charge will affect me much. But I think that the system of picking out one particular line of railway and charging an extortionate rate for the carriage of goods and passengers upon that railway, and upon no other, is an obnoxious system, and should not be countenanced by this House. Whether this motion is agreed to or not, I feel sure that the present agitation against the present rates will never cease until this obnoxious principle is done away with. It is true the Government are hardly able to meet the traffic on this line, notwithstanding these high rates, but one reason for that is that they have to take so many extra trucks, with water for consumption on the journey. Surely that ought not to be charged to this line, when it is the fault of the Government in not constructing their tanks earlier.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): And making the rain come down.

MR. R. F. SHOLL: If you had made these tanks part of the railway contract, they would have been built and fitted last year, and would now be available for use, instead of having to haul water by train all that distance. To go and charge the line with the cost of this haulage, when it is the Government's own fault, seems to me most unfair.

THE PREMIER (Hon. Sir J. Forrest): What would you charge it to?

MR. R. F. SHOLL: I would not charge it to anything; if the Government make a mistake through want of foresight and common prudence, they ought to put up with it. I may say that I am opposed to differential rates at all. I do not see why a certain section of the community, whether mining or agricultural, should be singled out and compelled to pay more per mile for the carriage of their goods and themselves than other sections of the community. As to there being no back traffic from Yilgarn, I guarantee there is more back passenger traffic on this line than on many other lines in the colony. Still they are charged more per mile than passengers on other lines are. The fact of the matter is, the Government have no sympathy whatever with the people who live in these goldfields districts.

MR. WOOD: I rise to say that I cannot support the motion of the hon. member for York, and I further beg to state that I am quite in accord with the action of the Government in regard to the railway rates to Southern Cross. I congratulate them upon recognising what I consider their responsibilities in this direction. No doubt the tariff rate on this line is not a perfect tariff; I think it may be amended in many directions, and particularly the passenger rate.

MR. MONGER: You are with us then.

MR. WOOD: I agree with the motion so far as that is concerned; but I think the Government are perfectly justified in adopting differential rates upon these goldfields lines. The Government has spent, and is spending, a vast amount of money in connection with its goldfields in the way of magisterial service, police protection, postal and telegraph facilities, besides railway facilities; and all the revenue the Government gets in return is what is paid for Miners' Rights, a few licenses, and a little extra revenue from

the Customs. I feel sure, in my own mind, that the direct net result of these goldfields is a loss to the Government. An immense expenditure has been incurred in boring, and the construction of tanks, and water conservation, and in other directions, and the net result must be an absolute loss to the Government; and the only way the country is likely to derive any benefit from these fields will be in an indirect way. These being my views, I cannot support the motion before the House.

MR. LEAKE: The discussion upon this motion appears to be an instructive prelude to the discussion upon the Loan Bill, and, if members stick to the principles they now advance, I think we may say that the passage of that Bill is imperilled; and if this should be the result of the discussion, I for one shall be very glad, because no doubt if we are to go on borrowing money we must be prepared to pay the interest, and if we build railways we must pay their working expenses. I said the other day, when speaking to the Address-in-Reply, I should support the Government in any endeavour they made to maintain their freight rates; I shall, therefore, support them in this instance. I hope they will not only maintain the present rates on these goldfields lines, but that they will increase them, because these railways should be made to pay directly if possible. There is an inherent quality in a goldfield of a nature to enable it to bear these extra rates. As the hon. member for the De Grey truly said, the inhabitants upon a goldfield are not a permanent population. They are here to-day, and gone to-morrow, and they can well afford to pay for a privilege or a luxury. Will the imposition of higher freights deter people from going to these goldfields? Certainly not. Why shouldn't the country, then, get the advantage of this influx of population, who are attracted here by the wealth of our mineral resources? If we regard that deputation which waited upon the Commissioner of Railways a short time ago, asking for a reduction of the freight rates on this line, we must be struck with the *personnel* of that deputation, consisting, as it did, of those principally interested in the trade of the central districts, and having business

connections with the goldfields. What guarantee have we, or what right to assume, that these traders would reduce the price of the goods which are carried over this railway in anything like a reasonable proportion to the concessions they themselves demand? It is true, as has been mentioned, we do not expect our railways to pay directly, but there are indirect advantages usually accruing from them. Unfortunately, these indirect advantages accrue to the centres of population, that is, to Perth and Fremantle chiefly, and our other towns; and, representing as I do, a country district, I do not hesitate to warn members against encouraging any political system which will tend to the centralisation of population in our large towns. No doubt this system has gone a long way to reduce Melbourne to its present unfortunate position. What we want is to distribute people as much as possible all over the country, and not have them concentrated in our towns. I shall support the Government for once, in opposing this resolution of the hon. member for York. I have no doubt I shall be able to make friends with my hon. friend in some other motion, which has reason and righteousness on its side.

MR. LOTON: It is news to me, and, I think, to other members, to hear that the hon. member on my right (Mr. Leake) represents a country district. I have always been under the impression that Albany, if not the hub of the colony, aspired to be the principal seaport of the colony. With regard to the question before the House, the hon. member who introduced it argued, as far as I was able to follow him, that there should be one uniform rate of charges on all the railways of the colony. The hon. member said that this was the case in the other colonies of Australia; but I think if the hon. member were to look sometimes beyond Australia, it would do him good. There are other places in the world besides Australia with extensive railway systems; and, I believe I am perfectly right in saying that England, with its network of railways, is very far from adopting a uniform system of tariffs.

AN HON. MEMBER: They are not Government railways.

MR. LOTON: No; they are not Government railways, but they are rail-

ways that are worked on commercial principles; and there it is not found requisite to have one uniform tariff, but a tariff that will best suit the particular localities which the railways run through. I should be very glad indeed, myself, if we could have one uniform tariff on our railways throughout the colony; and I think it is the duty of the Government, and our duty as the representatives of the country, to work as far as possible in that direction. I will go that far. At the same time we have to look to the position we are in at the present time. We are not just commencing to build railways in this colony. We commenced to build railways some time ago, and we have constructed a certain number of them, and we find, to our cost, that we have to pay their working expenses, and also the interest upon the money we borrowed to build them. The hon. member for Nannine told us that none of the railways of the colony are paying. I am not sufficiently posted up to say whether any particular section is paying—I think some of them do, the section between Fremantle and Perth, and up to Guildford, and a little further on. But I think it is doubtful whether all our railways pay. I think it will be found that they are yet a considerable encumbrance upon us. As I pointed out the other day, it may be shown that there is a surplus to go towards the payment of interest after paying working expenses; at the same time I must reiterate the statement I then made that a considerable portion of the receipts shown by our railways are what may be called extraneous receipts, abnormal receipts, being revenue derived from the conveyance of Government material during the construction of new lines, and revenue derived from contractors in the same way. The receipts from this source cannot be regarded as ordinary receipts showing that our railways do pay. When we get the returns I have asked for, I think we shall find ourselves face to face with the fact that our railways are not actually paying their working expenses, let alone interest,—that is, from the revenue derived from the commercial and travelling public who have to pay cash. Having this liability upon our shoulders, and with the high rate of taxation we have at the present time—

higher than in any of the other colonies; not one of them comes up to us in that respect—I think it is our duty to see that we get as much legitimate revenue as we can from our railways, especially if we are going to saddle the country with more lines. I take it that the Government had some such idea in view when they decided to impose a higher tariff of rates in connection with this Yilgarn railway, to start with, and as a temporary measure, until it is seen whether lower rates would be justifiable. It is easier to reduce the rates than to increase them once they are fixed. As has been pointed out already, the charge for cartage to these goldfields, before this railway was built and opened, was from £20 to £30 per ton; now the rate by railway has reduced that charge to about one-fifth what it used to be. When this is borne in mind, surely it cannot be said that this railway is not assisting the goldfields very materially indeed? Instead of paying £5, they now pay £1. I hope we may be able to assist them further as soon as we can see our way to do so in justice to other parts of the colony. It was said just now by the hon. member for Nannine that the Government made a profit out of the goldfields. I shall be very glad to see the figures upon which the hon. member put forward that statement. I think I could turn them upside down and inside out very quickly. The hon. member surely must think that all the gold obtained on our goldfields must go into the pocket of the Government. The hon. member is said to carry a very clear head, but I think he goes sometimes astray. I am afraid that all the profit out of our goldfields goes into the pockets of private individuals and not into the pocket of the Government. The expenditure comes out of the Government, but all the profit goes to private individuals, except a small amount derived from fees and Customs duties.

MR. MONGER: What's the use of talking; let us vote.

MR. LOTON: I think so too. I trust there is sufficient sound common sense in this Assembly to pooh-pooh this motion altogether. The hon. member for the De Grey raised an important question, when he asked whether, in considering the Loan Bill that is to be placed before

us, we should look upon all our railways as lines to be worked on purely commercial principles, and have one uniform tariff adopted, under every possible circumstance, and whatever the local conditions may be? There is no doubt that so long as there is a higher charge made upon some lines than others there will be an outcry for a reduction, and, sooner or later, that outcry will have to be faced, and the people on our goldfields must be fairly, and honestly, and liberally treated. At the same time I trust that whoever represents the Government of the country will have sufficient backbone to stand up against these outcries, so long as the Government feel that they are in the right; and, although it may not be a pleasant thing, they will have my support. I think their action in the present instance was a right and proper action, and for that reason I shall support them. At the same time I should like to say, with regard to the passenger rates, that I trust the Government will see their way to reduce them to the level of ordinary passenger rates.

MR. MONGER: Then you, too, are with us?

At 6.30 p.m. the Speaker left the chair for an hour.

At 7.30 p.m. the Speaker resumed the chair.

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): I should have liked to have heard more members address the House on this question to-night, because it is one of the most important we have had to discuss, as it should in a measure define once and for ever the principle which should be adopted by this House and the country in regard to the construction and future working of the railways. I have been pleased in hearing the views of hon. members expressed on this question, and I feel satisfied the Government are also pleased with the tenor of this debate. I think it would have been better, however, if the mover had waited a few days until the Loan Bill came before the House, so that this question might have been discussed more fittingly in connection with the new railways which it is intended to construct under that Bill; and by waiting a few days, the mover would also have

discovered that the Government have had under consideration several questions which were brought under their notice by the deputation from Southern Cross, which the hon. member introduced to me a short time ago, and he would have found, as a consequence, that the Government were prepared to admit there were some little inconsistencies in the railway tariff, which would have been altered. I think the trend of the discussion on this motion shows, clearly and emphatically, that this House intends to keep in view the incidence of taxation in relation to the working of our railways, and that the House is under the general impression that the railways shall be made to pay, and that those who use them shall pay directly for the use. The principal effect of the views advanced by some hon. members is that though they do not disagree very much with the rates actually charged on the Yilgarn railway, they do disagree with the underlying principle which says that one portion of the community shall be taxed more than other portions, by having to pay higher railway rates upon the goldfields traffic. Well, I admit that is objectionable, in general; but when we have to apply the principle practically to the case of a goldfields railway, constructed absolutely for mineral traffic, in a district not permanently settled, and which railway is a speculative undertaking in the sense that it is built exclusively or immediately for the purpose of developing the goldfields, those fields being situated in a country not suitable for agriculture, and which would be deserted to-morrow by the mining population if the gold ceased to be found in payable quantity; I say when we have to deal with these conditions, we must not look upon a goldfields railway in the same light as on a railway constructed to an agricultural district, where the settlement is not temporary but for all time, where the production is improving every year, and giving a back freight which yields a permanent revenue. I believe my colleagues agree with me in this, but it is, at any rate, my fixed opinion, that no Government should borrow money for constructing a railway, unless they can show the prospect of a distinct profit on the investment, and that there is a *bond fide* intention and desire to pay the

interest on that loan, and at some future time to repay the principal. Now, if that proposition had been carried out with regard to all our railways in the early days, I dare say the results would not have been as we now see them, because the population using the lines might have been called upon to pay rather higher traffic rates, and perhaps beyond their means. But the principle should have been insisted on, and if it had been so, we should have had no difficulty of this kind rising up now. When I came into office and was put in charge of the railways, I think my colleagues did it because they thought I had some backbone; but I find that some hon. members of this House do not credit me with having much backbone, though I think that is because they have not had much to do with me in contentious matters of principle. One hon. member (Mr. Monger) has said he would draw my attention to some opinions I expressed last year on the question of railway rates. To that I would say, a wise man changes his opinion, a fool never; and if I have changed my opinion with regard to railway rates, I am not aware of it; but, even if so, I was not dealing with the subject of railway rates for mineral lines, in the remarks I made last year. I do know that when the present Government brought before the last Parliament their proposals for constructing a railway to Southern Cross and a railway to Mullewa, if the Government had been then asked whether they were prepared to support a differential tariff for goldfield traffic, they would have said "Yes," and that House would not only have applauded their intention, but would have almost insisted on that principle being included in the Bill. I think it was a mistake not to include it in the Bill, because it would have shown that the rates were fixed by statute, and were not to be subject to the caprice of any Government that might be in power. It would have been an advantage to the colony if the principle had been fixed by statute. One hon. member has asked: "How do we know the differential rates are going to be maintained permanently?" Well, I say you may, at some time, have a Government which has no fixed principle in this respect, and may reduce the rates down to starvation point, as has

been done in Victoria. Therefore it would have been an advantage to this colony, and this Government, if a clause had been inserted in the Yilgarn Railway Bill, providing that a differential rate should be charged on that railway, and that the rate should be fixed. It is also said the fact that the cost of carrying goods by road from Northam to Southern Cross, before the railway was made, was much higher than by railway now, has nothing to do with the present question, but that the grievance is that one part of the colony is paying more than another for the carriage of goods by railway. I say it has everything to do with it, because if people who were previously paying £25 or £30 a ton by road can now get goods carried for one-fourth or one-fifth that rate by railway, it cannot reasonably be said that the lower rate now charged by railway militates against the development of the mines on those goldfields. I will state a few figures as regards the actual charges. The contractor who constructed the Yilgarn Railway was charging, before he handed over the finished line, an all-round rate of £3 a ton for everything carried from Northam to Southern Cross, and the Government did not hear any complaint against that charge while it existed. [MR. MONGER: What was the use of complaining?] There was no complaint, because people had been paying £15 to £30 a ton before the railway was made, and they thought the drop down to £3 a ton was very easy. When the Government afterwards took over the railway, we classified the charges for carrying goods, and fixed them on a moderate scale. For instance, the rate for carrying breadstuffs, instead of being £3 per ton as had been charged by the contractor, was only 30s. 6d., and the rate by road had previously been £30 a ton. [MR. R. F. SHOLL: They never paid £30.] Well, if they paid only £10 by road, there is the great reduction down to 30s. 6d. [MR. MONGER: Tell us what they paid to Bunbury.] That has nothing to do with this question, so long as the railway rates are not penal rates, and I object to that word "penal" used by the hon. member for Nannine (Mr. Illingworth). As to the charge for carrying machinery, the rate now charged from Northam to Southern Cross on stone-crushing plant is £2 6s. 11d. a ton,

in the second class, as against £30 by road; the charge for carrying boilers, which used to be £20 to £30 a ton, is now £2 5s. 8d. a ton; and yet the hon. member says these rates have the effect of retarding the development of the goldfields. [MR. MONGER: I never said that.] I say the Government have acted in the most liberal and conscientious manner in this respect, and that the rates are such as can easily be paid by people on the goldfields or shareholders interested in the mines.

MR. R. F. SHOLL: Are these the charges for the single journey, or double?

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): These are the actual charges. The charge on stone-crushing machinery from Northam to Southern Cross, second-class rate, is £2 6s. 11d. a ton; the charge on boilers, at second-class rate, is £2 5s. 8d. a ton; and the total charge for carrying a 15-ton boiler would therefore be £34 5s., as compared with £400 or £450 formerly charged by road. That difference is so great, that really the hon. member, in bringing forward this motion, could not have expected support in this House. It is hardly worth my while to labour this question very much. I am prepared to defend the action of the Government in every particular in this respect; but I do disclaim the attitude of some hon. members to-night, who say the intention of the Government is to make this railway to the goldfields pay for losses on other railways in the colony. That is absolutely absurd. We do not intend to do anything of the sort. If it is intended to make the railways pay the working expenses and interest on capital, and something towards sinking fund, then I say the charges which are being made for traffic on the Southern Cross line are the rates that will attain that end. As I said to the deputation that waited on me, the duration of the life of a goldfield may be computed at five to 40 years; but the Government have been liberal in their estimate, for they have a great idea of the future of these goldfields, and they do put it at 30 years. I think that is a long life indeed for a goldfield. Hon. members must know that many goldfields which were in existence 30 years ago, and were then thriving and prosperous, are not now being worked. Therefore, taking

the life of these goldfields at 30 years, we want a revenue based on the interest of four per cent. upon capital, and something towards sinking fund, besides paying the working expenses; and to arrive at the probable traffic we have taken the average of traffic during the last nine months. And what has that traffic been? It has been very large indeed; and that amount of traffic will, possibly, be not much increased; indeed, if it is maintained as an average it will be a considerable traffic. That being so, it will be a fair thing to base the estimate of the next year's traffic on something like the traffic of the last nine months. We have, in fact, taken the traffic at a rather larger tonnage, and based our estimate on that. The rates we have now instituted will barely cover the working expenses, which are kept down very low, together with interest on capital at four per cent., and a further small sum, if any, to go to sinking fund. It would have been better if the Government provided a larger sum for the sinking fund, because a railway built with a life of 30 or 40 years must be worked on some system by which the principal may be worked out within that period. If by any unforeseen circumstances these goldfields cease to be payable—and I am not speaking of any goldfields except those of Coolgardie—if anything happens to them by which they may be worked out within, say, 15 years' time, then I say that within two years after that date there will hardly be a living soul on those goldfields. In that event the interest on the capital sunk in this mineral railway would remain as a burden on the settled population in other parts of the colony. There will be a large number of alluvial miners moving about wherever gold is to be found, and they do not settle upon any particular portion of the fields, and may not remain long in any place. Therefore, in dealing with this mineral railway, it was a wise provision for the Government to make a differential rate, so as to pay the working expenses out of the traffic earnings, together with interest and something towards sinking fund. Hon. members will see that there are other portions of the railways of the colony that are paying. [MR. MONGER: Where?] Where? In the district which the hon. member so much disrates—the South-Western Rail-

way. The amount of traffic carried over that new railway in the first year was never attained on any line in the Eastern districts in the early years. The hon. member may doubt that, but he will find there is a balance of close on £5,000 for the first year's working of the South-Western Railway; and that result has not been assisted by any returns from the carriage of contractors' plant or materials. That revenue is based on its own foundation of regular traffic, and has not been assisted in any way by the carriage of contractors' plant, because all the material required for constructing the Boyanup and the Vasse Railways has gone to Bunbury by sea. The object I have in view, as Commissioner of Railways, is to make each railway pay on its own account. I am opposed, and I suppose every hon. member will be opposed, to any differential rate, if it can be avoided; but the circumstances of this colony are such as justify a departure from the rule. I feel sure that on this question the House will support me in every possible way. [MR. MONGER: I hope not.] I believe this House will affirm the principle which you are contesting in this motion, so that this question may not be continually raised. I feel sure seven-eighths of the population of Western Australia will applaud the action of the Government in this matter. [MR. MONGER: I don't think they will.] Well, if the hon. member is correct in his statement, he can bring sufficient pressure to bear for forcing an alteration in the policy of the present Government. There is a great deal of sentiment brought into the question with regard to rates charged on our railways in agricultural districts. The population settled in those districts is not there merely for 15 or 20 years. In those agricultural districts the population will increase, the revenue on those railways will increase, and before many years are over we shall find that not only will the working expenses and interest be paid, but the traffic will go on increasing, and will be a permanent traffic for all time, and there will be a sufficient surplus of revenue to be put on one side for repaying the principal. I may tell hon. members the cost of the management and working expenses of the Eastern Railways, when I took charge of them, was in the ratio of 114 per cent. to the

revenue; last year I told the House we had got it down to 82 per cent., and I think I shall be able to show, this year, we have brought it down to 78 per cent.

MR. MONGER: That is owing to the Yilgarn traffic.

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): And, what is more, you cannot get rid of the fact that we have got the money in the chest. One hon. member said the railway accounts were absolutely misleading. I don't think he meant that, but what he meant was that the railway accounts are not furnished with a great amount of detail, so that you might pick out that amount of traffic receipts which should not be a direct credit in the same way as the money received from the public is credited. But any hon. member can get that detail by asking for it, and you will be able to see that a large quantity of such material has been carried over the railways, though the mode of accounting for this kind of revenue will not very much affect the principle on which the railways are now worked. It will rather go to show that we ought to increase the rates on the Yilgarn Railway in order to obtain the necessary amount of revenue, because without that source of revenue we would not be able to show the total amount we are now able to do, and would not be able to show to those people in England who have lent us money for building railways that we can pay the interest on the money from our railway revenue without any direct taxation from the people. If a certain portion of the traffic earnings is to be taken away as fictitious, then we may have to increase the rates, because we must get sufficient revenue, and the portion that is taken away from the returns will have to be made up from some other source. If you do not charge this higher rate, and you do not obtain a sufficient revenue from the railways, where will you get the money from? It must then come from taxation. I may say now that the railways of this colony will, before long, and if properly worked, be the means of reducing the taxation of the country in every possible way. I believe hon. members will support the Government in the action they are taking. [MR. MONGER: I don't think so.] My hon. colleagues may have something to say on this question, and I

believe the Government will support me in the action I have taken, notwithstanding what an hon. member opposite has called my "fad." If I have any fad, it is that railways should be built and worked on common-sense principles, and that we should do away with the free passage of goods and dummy tickets, which are not existing at present. I feel sure the House will support the Government on this occasion; and, by doing so, it will be a strong reason in favour of the Loan Bill that will shortly be before us.

MR. SIMPSON: I am satisfied the House will support the Commissioner of Railways in his contention, but not for the reasons he has urged. The Commissioner's idea seems to be that the gold finds which have been made recently are so magnificent, and the fellows out there are getting rich so fast and making money so easily, that we must, at this stage in the colony's development, establish what the Commissioner calls the commercial principle. I was a little surprised at the Commissioner's line of argument, for I did expect he would have treated this question more from the professional point of view, and not resorted to the catchpenny argument that, because cartage was before £15 a ton and now the charge by railway is down to £2 a ton, there ought to be no objection to the railway rate on the line to Southern Cross. I have heard it stated that in this colony, some years ago, wheat was fetching 12s. a bushel, and now it fetches only 3s. The price of wheat has come down in the ordinary course of evolution of the industry, and the consumer, at any rate, ought to be satisfied to get the wheat cheaper. But, as to working our railways on commercial principles, I am quite prepared to meet the Commissioner on the question; and to my mind the element of commercial principles, in connection with the management of our railways, must include not only the money borrowed, but also the cost of maintenance and the cost of haulage. These should be the three factors making up the tariff of charges on our railways. As to paying to a sinking fund for repaying the cost of construction, I entirely object to it. These railways are built as a perpetual appanage, available for our successors; and we could sell the railways to-morrow, and pay off our national debt.

So, I fail to see any reason for establishing a sinking fund for our railways, so long as we provide rates for obtaining a revenue sufficient to cover working expenses and maintenance, and the interest on loan. Then we come to the question of differential rates. It seems to be taken for granted that there is never to be any return traffic on these lines to goldfields. I entirely fail to follow that argument, for, although the Ministry have developed a considerable amount of mining talent on this question, and have determined the average life of a goldfield, yet they are no more in a position to foretell the life of these goldfields than I am, and I say it is utterly impossible for any man in the world to predict it with certainty. There is an old mining saying that you can't see beyond the point of the pick. The Commissioner fixes 30 years as the life of these fields. I suppose the Ministry must be acquainted with abstract science, as when, for instance, they used the divining rod to discover water. But, can the Commissioner point to any part of Australia, where a railway has been constructed to a goldfield, that is not alive and working to-day?

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): Yes; the Thames Railway in New Zealand, North Island.

MR. SIMPSON: I did not allude to New Zealand; I said Australia. The formation of the reefs and the country in New Zealand are entirely different from Australia. A great deal has been made as to the Victorian railways and the starvation rates there. It was the making of political railways that ruined the traffic in Victoria. We are dealing now with the question of differential rates. The man at Yilgarn has to pay double what the man at Northam or York has to pay, and the reason given is that there is no back traffic from Yilgarn.

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): Not double, but 50 per cent. more.

MR. SIMPSON: Well, there is 50 per cent. more to pay, and the truck comes back empty; but that is not the fault of the man who goes out there. Now, as to the element of cost of construction, I think that railway to Southern Cross was constructed for about £875 a mile; that was about the contractor's price.

THE PREMIER (Hon. Sir J. Forrest): Rails and rolling stock, in addition.

MR. SIMPSON: Yes, the Government had to supply the rails and rolling stock, which would bring the cost up to about £2,200 a mile. But I say the very railways over which they are running these goods at cheaper rates—the lines from Fremantle to York and from Fremantle to Northam and Newcastle—have cost the country between £6,000 and £7,000 a mile for construction and equipment. They also failed to pay the working expenses for years, and you must add that accumulated loss to the capital account, and charge interest on it. And these railways to-day represent an outlay of between £6,000 and £7,000 a mile, or about three times the cost of the railway from Northam to Southern Cross. Surely that should be an element in the calculation of the rates? Another feature is the question of the revenue, the profit, derived from the goldfields by this country as a whole. The suggestion that this country has derived a profit from its goldfields has been pooh-poohed by the Ministry. They say they would like to know where the profit comes in. I challenge them to take the cost of administration and loan interest chargeable to the goldfields, and I say they will find that, when compared with the revenue, every one of our goldfields shows a profit. Many a thousand pounds have I seen pitched away on the goldfields—lovely boring apparatus! magnificent officers out there! At one time there was a sort of official caravan there—four horses and four professional men—and they were driving about, sticking bills on the trees, warning the public to this effect: "Notice—Any teamster, camel train driver, coach driver, or other person camping on this watershed will be prosecuted according to law. By order. W. E. Marmion, Commissioner of Crown Lands." That was one instance of pitching money away on the goldfields. But we will let the Government charge four per cent. on all that wasteful extravagance, and even then I say—and I have recently taken the trouble of going to the Mines Office to find out—if they charge four or even five per cent. on their expenditure upon goldfields, both out of loan money and out of current revenue, our goldfields will still show a profit to the Government to-day. Considering the magnitude that industry

is assuming, there is one feature in connection with our mining population that has an extreme and important bearing on this question, and that is the position of the miner as a consumer and contributor to the revenue. Coolgardie to-day is the biggest centre of population in the colony, for there are eight to nine thousand men there, reckoning all the field right out to Mount Margaret and Lake Carey, and these men are all male adults; whereas in Perth you have a population of twelve to thirteen thousand, and you can't count more than four thousand male adults among them; and, practically, the wages sheet of Coolgardie to-day is greater than the wages sheet of all the rest of the colony put together—including also the Murchison, with the mining population. Another feature is that a great number of the people who go out on goldfields have to consume preserved meats, and imported food of that sort, which is very heavily taxed; and I believe the man who contributes most to the revenue of this country to-day is the miner. I say no country ever becomes great unless it has great allied industries that are interdependent; but these miners contribute more to the revenue than the population in any other part of the country. Taking the farmer down at the Vasse, he very seldom eats tinned meat.

MR. LOTON: There is only one farmer down there.

MR. SIMPSON: Then so far as the produce of York and Northam are concerned, most of it goes Eastward to feed the great consuming population on the goldfields, and the back traffic by railway from those places to Perth or Fremantle is infinitesimal. Then why should this differential or this penal rate be imposed on these men in the back blocks who are developing our goldmining industry? I have no personal feeling in this matter, beyond seeing that we are establishing a permanent principle in our railway management for the future. Treating the question most seriously, we ought to pause before we say we will place in the hands of any Ministry the power to make a penal rate for any outside new industry. As to precedents in railway management, we need not refer to England, for there is no proper comparison in the matter alluded to by the member for the Swan (Mr. Loton), in referring to England,

which is a country that we might put into the Yilgarn goldfield and lose it there; and we know the English railways are in the hands of private individuals, who look for dividends. Is it to be a principle of our railway management, for lines built with borrowed money, that we are to make them dividend-paying? The day we start that, by taking too much money out of the pockets of the people, we shall be doing a wrong and dangerous thing. I appeal to the people who live on the South-Western Railway line, and to those who represent constituencies along the Great Southern Railway—to my hon. friend, the member for the Williams (Mr. Piesse), for instance, who has as tender a care for the interest of his constituents as any two men in this House—I would appeal to him, and to the hon. member for Northam (Mr. Throssell), and to those gentlemen who represent the South-Western district, how can they benefit on the differential rate? Where do they come in? They can run their district produce straight away to Yilgarn, cheaper than such produce can be brought from Fremantle. To-night we are going to establish a principle that the mining industry, because it has no return traffic—and these conditions are to be permanent, as stated by the Commissioner of Railways, speaking as an authority to-night, and saying this is to be a permanent principle governing our railways to goldfields—that the mining industry is to be taxed more than any other industry by means of exceptionally high railway rates. When we have a stretch of a thousand miles of gold-bearing country, and do not know whether we shall get artesian water, although we do know that supplies of artesian water in other countries have turned deserts into smiling gardens; yet not knowing the possibilities of the future, our Commissioner of Railways asks us to lay down, as a permanent principle, that railways to goldfields, because they have no return traffic, as he says, must have traffic rates 50 per cent. higher than are charged for traffic to other districts. Sooner than commit myself to that principle, I hope the member for York will divide the House on his motion, and give me an opportunity of voting with him. The Commissioner also says these railways to goldfields are speculative lines.

He said that to the deputation from Southern Cross—and we know the words of a Cabinet Minister are read in England, where we are to get our borrowed capital for making more railways—he said the Yilgarn Railway was a speculative undertaking, and that, if Coolgardie had not been discovered, the bottom would have tumbled out of Yilgarn, and the railway would have been a charge on the rest of the country. I say, if he held that conscientious conviction in connection with this country's future, he had no right to introduce, or support the introduction of, that railway to Southern Cross, and he ought to have resigned his position in the Cabinet.

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): I did not hold that opinion at the time.

MR. SIMPSON: Southern Cross was in a lot better position than she is in now, when the construction of that railway was undertaken; there was a mine paying monthly dividends to a large amount; and I think we have no more right to look on these railways to goldfields as being merely speculative, and likely to have no back traffic, than we have to say it of those which the Government call agricultural railways. The Commissioner alluded to those agricultural railways, saying there will be permanent settlement and increasing traffic along them. But, to enable the miners to consume the produce raised by farmers in those agricultural districts, they are to pay double the traffic rate that is charged in agricultural districts. In America the system in connection with the railways is to charge low rates in order to induce settlement and traffic; and I say that, seeing the way this mining industry is opening up, we have no right to expect the goldfields railways to pay so early. I can refer to a recognised authority, who says that people should never look to a railway to pay interest on cost and maintenance until the railway has been working seven years; but here we are asking the people at the farther end of this railway to contribute, right away, rates sufficient to pay for the whole cost, from the initiation of the construction! It is unjust. It is unfair. It is contrary to all the principles of railway construction. And I say it is aiming a blow at our great, growing industry. It is also establishing

in the minds of a great and important section of the people a feeling of injustice; and I, for one, will never hold a position in this House, and smirch it by establishing in the minds of a great section of the population a feeling of injustice.

THE PREMIER (Hon. Sir J. Forrest): After the heroics with which the hon. member has concluded his speech, I must say a word or two, though I had not intended to speak on this motion. I will take the statement that we were doing our best to instil into the hearts and minds of a considerable section of the community a conviction that we were acting unjustly to them. Those remarks, taken in conjunction with the statement of the hon. member for Nannine (Mr. Illingworth) that there is, on this side of the House, a feeling of opposition or antipathy towards the people who are doing so much to develop our goldfields, may lead us to consider for a moment whether there is any ground for those assumptions. During the time the present Government have been in office, we have expended a large sum of money in building railways to the goldfields, and we propose to recommend to Parliament, in a few days, that a considerably larger amount of money should be expended in building other railways to the goldfields. When we have expended that further amount, we shall have expended over a million of money in the construction of railways and other necessary works for developing the goldfields of the colony. Surely that fact alone should prove to any disinterested person who lives on those goldfields that the Government and Parliament are thoroughly in earnest in desiring to promote, by every means in their power, the prosperity and development of those goldfields. The reason why the Parliament and people of the colony are desirous of doing it is that they believe it to be in the interest of the whole community; that to connect the goldfields by railway with other parts of the colony is in the best interests of the whole community. And how any hon. member can get up in his place and attribute to the people who live in the old-settled portions of the country a feeling of opposition or a feeling of dislike to the miners, who are doing so much to develop the resources of these goldfields, is to my mind altogether inex-

pliable. The hon. member for Geraldton is now altogether in favour of the Yilgarn railway being extended onwards. I am glad indeed to hear it, because not many weeks ago he spoke of the proposed extension to Coolgardie as a railway to only one mine—a railway to Bayley's Find and the Hampton Plains Company's land—a tin-pot affair.

MR. SIMPSON: I never used that term.

THE PREMIER (Hon. Sir J. Forrest): He did say he did not think the railway would be necessary, because it was to be a railway to only one mine. I am glad to find, now, that he has a higher opinion of that goldfield. It has been said by several speakers that if it had not been for the discovery of Coolgardie, this railway to Southern Cross, which I had advocated strongly, would have been a "white elephant" and a great failure. I am not prepared to say that. I am still of opinion that the railway was justified, even with the knowledge that has come to us since of the resources of the Yilgarn goldfield, which has a centre at Southern Cross. No doubt Southern Cross has not progressed during the last twelve months or more, to the extent we would desire; but that is easily understood, for when such an alluvial and reefing field has been found 120 miles further to the Eastward, is it likely that people would be content to stop at Southern Cross, which is almost entirely a reefing field, and that they would stop there and dolly out stone that yields about an ounce to the ton, when reefs so much richer were to be found 120 miles Eastward? The reason why Southern Cross has been, to a large extent, deserted is on account of the very rich field that has been found Eastward. Parker's Range, which is a place that will, in the future, be very largely developed, and will prove very profitable, has been almost, if not entirely, deserted, because people have been attracted, for the time, to the richer fields Eastward; but if those richer fields had not been discovered, I believe that Parker's Range, and Southern Cross, and Golden Valley would have been very different places to-day, as compared with their present condition, because the energies and the expenditure of those who are interested in the Yilgarn fields would have been devoted to those localities. So that, for my own part, I do not believe

we have any cause to regret the construction of this railway, even if Coolgardie had not been found. I believe the Yilgarn fields will be largely developed in the future.

MR. MONGER: Convince your own colleagues of that.

THE PREMIER (Hon. Sir J. Forrest): Now with regard to the railway traffic rates. From the speech of the hon. member for Geraldton, one would suppose the Government were anxious to charge very high rates. If it would be in the interest of the country to reduce those rates to Southern Cross, we would be glad to reduce them. What object could the Government have in maintaining high freights, if low freights would serve the purpose? Surely we would only be too pleased to reduce freights, if it were practicable. I look on this debate as altogether premature. We have scarcely yet taken over the railway from the contractor, and have had no experience of the revenue and expenditure in working in.

MR. MONGER: You have had the last month's return.

THE PREMIER (Hon. Sir J. Forrest): If the hon. member thinks we should be guided by one month's return, it would not be much in favour of his argument, because one item of expenditure alone in that month was £26,000 for some water trucks which had to be built for carrying on the traffic. That amount had to be expended during last month for enabling the traffic to be carried on, so that one month's working of the traffic is no guide. I think that when we have had a year's experience, or so, of the working of the railway, and have compared the accounts of the revenue and expenditure, it will be time enough for hon. members to urge that the rates are too high. It is very easy to come down, but it is almost impossible to increase rates. I think the Government have done wisely in raising the rates on that line, to commence with, so that as time goes on, if the railway proves to be very remunerative, it will be easy to reduce the rates, whereas it would not be so easy, but almost impossible, to increase them. I would be only too pleased if it were practicable to reduce these rates. I do not believe the mining population on those fields are suffering from injustice. It is merely, as the hon. member for the Gascoyne said, a matter

of sentiment—they feel they are being charged more than other people in the colony. But as to the working miner, I do not believe that if the rates to Southern Cross were lowered one-half, the effect would be a decrease in the price of meat or bread, or even the tinned meat that the hon. member for Geraldton refers to. Therefore, I look upon it more as a movement on the part of those who are engaged in trading at these townships on the goldfields, and they think, probably, that if they can get the railway freights reduced their profits will be greater; but as to the miners on the fields receiving any benefit from a reduction of freights, I do not believe it would make any difference whatever to them. As to the capitalists and shareholders who are engaged in forwarding machinery for the mines, I do not believe this movement comes from them, except to a very limited extent. I suppose that in Perth and Fremantle there are many hon. members largely interested in mining on these fields, and who have to contribute a considerable amount of money towards the erection of plant at the mines, but I do not believe the movement comes from them. It comes really from the storekeepers and other traders interested in the fields, who think they will be able to get more profit by means of reduced charges for the carriage of goods. But I do not believe a reduction would make a great difference even to them, though it would make more difference to them than to anyone else. From what I have heard to-night, I feel sure hon. members will support the Government in this matter. A large deputation made representations to my friend the Commissioner of Railways a short time ago, and they have been placed by him before his colleagues. I may say, however, owing to pressure of business, we have not yet been able to give that consideration to the questions which they deserve; but they will be considered, and if we find that we can, in the interests of the country, make any alteration in the rates, or reduce the charges—and probably some alteration will be made—I can only say it will give us very great pleasure to do so.

MR. THROSSELL: If the object in making the railway to Southern Cross was to reduce the cost of the necessities of life, it will not be difficult to show

that the object has been attained. Still, while that is so, it will also not be difficult to show that there is no better paying railway in the colony than that from Northam to Southern Cross. My chief objection is that the tariff is full of anomalies. I believe great good would be attained by referring the whole matter to a commission of inquiry in respect to all the railways in the colony. If the hon. member for York pushes this motion to a division, I shall have to vote for it, in accordance with the sense of a public meeting held lately in Northam.

MR. PIESSE: The remark of the Premier, that the traders are the persons principally affected with regard to the increase of rates on the Yilgarn line, has struck the key-note of the difficulty. If we look to the composition of the deputation that waited on the Commissioner, we find that it consisted principally of storekeepers and other persons from Southern Cross who are interested in trade. The clamour which several hon. members say exists I think does not come from the miners. Only a few days ago, when travelling towards the Eastern districts, I had an opportunity of discussing this subject with several miners who were returning from the fields. They said the charges on the railway were quite in accord with the opinion of miners on the fields; and they said they thought the Government had reduced the rates, as compared with those previously charged by the contractor, very much lower than had been anticipated by the people on the fields. Possibly these miners might have just discovered a Londonderry or a Wealth of Nations, and might have been in extra good form; but, at any rate, this clamour which has been talked about so much is really created by the traders themselves. [**MR. MONAGH: No.**] I have been engaged in trade, and I know that one or two of those who were prominent in the deputation are not now residents of Southern Cross, as they informed the Commissioner at the time. They may be on some part of the fields; but I say that if they led the Commissioner and others to believe they were permanent residents of Southern Cross, it was a breach of faith, and shows they have come forward with untrue statements. We know that much of the grievance is imaginary. Those who are engaged on

the fields should think themselves fortunate in having the opportunity of getting their goods carried to the Cross at such a charge as they have to pay. The higher rate formerly charged by the contractor seemed to be a hardship, though every one was gratified to find that it was so much less than had been previously charged for carrying by road. But now that the charge has been further reduced to 30s. a ton, that is a still greater help; and I cannot see how we can possibly expect the rates to be reduced further for the heavy goods that are most needed on the field. It is very unreasonable on the part of those who are pushing on this question. The hon. member for York is prompted, no doubt, by good motives, and all credit is due to him as a broad-minded member; but, at the same time, I think the House and the country, before going into further expenditure on railways, should well consider this question in all its bearings. If I could further promote differential rates, which I supported before in regard to agriculture, I should be glad to do so. It has been said that the railway rates in America are made very low at first for the encouragement of settlement and in order to create a traffic; but these goldfields of ours may be short-lived, and, if so, the population in the settled portions of the country will have to bear the burden, for the miners are not likely to stay here in large numbers after the goldfields have been worked out, though we do not anticipate that state of things. If we are going to ameliorate the condition of the miner, by all means do it; but the miner has been pampered up, and helped forward in every way, and has not much ground of complaint in this colony. If the Government had gone to a still greater expense in building tanks on the fields for storing water, and if the fields, after that, had not turned out as well as they have done, we should have condemned them for wasting the public money. I think they have done the best they could in the interest of the whole country; but, at the same time, they are not free from blame for not having done more in that direction. I agree with the hon. member for West Perth in regard to the charge for passengers, and I hope the Government will see their way to reduce the charge for passenger traffic. I can

support that part of the motion; and if another motion be brought up with that specific object, I will support it. There is a considerable return traffic in passengers from the fields, and the rates for passengers should be as low as possible. I hope the Government will consider that.

THE COMMISSIONER OF RAILWAYS (Hon. H. W. Venn): From what has been said to-night, some hon. members might think I was in conflict with the Premier in regard to the construction of the Southern Cross Railway. One hon. member (Mr. Simpson) has said that if I held those views I should have resigned my seat in the Government. If the hon. member will refer to the time when the railway was proposed to be constructed, he will find that the position and prospects of the Yilgarn goldfield quite justified the action which the Government took at that time; and I quite approved of it. But what I meant to say was that if Yilgarn made no further progress than we now see, then the railway, costing something over £400,000, would be a "white elephant," and that if it had not been for the population at Coolgardie, the small population at Southern Cross could not have made the railway payable.

MR. COOK WORTHY: I have listened to the debate with a good deal of interest, but I cannot support the motion. With regard to a differential rate, no doubt it is not altogether what we should like; but circumstances alter cases. On this Southern Cross line there is no return traffic in goods, and yet the trucks must be hauled both ways; but on an agricultural railway, if goods are hauled into the district, there is produce to haul back. [MR. R. F. SHOLL: Even if it's only a spring chicken.] Yes; if it is only a spring chicken. Take any agricultural railway you can mention, there is a certain amount of return traffic, because the people who require the stores have to pay for them in some shape, and they must send some produce to market. With regard to the goldfields, the mining population pay for their stores with the gold got out of the earth, and not a large number of trucks will be required to carry back the gold; yet those trucks, which go up laden with stores and machinery, have to be hauled

back all the same, and the cost of haulage both ways has to be paid for. As the hon. member for the Gascoyne has said, the whole question is sentimental, and the bottom would be knocked out if the Government would assimilate the passenger rates to those on other railways, because the goods and passenger traffic are not on the same basis. Nearly as many people as go up the line come down again, and I hope and believe the Government will be inclined to consider the passenger rates. I am sure the inhabitants of Southern Cross and Coolgardie will not suppose there is any opposition or any dislike to the miners on the part of other people in the colony, for we look on the miners as men who will develop the country, and who will take the food products which the farmers have to sell, when we get settlers on the land to grow what the population requires. [MR. MORAN: You have no land to grow it, at present.] I beg your pardon. There is plenty of land to grow it. I hope the Government will reconsider the rates for passengers.

MR. SOLOMON: The motion before the House is rather premature. Taking into account the large amount of public money that has been spent in providing water for the goldfields, and in many other ways for their development, what was the result when the holidays arrived? The diggers left the colony in large numbers, and took away what gold they had, to spend in other colonies, without paying one sixpence to the State. Such incidents in gold-mining and settlement should not be forgotten, and I, for one, shall not support the motion, especially at the present time. With regard to differential rates, possibly they are a mistake; but in this case I think the Government have acted justly. Considering the low charges on this goldfield railway, I think the Government have been justified in what they have done, and I shall support them in this matter.

MR. RANDELL: The hon. member for York has raised a large question, and we have had a most interesting and comprehensive debate. The question that has been raised, and the arguments used, will afford food for reflection hereafter. Differential rates have been in operation on the railways of the colony for some time. From Fremantle to Guildford, for

instance, there is a lower rate for cars per mile than there is from Fremantle to York. If, on points of this kind, the tariff is open to objection, the railway managers must expect that it will be objected to; and in reference to the Yilgarn traffic, there are circumstances which I think justify the action which the Government have taken. They appear to me to have adopted the wisest course, under the circumstances; and if it is found hereafter, when the goldfields have developed and the traffic average has been well ascertained, that some relief can be made in the rates between Northam and Southern Cross, I think we may reasonably expect that a reduction will be made by the Railway Department. At present we are dealing with an unknown quantity. We do not know what the expense of working the Yilgarn railway will be, and we do not know very clearly what will be the earnings; but we are perfectly sure it will be more expensive to work the traffic between Northam and Southern Cross than on any other railway in the colony, because the Government have to provide water. I think that, while every encouragement should be given to the gold-mining industry, yet it is, from its nature, one of those enterprises that will certainly bear a fair charge for any expense which the country has been put to in making necessary provision for it. The country has been put to a very large expense in providing the means of transit to those goldfields, and we intend to spend a great deal more for developing them; therefore, I feel certain that the charge which is proposed for carrying goods between Northam and Southern Cross is so small an amount as can hardly affect the mining industry. Indeed, I do not believe it will affect the development of the goldfields one iota. I think there is more sentiment entering into the question than anything else. Many incidental questions have been raised in this debate. As to the tariff on the Government railways generally, my opinion is that our railways should be conducted on commercial principles. I say, as far as possible, encourage industries. If the Commissioner could see his way to simplify the traffic rates, by reducing the number of headings under which charges are made, he would do a great service to the country generally. I

believe the tariff is too complicated, and that many of the railway servants are unable to interpret the charges correctly, so that mistakes occur often, and the charges are sometimes too large or too small; other persons have experienced the same sort of trouble, because the tariff of charges is so complicated that it is almost impossible for the railway servants to understand them. For the Yilgarn railway I think the general tariff is peculiarly inapplicable, and I do trust it will be taken into consideration that a simple tariff of rates should prevail between Northam and Southern Cross. For instance, it would be highly objectionable if the same charge for "smalls" were made on this line as on other railways in the colony. These charges for "smalls" are very annoying, and it would be well for the Commissioner to direct his attention to these vexatious rates. On the whole, the arguments are in favour of the rates which the Government propose to levy between Northam and Southern Cross; and I think we may reasonably ask those who are reaping so large an advantage from the use of this railway that they should contribute towards the expense. I believe our railways should be worked with a view to covering the expense of working and securing some return for the outlay which has been made. I do not agree with the remark that we should not concern ourselves about a sinking fund for repaying the amount of capital borrowed. That is a principle which, if adopted here, would be likely to prove most disastrous. We have always to anticipate the future; and, unless we make proper provision while there is time, we may find ourselves landed in disaster at some future period. We should be prepared for such adverse circumstances, if they do arise; and one way of preparing is by taking a fair, and reasonable, and comprehensive view of the traffic on the railways, and dealing with it liberally, but so as to secure the country from loss, if it is possible to do so.

MR. MONGER: When I gave notice of my intention to introduce this motion, I felt quite certain I should receive the unanimous support, not only of the Commissioner of Railways and of the Government, but of the whole House. Nothing has more surprised me than some of the arguments used both by gentlemen on the

other (the Government) side of the House and those on this side. Most hon. members agree in saying that a portion of the motion is in their own personal interest. Most of them agree that perhaps they, or their friends, may, in the future, have to travel over the Yilgarn railway, and on that account they are of opinion that the rates for passengers should be reduced. The gentlemen on the other side say this movement must have emanated from some persons who are interested as traders, whether as storekeepers or merchants. I do not know whether those remarks were supposed to be applicable to me or not. I happen to stand in that unpleasant position, being a trader; and if any hon. member on either side thinks I brought this question forward from personal motives, he makes a great mistake.

THE PREMIER (Hon. Sir J. Forrest): No, no.

MR. MONGER: I am glad to hear the hon. gentleman, who was so strong on that point, say "No" now. One other hon. member (Mr. A. Forrest), who holds a high position in the city of Perth, was good enough to term this motion an impudent one. I do not think the hon. member was quite in earnest when he used that expression, for I do not think he would seriously accuse me of ever bringing forward an impudent question in this House. He must have been labouring under the influence of that great excitement which has made us all so jovial to-day—the fact that there are supposed to be some very large discoveries at Coolgardie. I do not think he would, in his cooler and milder moments, have said that any member on this side of the House would ever bring forward an impudent motion. I listened with considerable pleasure to the arguments used by the hon. the Minister who has been so often described as being next to the Premier in this colony; and really I think we might have reasonably expected some further statement from him than that it was the intention of the Government to work the railways in future on a commercial basis. I am sorry to say they have found it was in their interest to do so in the past. This can hardly be the first attempt they have made, and I can say, from my slight knowledge of the figures and the charges, that if they go on working the Yilgarn

Railway upon purely commercial principles, they will make it one of the most profitable lines in the whole of Australia—in fact, in the whole world. And that is what we are told is managing a railway on purely commercial principles—to make as much money out of it as you possibly can. That is the commercial principle I try to carry out myself; but I am sorry to find it is at last becoming the duty of any Government to attempt to do the same. While we admit that we all desire to make as much out of our friends as we can, we deprecate as far as possible any such attempt on the part of any Government. In making this difference in railway charges between one section of the country and another, the Government have raised the one question that will give them, if they don't fall in with the views I now hold, more trouble in the future than anything they may ever be called to legislate upon. One hon. member who occupies a very important seat on the other side, who supports everything the Government propose, who represents what was termed, the other evening, the "mangel-wurzel line," was good enough to say he had no intention of supporting this motion. I will challenge the Commissioner of Railways to produce figures showing the railway traffic, and it will be seen that those persons using the Yilgarn Railway make a far greater return to the revenue than the "mangel-wurzel line" will ever return. I was also surprised to find that a gentleman (Mr. Piesse) who represents a very important section of people residing along the Great Southern Railway, should also express the slightest opposition to this motion. I have tried to analyse the hon. member's arguments, for I remembered that he, with others, supported a motion which was brought forward in this House during last session, affirming the advisableness of assimilating the railway rates on private railways with those on the Government railways; and the inconsistency of the hon. member now is what I cannot get over. The Commissioner of Railways also assented to that motion being carried, and so did the other Ministers; and when I brought forward arguments showing that the Great Southern Railway Company charged excessive rates as compared with those charged on the Government railways, the Commissioner

of Railways admitted that it was so, and in the course of his reply said that if that company did not make an alteration in their rates, the only way to deal with them would be to refer the matter to arbitration, but he added that he rather thought the force of circumstances would show to that Company the proper course to pursue. Yet, after having made those remarks, the Commissioner now says that in the interest of the colony it is necessary to work the railways on commercial principles. And the Government are going to do that on the Yilgarn Railway, for the first time in the colony, by charging a double rate. But when the Commissioner spoke on the 3rd of August in last year, upon the railway rates, he must have lost a portion of that good sense which I for one have given him the credit of possessing. I now draw the attention of hon. members to the Commissioner's speech of last year. The Commissioner must have forgotten it, or has not taken the trouble to refer to it; and I am sorry for him that he has not done so, for when we look in the future to the records in *Hansard*, and compare his speech of last August with his statements made this evening, we must come to the conclusion that the hon. gentleman does, on some occasions, forget what he has previously said in this House. I wish to see a larger number of hon. members present, so that we may have recorded one division in the first fortnight of the session. I wish to see those hon. members who were so earnest, as candidates for election, in advocating the reduction of charge for the miner's right, and those who advocated a reduction of the duty on tinned beef, and those who denounced the iniquitous stock tax, to be present, and give their votes this evening in the same way that they would if addressing those same election mobs in other portions of the colony. I challenge some of them, from their statements this evening, to get up before their respective audiences in the electorates, and explain away the statements they have made here in this debate. I hope, however, when it comes to the test of a division, those gentlemen will put away all personal interest; that they will not consider the motives which the storekeepers and traders have had in bringing forward such an important question for the consideration of hon.

members, but consider they are standing before that tribunal which sent them into this House, and that they will vote for and support what they consider not only in their own interest, but in the best interest of the constituencies they represent, and at the same time in the interest of the whole of Western Australia. I will ask the Commissioner of Railways and the Government—supposing they may be fortunate enough to defeat this motion—to consider all that has been said against these excessive rates, to consider what was stated by the recent deputation from Southern Cross; and I will ask the Commissioner, as a still greater favour, to reconsider the expressions which he was good enough to make use of on the occasion of the debate which took place in this House, on railway rates, twelve months ago.

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

Ayes	7
Noes	18

Majority against ... 11

AYES.
Mr. Illingworth
Mr. Keep
Mr. Moran
Mr. R. F. Sholl
Mr. Simpson
Mr. Throssell
Mr. Monger (Teller).

NOES.
Mr. Burt
Mr. Cookworthy
Sir John Forrest
Mr. Hassell
Mr. James
Mr. Leake
Mr. Lefroy
Mr. Loton
Mr. Paterson
Mr. Phillips
Mr. Piesse
Mr. Randall
Mr. H. W. Sholl
Mr. Solomon
Mr. Traylen
Mr. Venn
Mr. Wood
Mr. A. Forrest (Teller).

Question put and negatived.

FRIENDLY SOCIETIES BILL.

SECOND READING.

THE ATTORNEY GENERAL (Hon. S. Burt), in moving the second reading, said: This subject is one that for some time past has been engaging the attention of the Government, because it appeared that the present law, the old Ordinance of 1858, is at present utterly inadequate in its procedure to govern the present status of the modern friendly societies; and since the introduction of Responsible Government, and the influx of population into this colony, very many persons who had felt the benefits of these societies

in other places have looked in vain amongst our statutes for that procedure which was necessary, not only to govern them, but to protect them. It has been seen by the Government that, amongst other wants, we have no official, such as the registrar of friendly societies, who acts in these matters in almost every other possession of Great Britain. The old system, under the Act of 1858, and I think also from the earliest time, has been, in a large degree, unworkable. No one knows that better than myself and the hon. member of this House (Mr. Leake) who, for many years, filled the position of Crown Solicitor. No one has felt this difficulty more than we have in connection with the revising of friendly societies' by-laws under that old Ordinance; therefore it was felt to be absolutely necessary that this subject should be dealt with at as early a date as possible. It will be found that the measures of this sort, not only in England but in all the other colonies, are based very much on the same principle; and for the purpose of this Bill we have made ourselves acquainted with the latest legislation everywhere, and also made ourselves acquainted with points that perhaps are not to be found in any statute at present, but which have been set forward and advocated by registrars of friendly societies both in Victoria and New Zealand. This afternoon I had the pleasure of receiving a deputation of gentlemen connected with these societies at Fremantle, who brought before me some points with which the Bill did not deal, and who generally expressed their concurrence in and satisfaction with the Bill, so far as it goes. They also noticed that points which had been advocated in other colonies, but not included in any statute, have been dealt with in this Bill; and I may say this results from our having read reports made by registrars in every place where friendly societies are numerous. In this colony, I am glad to say, the people are very active in initiating and supporting societies of this nature, which we can only commend and endeavour to support. Every one knows the benefits to be derived from associations of this sort; and I think the least which the societies can ask is to be protected under a statute such as this, and that the privileges which have been secured to them in other places shall also

be secured to them here. It will have been noticed that lately many British friendly societies have been established in our midst. One of the latest importations I have noticed is that of a body calling themselves the "Bounding Buffaloes," or some name of that sort, and no doubt they are a most worthy association. We propose, in the Bill, to appoint a registrar for these societies, whose duty it will be, as detailed in sections 5 and 6, amongst other things to prepare model forms of account and balance-sheets; to circulate information relating to statistics of life and sickness, for guidance in these and other matters; also to construct and publish tables for the payment of sums of money on death, in sickness, and so on, for the information of persons who may wish to enter these societies, and for the guidance of those who work them, showing the contributions that are necessary to secure the particular benefits. It appears to me, for all we can tell—there having been no inspection and virtually no control of these societies by an official appointed for that purpose—that possibly there may be some such societies on the high road to bankruptcy, because I notice that, according to tables provided by actuaries, their contributions may be on such a scale as must result in bankruptcy. Such instances have occurred over and over again in other places, until the method of working was set right by the registrar, whose duty it is to examine the tables of contribution and of benefit payments, and to point out to the societies wherein they may or may not have been going wrong. Section 7 of the Bill shows the objects for which societies may be registered under these provisions, and there is nothing particularly new in the objects here set forth, except in sub-section (6), which provides for the purchasing of land and erection of buildings with the societies' funds, in order to provide homes for aged or distressed members. Beyond the objects specified in clause 7, societies may also be established for such purposes as the Attorney General may certify to be legal purposes. We provide, in the sections which follow, for the registration of societies, and again for the cancellation or suspension of such registration, whether at the request of such societies or for

reasons which to the registrar may appear fit, after inquiry. Another part of the Bill deals with the question of rules, specifying what the rules are to provide for. Then we deal with the duties and obligations of the societies, the providing of a registered office, the appointment of trustees; also the auditing of accounts, which shall be done annually either by one of the public auditors to be appointed by the Governor-in-Council, or by two or more persons appointed as the rules of the society provide. One duty and obligation will be for the society to render an annual statement of the receipts and expenditure of the funds and effects of the society as audited, which shall show separately the expenditure in respect of the several objects of the society for the year last past, in order that the society's operations may be checked by the registrar, and that any defects apparent to him may be pointed out and remedied. This part of the Bill also deals with valuations, and provides that once at least in every five years a statement of the valuation of assets and liabilities of the society shall be made by a valuer appointed by the society, and be sent to the registrar, who is to have full power to inspect the books, and to cause such returns to be furnished to him as he may think necessary. Then we deal with the privileges of the society, which are set forth in a separate portion of the Bill. There are useful provisions also with respect to the investment of funds set forth in clause 15; and in this part of the Bill is a new provision, which has been recommended by the Registrar of Societies in Victoria, to this effect, that the trustees of any branch of a society, if authorised by resolution duly passed, in lieu of themselves investing the funds of such branch, may deposit the same with the trustees of the society, and such trustees may invest the same in the manner prescribed. This provision is intended to assist the trustees of branches which may be located beyond the more settled portions of the colony, where investments of the nature contemplated by the Bill are not so easily obtained. They also are given power to lease lands belonging to the society, for a term not exceeding 21 years. There are also many provisions with regard to legal proceedings, though I hope, for my part, the societies will find more oppor-

tunity for taking proceedings against others than for having proceedings taken against them. In clause 20 we provide for the inspection of the affairs of a society, on the application of one-fifth of the whole number of a registered society, or of 100 members in case of a society of 1,000 members and not exceeding 10,000, or of 500 members in the case of a society of more than 10,000 members—these figures may at present seem rather high, but we hope the societies will grow—but in these cases the registrar is empowered to appoint one or more inspectors to examine into the affairs of the society, and to order the production of all books and documents of the society for that purpose. In this way a check can be kept on societies, in cases where they are going wrong in their proceedings. Other provisions deal with special resolutions of societies, describing what they may be passed for. A special resolution may be passed by a majority of not less than three-fourths of the members present at a general meeting. There is here a new provision enabling a society to determine its organisation, and to convert itself into a company, under any Act relating to the incorporation of companies. Then follow provisions regarding the dissolution of a society, which may be accomplished in three ways. A society may terminate or dissolve upon the happening of any event declared by the rules to be the termination of the society; or by the consent of five-sixths in value of all members signing an instrument of dissolution, which instrument shall contain the exact terms upon which the dissolution is to take place, as to the provision for meeting all liabilities, and for the division of any property in which the members may be entitled to share; or, thirdly, the dissolution may be by award of the registrar, and in regard to that event it is provided that this power may be exercised on the application of one-fifth of the whole number of members, or of 100 members in the case of a society numbering 1,000 and not exceeding 10,000, or of 500 in the case of a society of more than 10,000. Upon that power the registrar is enabled to award whether or not a dissolution shall take place. The next portion deals with societies registering as branches, by providing that societies may also convert themselves into branches of

another society, if dissatisfied with their existing position, so that a society may become a branch of some kindred society. There are the usual provisions limiting the benefits to be acquired by members, and limiting the payment and allowance in case of death, particularly as to the death of children. These clauses provide in all respects against fraud. The 39th clause deals with the public auditors, by providing that the Governor in Council may appoint or remove public auditors and valuers for the purposes of this Act, and may determine, by notice in the *Gazette*, the rate of remuneration to be paid for such services; but the employment of such auditors and valuers shall not be compulsory on any society. The societies may employ their own auditors, or may engage the public auditors and valuers. There is also provision made for a public audit and inspection, on the requisition of a certain proportion of the members of any society. These provisions are, generally, the provisions that have met with approval elsewhere; and I think it will be found that they largely bring the subject up to date; that is to say, we have endeavoured to incorporate such of the suggestions of registrars in other places—the men who are there administering Acts of this nature—so far as we think they will be of service to this community, and be beneficial in the administration of the particular law. From the evidence I had before me to-day, through the very clear-headed and intelligent deputation, who expressed their satisfaction with the Bill, and with the small amendments it may be my duty to move, in response to the suggestions made this afternoon, I hope the law may be placed on a permanent and lasting basis.

MR. SOLOMON: I have much pleasure in rising to support the second reading. I am sure all the friendly societies, and at any rate those in Fremantle and Perth, will be satisfied with the clauses and with the manner in which the subject generally has been dealt with. In fact, I am requested by the Fremantle societies to congratulate the Government on the Bill as it stands; and, with the exception of a few minor suggestions, which the Attorney General has been good enough to accept this afternoon from the deputation which I had the honour of introducing, and which refer principally to registration

and a certain fee, and also to the appointment of a board instead of trustees—with these amendments the Bill will be entirely satisfactory. Trustees, I believe, have given much trouble to societies; and it is the wish of the societies generally to have the trusteeship vested more in a board, which shall be perpetual, in order to do away with the constant friction there is when anything happens to a trustee. With these exceptions, the Bill is looked upon as admirable, and far superior, in many respects, to some Acts existing in other colonies. The Attorney General having accepted the suggested amendments in such a good spirit, it only remains for me to thank him and the Government for having introduced this Bill.

MR. LEAKE: It is gratifying to think that an intricate subject, such as this, has been dealt with in this Bill in such a comprehensive manner. The learned Attorney General has told us that many difficulties are removed by the provisions of this Bill; and I certainly can bear him out when he says that, with regard to the revision of the rules of friendly societies under the existing law in this colony, many difficulties and complications used to arise. In the course of my official experience, many of those rules have been sent to me to peruse, and there is no document I care less about perusing than those out of which so many questions arose under the old Friendly Societies Act. It has been thought better, in preparing this Bill, to have an officer appointed who shall examine into these matters, and be held responsible for the working of the societies. Hon. members may not have noticed that the Bill creates a fresh appointment; but I hope that, because there is a fresh appointment in the person of a registrar, that fact will not influence hon. members against the appointment of such an officer. His duties under the Bill will be no sinecure, and any salary he is to be paid he will earn. In clause 8 there is one provision that strikes me as an extraordinary one, at present, and I would direct the Attorney General's attention to it. It seems to me that the clause contemplates two classes of society: one class whose objects are specified in clause 7, and then another class of society whose objects are to be defined or declared by the Attorney

General for the time being. He will notice these words at the end of clause 8:—"But a society shall not be registered for any purpose so certified, as well as any of the purposes in the last preceding section." Why such a society should not have the privileges contemplated by section 7, I do not quite see. There is not enough in the Bill to make one critical. I do not think there is enough for an antediluvian "Buffalo" to beat his head against. There is one provision which seems to me a great improvement on the old enactment, and that is providing for the settlement of disputes by competent persons—justices, and so forth—instead of that questionable mode of arbitration. I shall support the Bill, and I hope hon. members will be advised of the necessity for the measure. I can assure them it does remove what is almost a blot on our present statute-book, and puts into intelligible language the objects which the measure has in view.

Motion put and passed.

Bill read a second time.

ADJOURNMENT.

The House adjourned at 9:53 o'clock, p.m.
